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

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

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

The document has been sent to you in the belief that you are (a) a person in member states of the European Economic Area ("**EEA**") that is a "qualified investor" within the meaning of Article 2(e) of EU Regulation

2017/1129/EU ("**Qualified Investor**"), (b) in the United Kingdom ("**UK**"), a Qualified Investor of the kind described in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**") or who otherwise falls within an exemption set forth in such Order so that section 21(1) of the Financial Services and Markets Act 2000 (as amended and including the Financial Services Act 2012) does not apply to the Issuer and (c) a person to whom the document can be sent lawfully in accordance with all other applicable securities laws. If this is not the case then you must not access the document and you must delete this document immediately.

The document has been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of Vendome Funding CLO 2020-1 DAC, J.P. Morgan Securities plc, CBAM CLO Management Europe, LLC, U.S. Bank Trustees Limited, Elavon Financial Services DAC or U.S. Bank Global Corporate Trust Limited (nor any person who controls any of them or any director, officer, employee or agent of any of them, or any affiliate of any such person) accepts any liability or responsibility whatsoever in respect of any difference between the document distributed to you in electronic format and the hard copy version available to you on request from us.

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Vendome Funding CLO 2020-1 DAC
(a designated activity company limited by shares duly incorporated under the laws of Ireland, with registered number 655722 and having its registered office in Ireland)

€210,000,000 Class A Senior Secured Floating Rate Notes due 2031
€23,400,000 Class B-1 Senior Secured Floating Rate Notes due 2031
€12,000,000 Class B-2 Senior Secured Fixed Rate Notes due 2031
€35,500,000 Class C Deferrable Mezzanine Floating Rate Notes due 2031
€17,300,000 Class D Deferrable Mezzanine Floating Rate Notes due 2031
€12,400,000 Class E Deferrable Junior Floating Rate Notes due 2031
€37,200,000 Subordinated Notes due 2031

The assets securing the Notes will consist predominantly of a portfolio of Secured Senior Loans and Secured Senior Bonds, Mezzanine Obligations, Corporate Rescue Loans and High Yield Bonds managed by CBAM CLO Management Europe, LLC (the "**Collateral Manager**").

Vendome Funding CLO 2020-1 DAC (the "**Issuer**") will issue the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Subordinated Notes (each as defined herein).

The Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C Notes, the Class D Notes and the Class E Notes (such Classes of Notes, the "**Rated Notes**") together with the Subordinated Notes are collectively referred to herein as the "**Notes**". The Notes will be issued and secured pursuant to (i) a trust deed as amended, supplemented and/or restated from time to time (the "**Trust Deed**") dated on or about 7 July 2020 (the "**Issue Date**"), made between (amongst others) the Issuer and U.S. Bank Trustees Limited, in its capacity as trustee (the "**Trustee**") and (ii) an Irish security agreement (the "**Irish Security Agreement**") dated on or about the Issue Date made between (amongst others) the Issuer and the Trustee. The Notes will initially be offered at the prices specified herein or such other prices as may be negotiated at the time of sale.

Interest on the Notes will be payable quarterly in arrear on 20 January, 20 April, 20 July and 20 October prior to the occurrence of a Frequency Switch Event (as defined herein) and semi-annually in arrear on 20 January and 20 July (where the Payment Date (as defined herein) immediately following the occurrence of a Frequency Switch Event falls in either January or July) or on 20 April and 20 October (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either April and October) following the occurrence of a Frequency Switch Event (or, in each case, if such day is not a Business Day (as defined herein), then on the next succeeding Business Day (unless it would fall in the following month, in which case it shall be moved to the immediately preceding Business Day)) in each year, commencing on 20 October 2020 and ending on the Maturity Date (as defined below) in accordance with the Priorities of Payments described herein.

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

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

The Offering Circular does not constitute a prospectus for the purposes of Article 6 of Regulation 2017/1129/EU (as such regulation may be amended or superseded from time to time, the "**Prospectus Regulation**"). The Issuer is not offering the Notes in any jurisdiction in circumstances that would require a prospectus to be prepared pursuant to the Prospectus Regulation. Application has been made to The Irish Stock Exchange plc trading as Euronext Dublin (the "**Euronext Dublin**") for the Notes to be admitted to the official list (the "**Official List**") and trading on the Global Exchange Market of Euronext Dublin (the "**Global Exchange Market**") which is the exchange regulated market of Euronext Dublin. The Global Exchange Market is not a regulated market for the purposes of MiFID II. There can be no assurance that any such listing will be maintained. Application has been made to Euronext Dublin to approve this Offering Circular as listing particulars.

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

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") AND WILL BE OFFERED ONLY: (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**")); AND (B) WITHIN THE UNITED STATES TO PERSONS AND OUTSIDE THE UNITED STATES TO U.S. PERSONS (AS SUCH TERM IS DEFINED IN REGULATION S ("**U.S. PERSONS**")), IN EACH CASE, WHO ARE BOTH QUALIFIED INSTITUTIONAL BUYERS (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT AND QUALIFIED PURCHASERS AS DEFINED IN SECTION 2(a)(51) OF THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE ISSUER WILL NOT BE REGISTERED UNDER THE INVESTMENT COMPANY ACT. INTERESTS IN THE NOTES WILL BE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER, AND EACH PURCHASER OF NOTES OFFERED HEREBY IN MAKING ITS PURCHASE WILL BE REQUIRED TO OR DEEMED TO HAVE MADE CERTAIN ACKNOWLEDGEMENTS, REPRESENTATIONS AND AGREEMENTS. SEE "*PLAN OF DISTRIBUTION*" AND "*TRANSFER RESTRICTIONS*".

The Notes are being issued at a maximum issue price of 100 per cent. of the principal amount thereof. The Notes (other than any Notes being sold directly by the Issuer to CBAM CLO Management Europe, LLC (the "**Retention Holder**") and its Affiliates (as defined herein) (the "**J.P. Morgan Placed Notes**")) are being offered by the Issuer through J.P. Morgan Securities plc in its capacity as placement agent of the offering of such J.P. Morgan Placed 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. The Placement Agent may offer the J.P. Morgan Placed Notes and the Issuer may offer any other Notes sold to the Retention Holder or Affiliates of the Retention Holder, in each case, at prices as may be negotiated at the time of sale which may vary among different purchasers and be different to the issue price of the Notes.

J.P. Morgan
as Placement Agent

The date of this Offering Circular is 6 July 2020

*The Issuer accepts responsibility for the information contained in this Offering Circular 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 Offering Circular headed "Risk Factors – Certain Conflicts of Interest – Collateral Manager", "The Collateral Manager", "Description of the Collateral Management and Administration Agreement – Cross Transactions, Principal Transactions and Conflicts of Interest" and the fourth sentence of the second paragraph only of the section of this Offering Circular headed "Risk Factors– Risk Retention and Due Diligence Requirements - U.S. Risk Retention Rules" and, in each case, the subheadings thereunder. 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. U.S. Bank Global Corporate Trust Limited in its capacity as Collateral Administrator (the "**Collateral Administrator**") accepts responsibility for the information contained in the section of this Offering Circular headed "The Collateral Administrator" and the subheadings thereunder. To the best of the knowledge and belief of the Collateral Administrator (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Retention Holder accepts responsibility for the information contained in the sections of this Offering Circular headed "The Retention Holder and EU Retention and Transparency Requirements – Description of the Retention Holder", "The Retention Holder and EU Retention and Transparency Requirements – Origination of Collateral Obligations", "The Retention Holder and EU Retention and Transparency Requirements – The Retention – Background" and "The Retention Holder and EU Retention and Transparency Requirements – Retention Holder Credit Granting and Selection of Assets" and, in each case, the subheadings thereunder. 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 Offering Circular headed "Risk Factors – Certain Conflicts of Interest – Collateral Manager", "The Collateral Manager", "Description of the Collateral Management and Administration Agreement – Cross Transactions, Principal Transactions and Conflicts of Interest" and the fourth sentence of the second paragraph only of the section of this Offering Circular headed "Risk Factors– Risk Retention and Due Diligence Requirements - U.S. Risk Retention Rules" in the case of the Collateral Manager, "The Collateral Administrator" in the case of U.S. Bank Global Corporate Trust Limited and "The Retention Holder and EU Retention and Transparency Requirements – Description of the Retention Holder", "The Retention Holder and EU Retention and Transparency Requirements – Origination of Collateral Obligations", "The Retention Holder and EU Retention and Transparency Requirements – The Retention – Background" and "The Retention Holder and EU Retention and Transparency Requirements – Retention Holder Credit Granting and Selection of Assets" in the case of the Retention Holder, none of the Collateral Manager, the Collateral Administrator, the Agents (as defined herein) or the Retention Holder accept any responsibility for the accuracy and completeness of any information contained in this Offering Circular. The delivery of this Offering Circular at any time does not imply that the information herein is correct at any time subsequent to the date of this Offering Circular.*

*The Issuer has only made very limited enquiries with regards to the accuracy and completeness of the information under the sections entitled "Risk Factors – Certain Conflicts of Interest – Collateral Manager", "The Collateral Manager", "Description of the Collateral Management and Administration Agreement – Cross Transactions, Principal Transactions and Conflicts of Interest", "The Collateral Administrator", "The Retention Holder and EU Retention and Transparency Requirements – Description of the Retention Holder", "The Retention Holder and EU Retention and Transparency Requirements – Origination of Collateral Obligations", "The Retention Holder and EU Retention and Transparency Requirements – The Retention – Background", "The Retention Holder and EU Retention and Transparency Requirements – Retention Holder Credit Granting and Selection of Assets" and the fourth sentence of the second paragraph only of the section of this Offering Circular headed "Risk Factors– Risk Retention and Due Diligence Requirements - U.S. Risk Retention Rules" in this Offering Circular (together, the "**Third Party Information**"). As far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Prospective investors in the Notes should not rely upon, and should make their own independent investigations and enquiries in respect of, the accuracy and completeness of the Third Party Information.*

None of the Placement Agent nor any of its Affiliates, the Trustee, the Collateral Manager (save in respect of the sections headed "Risk Factors – Certain Conflicts of Interest – Collateral Manager", "The Collateral Manager", "Description of the Collateral Management and Administration Agreement – Cross Transactions, Principal Transactions and Conflicts of Interest") and the fourth sentence of the second paragraph only of the section of this Offering Circular headed "Risk Factors– Risk Retention and Due Diligence Requirements - U.S. Risk Retention Rules", the Collateral Administrator (save in respect of the section headed "The Collateral

Administrator"), any Agent, any Hedge Counterparty, the Retention Holder (save in respect of the sections headed "The Retention Holder and EU Retention and Transparency Requirements – Description of the Retention Holder", "The Retention Holder and EU Retention and Transparency Requirements – Origination of Collateral Obligations", "The Retention Holder and EU Retention and Transparency Requirements – The Retention – Background" and "The Retention Holder and EU Retention and Transparency Requirements – Retention Holder Credit Granting and Selection of Assets") or any other party has separately verified the information contained in this Offering Circular and, accordingly, none of the Placement Agent nor any of their Affiliates, the Trustee, the Collateral Manager (save as specified above), any Agent (save as specified above), any Hedge Counterparty, the Retention Holder (save as specified above) or any other party (save for the Issuer as specified above) makes any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained in this Offering Circular or in any further notice or other document which may at any time be supplied in connection with the Notes or their distribution or accepts any responsibility or liability therefor. None of the Placement Agent (nor any of its Affiliates), the Trustee, the Collateral Manager, any Agent, any Hedge Counterparty, the Retention Holder or any other party undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of any of the aforementioned parties which is not included in this Offering Circular. None of the Placement Agent (nor any of its Affiliates), the Trustee, the Collateral Manager (save as specified above), any Agent (save as specified above), any Hedge Counterparty, the Retention Holder (save as specified above) or any other party (save for the Issuer as specified above) accepts any responsibility for the accuracy or completeness of any information contained in this Offering Circular.

*This Offering Circular does not constitute an offer of, or an invitation by or on behalf of, the Issuer, the Placement Agent or any of their Affiliates, the Collateral Manager, the Collateral Administrator or any other person to subscribe for or purchase any of the Notes. The distribution of this Offering Circular and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer and the Placement Agent to inform themselves about and to observe any such restrictions. In particular, the communication constituted by this Offering Circular is directed only at persons who are (a) persons in member states of the European Economic Area ("**EEA**") or in the UK that are "qualified investors" within the meaning of Article 2(e) of EU Regulation 2017/1129/EU ("**Qualified Investors**"), (b) in the United Kingdom ("**UK**"), are Qualified Investors of the kind described in Article 48(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, or who otherwise fall within an exemption set forth in such Order so that section 21(1) of the Financial Services and Markets Act 2000 (as amended and including the Financial Services Act 2012) does not apply to the Issuer, and (c) persons to whom such communications can be sent lawfully in accordance with all other applicable securities laws (all such persons together being referred to as "**relevant persons**"). This communication must not be distributed to, acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons. For a description of certain further restrictions on offers and sales of Notes and distribution of this Offering Circular, see "Plan of Distribution" and "Transfer Restrictions" below.*

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

None of the Collateral Manager, the Placement Agent, the Agents or the Trustee have separately verified the information contained herein. Accordingly, none of the Collateral Manager, the Placement Agent, the Agents or the Trustee makes any representation, express or implied, or accepts any responsibility with respect to the accuracy or completeness of any of the information in this Offering Circular or any document or agreement relating to the Notes or any Transaction Document. None of the Collateral Manager, the Placement Agent, the Agents or the Trustee shall be responsible for, any matter which is the subject of, any statement, representation, warranty or covenant of the Issuer contained in the Notes or any Transaction Documents, or any other agreement or document relating to the Notes or any Transaction Document, or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof. The contents of this Offering Circular should not be construed as providing legal, business, accounting or tax advice. Each prospective investor should consult its own legal, business, accounting and tax advisers prior to making a decision to invest in the Notes.

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

*Each of Fitch Ratings Limited ("**Fitch**"), Kroll Bond Rating Agency Europe Limited ("**KBRA**") and S&P Global Ratings Europe Limited ("**S&P**") is established in the EU and are registered under the Regulation (EC) No 1060/2009 (as amended) (the "**CRA Regulation**").*

In connection with the issue of the Notes, no stabilisation will take place and neither J.P. Morgan Securities plc nor any Affiliate thereof will be acting as stabilising manager in respect of the Notes.

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

The Issuer is not and will not be licensed or authorised by the Central Bank of Ireland as a result of issuing the Notes. Any investment in the Notes does not have the status of a bank deposit and is not within the scope of the deposit protection scheme operated by the Central Bank of Ireland.

EU RETENTION AND TRANSPARENCY REQUIREMENTS

In relation to the reporting obligations in the EU Transparency Requirements, (a) the Issuer will undertake to be designated as the entity responsible to fulfil such reporting obligations and to adhere to its obligations in respect thereof and (b) the Collateral Manager will undertake, subject to any confidentiality undertaking given by the Collateral Manager or to which the Collateral Manager is subject, to assist the Issuer in complying with its obligations under the EU Transparency Requirements, including by providing to the Collateral Administrator (or any applicable third party reporting entity) subject to any confidentiality undertaking given by the Collateral Manager or to which the Collateral Manager is subject, any reports, data and other information (i) which are in the possession of the Collateral Manager, (ii) which are not subject to legal or contractual restrictions on disclosure (unless the relevant information can be summarised or disclosed in an anonymised form, in accordance with such legal or contractual restrictions on disclosure), and (iii) to which the Collateral Administrator (or any applicable third party reporting entity) does not otherwise have access or which are not otherwise in the Collateral Administrator's possession, required for compliance by the Issuer with the EU Transparency Requirements. Prior to the adoption of final disclosure templates in respect of the EU Transparency Requirements, the Issuer intends to fulfil those requirements contained in subparagraphs (a) and (e) of Article 7(l) of the Securitisation Regulation through the Monthly Reports and the Payment Date Reports (as applicable), see "*Description of the Reports*" and as soon as reasonably practicable following the adoption of the final reporting templates pursuant to the EU Transparency Requirements, the Issuer and the Collateral Manager will propose in writing to the Collateral Administrator the form, content, timing and method of distribution of the additional reporting templates and information relating thereto. The Collateral Administrator shall consult with the Issuer and the Collateral Manager and, if it agrees to assist the Issuer with such reporting on such proposed terms, shall confirm in writing to the Issuer and the Collateral Manager. If the Collateral Administrator agrees (in its sole and absolute discretion) to assist the Issuer with such reporting, the Collateral Administrator shall make such information, including each Loan Report and each Investor Report, available via a secured website (available at https://pivot.usbank.com (or such other website as may be notified by the Collateral Administrator to the Issuer, the Trustee, the Collateral Manager, the Placement Agent and each Hedge Counterparty and as notified by the Issuer (with reasonable assistance, if the Issuer so requires, from the Collateral Manager) to each Rating Agency and the Noteholders from time to time)) (or by such other method of dissemination as is required or permitted by the Securitisation Regulation, the Irish STS Regulations or the relevant Competent Authority (as instructed by the Issuer (or the Collateral Manager on its behalf) and as agreed with the Collateral Administrator)) to any person who certifies to the Collateral Administrator (which certification may be given electronically and upon which certification the Collateral Administrator may rely absolutely) that it is (i) the Issuer, (ii) the Trustee, (iii) the Collateral Manager, (iv) the Placement Agent, (v) a Hedge Counterparty, (vi) a Rating Agency, (vii) a Noteholder, (viii) a Competent Authority, (ix) a potential investor in the Notes or (x) Intex. If the Collateral Administrator does not agree to assist the Issuer with such reporting, the Issuer and the Collateral Manager shall appoint another entity to make such information available.

For the avoidance of doubt, if the Collateral Administrator agrees to assist the Issuer with such information and reporting on behalf of the Issuer, the Collateral Administrator will not assume any statutory responsibility for the Issuer's obligations as the entity responsible for fulfilling the reporting obligations under the EU Transparency Requirements. In making available such information and reporting, the Collateral Administrator also assumes no responsibility or liability to any third party, including the Noteholders and any potential Noteholders (including for their use or onward disclosure of any such information or documentation), and shall have the benefit of the powers, protections and indemnities granted to it under the Transaction Documents.

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 and the transaction's structure are sufficient to comply with the EU Retention and Transparency Requirements or any similar retention requirements. Notwithstanding anything in this Offering Circular none of the Issuer, the Collateral Manager, any Collateral Manager Related Persons, the Placement Agent, the Retention Holder, the Corporate Services Provider, the Collateral Administrator or any other Agent, the Trustee, their respective Affiliates or any other Person makes any representation, warranty or guarantee that any such information or structure 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 structure or any failure of the transactions contemplated hereby to satisfy or otherwise comply with the requirements of the EU Retention and Transparency Requirements, the implementing provisions in respect of the EU Retention and Transparency Requirements in their relevant jurisdiction or any other applicable legal, regulatory, or other requirements. Furthermore, the Retention Holder does not have any obligation to change the quantum or nature of its holding of the Retention due to any future changes in the EU Retention Requirements or in the interpretation thereof. Each prospective investor in the Notes which is subject to the EU Retention and Transparency Requirements or any other regulatory requirement should consult with its own legal, accounting, regulatory and other advisors and/or its national regulator to determine whether, and to what extent, such information is sufficient for such purposes and any other requirements of the EU Retention and Transparency Requirements or similar requirements of which it is uncertain. See "*Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence Requirements*" and "*The Retention Holder and EU Retention and Transparency Requirements*" below.

U.S. RISK RETENTION RULES

Except with respect to asset-backed securities transactions that satisfy certain exceptions or that fall within the scope of the LSTA Decision, the U.S. Risk Retention Rules (as defined below) require the "sponsor" of a "securitization transaction", if any, to retain (either directly or through its "majority-owned affiliates") not less than 5% of the "credit risk" of "securitized assets" (as such terms are defined in the U.S. Risk Retention Rules). The U.S. Risk Retention Rules prohibit the "sponsor" or its "majority-owned affiliates", as applicable, from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the "credit risk" during the period of time that the U.S. Risk Retention Rules required that the risk be retained.

Based on the LSTA Decision, it should be assumed by each prospective investor that no party involved in the transaction will obtain on the Issue Date and retain any Notes intended to satisfy the U.S. Risk Retention Rules. None of the Placement Agent, the Trustee, the Corporate Services Provider, the Issuer, the Collateral Manager, the Retention Holder or any Agent or any of their respective affiliates or any other Person makes any representations, warranty or guarantee, and no such Person shall have any liability to any recipient of this Offering Circular or any other Person with respect to the sufficiency of information provided herein or actions described herein with respect to the U.S. Risk Retention Rules or any other applicable legal, regulatory or other requirements or whether such regulations are applicable to this transaction. Each prospective investor in the Notes, to the extent it considers the U.S. Risk Retention Rules to be relevant to its decision to invest, should independently assess and determine the sufficiency, for the purposes of complying with the U.S. Risk Retention Rules, of the information set forth in this Offering Circular, and should consult with its own legal, accounting and other advisers or its national regulator to determine whether, and to what extent, such information is sufficient for such purposes and with respect to any other related requirements of which it is uncertain. See "*Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence Requirements*" and "*Risk Factors – Regulatory Initiatives – U.S. Dodd-Frank Act*".

VOLCKER RULE

Section 619 of the U.S. Dodd-Frank Act and the corresponding implementing rules (the "**Volcker Rule**") prevents "banking entities" (a term which includes U.S. banking organisations and their affiliates wheresoever located as well as non-U.S. banking organisations that have a branch or agency office in the U.S., regardless of where such banking organisation or its 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. In addition, in certain circumstances, the Volcker Rule restricts relevant banking entities from entering into certain transactions with covered funds. Full conformance with the Volcker Rule was required from 21 July 2015.

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 1940 (the "**ICA**") 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.

The Class A Notes, Class B Notes, Class C Notes and Class D Notes are issued in subclasses, some of which have voting rights with respect to the removal of, and selection of a replacement for the Collateral Manager, and others of which do not possess such voting rights. Accordingly, U.S. and non U.S. banking entities investing in those classes of Notes will have the option of investing in subclasses that do not by their terms have a right to remove or select the replacement for the Collateral Manager or investing in subclasses which possess such rights. There can be no assurance, however, that owning the Notes of such a subclass without such voting rights (rather than a note of another subclass identical in every respect but for the right to vote to remove or select a replacement for the Collateral Manager) will be effective in resulting in such investments in the Issuer held by U.S. and non U.S.

banking entities subject to the Volcker Rule (whether in the form of CM Non-Voting Notes or CM Non-Voting Exchangeable Notes) not being characterised as "ownership interests" 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 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.

In 2018, the five federal agencies responsible for implementing the Volcker Rule approved for issuance a notice of proposed rulemaking which would amend certain aspects of the implementing regulations. As part of that notice, though, the agencies also requested public comment on the need for potential changes to virtually all aspects of the implementing regulations, including those aspects of the regulations relevant to securitizations and their treatment under the Volcker Rule's covered fund provisions. In 2019, these agencies adopted final regulations consistent with the amendments proposed in 2018. In addition, in early 2020, these agencies proposed additional amendments to the final regulations, including changes relevant to the treatment of securitisations (the "**Proposed Volcker Changes**"). In particular, these proposed amendments would narrow the definition of "ownership interest," ease certain aspects of the loan securitization exclusion, and create additional exclusions from the "covered fund" definition. It is unclear at this time which if any of the proposed amendments ultimately will be adopted, and whether any such changes will affect the ability of banking entities to acquire and retain any of the Notes or to exercise voting rights with respect to the selection or replacement of the Collateral Manager.

No assurance can be made as to the effect of the Volcker Rule or the Proposed Volcker Changes on the ability of certain investors subject thereto to acquire or retain an interest in the Notes. None of the Issuer, the Collateral Manager, the Placement Agent or any of their respective Affiliates makes any representation regarding (i) the status of the Issuer under the Volcker Rule or the Proposed Volcker Changes (including whether it is a "covered fund" for their purposes) or (ii) the ability of any investor to acquire or hold the Notes, now or at any time in the future. Each prospective investor in the Notes should independently consider the potential impact of the Volcker Rule and the Proposed Volcker Changes 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 under the Securities Act ("**Rule 144A**") (the "**Rule 144A Notes**") will be sold only to "qualified institutional buyers" (as defined in Rule 144A) ("**QIBs**") that are also "qualified purchasers" as defined in Section 2(a)(51) of the Investment Company Act ("**QPs**"). Rule 144A Notes of each Class (other than the Subordinated Notes) will each be represented on issue by beneficial interests in one or more permanent global certificates of such Class (each, a "**Rule 144A Global Certificate**" and together, the "**Rule 144A Global Certificates**") or in the case of the Subordinated Notes or in some other cases definitive certificates (each a "**Rule 144A Definitive Certificate**" and together the "**Rule 144A Definitive Certificates**"), in each case in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear Bank SA/NV, as operator of the Euroclear system ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**") or in the case of Rule 144A Definitive Certificates, the registered holder thereof. The Notes of each Class (other than the Subordinated Notes) sold outside the United States to non-U.S. Persons in reliance on Regulation S ("**Regulation S**") under the Securities Act (the "**Regulation S Notes**") will each be represented on issue by beneficial interests in one or more permanent global certificates of such Class (each, a "**Regulation S Global Certificate**" and together, the "**Regulation S Global Certificates**"), or in the case of the Subordinated Notes or in some other cases by definitive certificates of such Class (each a "**Regulation S Definitive Certificate**" and together, the "**Regulation S Definitive Certificates**") in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg or, in the case of Regulation S Definitive Certificates, the registered holder thereof. Neither U.S. Persons nor U.S. residents (as determined for the purposes of the Investment Company Act) ("**U.S. Residents**") may hold an interest in a Regulation S Global Certificate or a Regulation S Definitive Certificate. Ownership interests in the Regulation S Global Certificates and the Rule 144A Global Certificates (together, the "**Global Certificates**") will be shown on, and transfers thereof will only be effected through, records maintained by Euroclear and Clearstream, Luxembourg and their respective participants. Notes in definitive certificated form will be issued in respect of the Subordinated Notes or otherwise only in limited circumstances. In each case, purchasers and transferees of notes will be deemed, and in certain circumstances will be required, to have made certain representations and agreements. See "*Form of the Notes*", "*Book Entry Clearance Procedures*", "*Plan of Distribution*" and "*Transfer Restrictions*" below.

The Issuer has not been registered under the Investment Company Act in reliance on Section 3(c)(7) of 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 and will also be deemed to have made the representations set out in "*Transfer Restrictions*" herein. The purchaser of any Note, by such purchase, agrees that such Note is being acquired for its own account and not with a view to distribution and may be resold, pledged or otherwise transferred only (1) to the Issuer (upon redemption thereof or otherwise), (2) to a person the purchaser reasonably believes is a QIB which is also a QP, in a transaction meeting the requirements of Rule 144A, or (3) outside the United States to a non-U.S. Person in an offshore transaction in reliance on Regulation S, in each case, in compliance with the Trust Deed and all applicable securities laws of any state of the United States or any other jurisdiction. See "*Transfer Restrictions*".

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

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

This Offering Circular has been prepared by the Issuer solely for use in connection with the offering of the Notes described herein (the "**Offering"**) and for the listing of the Notes of each Class on the Official List of Euronext Dublin. Each of the Issuer and the Placement Agent (or its affiliates) reserves the right to reject any offer to purchase Notes in whole or in part for any reason, or to sell less than the stated initial principal amount of any Class of Notes offered hereby. This Offering Circular is personal to each offeree to whom it has been delivered by the Issuer and 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 Offering Circular to any persons other than the offeree and those persons, if any, retained to advise such offeree with respect thereto is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited. Any reproduction or distribution of this Offering Circular in whole or in part and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the securities offered herein is prohibited.

Available Information

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

General Notice

EACH PURCHASER OF THE NOTES MUST COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN FORCE IN EACH JURISDICTION IN WHICH IT PURCHASES, OFFERS OR SELLS SUCH NOTES OR POSSESSES OR DISTRIBUTES THIS OFFERING CIRCULAR AND MUST OBTAIN ANY CONSENT, APPROVAL OR PERMISSION REQUIRED FOR THE PURCHASE, OFFER OR SALE BY IT OF SUCH NOTES UNDER THE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTIONS TO WHICH IT IS SUBJECT OR IN WHICH IT MAKES SUCH PURCHASES, OFFERS OR SALES, AND NONE OF THE ISSUER, THE PLACEMENT AGENT, THE COLLATERAL MANAGER, THE TRUSTEE (OR ANY

OF THEIR RESPECTIVE AFFILIATES) OR ANY AGENT SPECIFIED HEREIN SHALL HAVE ANY RESPONSIBILITY THEREFOR.

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

THE ISSUER IS A DESIGNATED ACTIVITY COMPANY LIMITED BY SHARES DULY INCORPORATED UNDER THE LAWS OF IRELAND AND, ACCORDINGLY, IS PROHIBITED FROM MAKING ANY INVITATION TO THE PUBLIC TO SUBSCRIBE FOR, OR MAKING ANY OFFER TO THE PUBLIC OF, THE NOTES. NEITHER THIS OFFERING CIRCULAR NOR ANY OTHER DOCUMENT CONSTITUTES AN OFFER TO PURCHASE, OR AN INVITATION TO THE PUBLIC BY OR ON BEHALF OF THE ISSUER TO SUBSCRIBE FOR, THE NOTES.

Commodity Pool Regulation

IF TRADING OR ENTERING INTO HEDGE AGREEMENTS WOULD RESULT IN THE ISSUER'S ACTIVITIES FALLING WITHIN THE DEFINITION OF A "COMMODITY POOL" UNDER THE COMMODITY EXCHANGE ACT, THE COLLATERAL MANAGER WOULD EXPECT TO BE EXEMPT FROM REGISTRATION WITH THE COMMODITY FUTURES TRADING COMMISSION (THE "**CFTC**") AS A COMMODITY POOL OPERATOR (A "**CPO**") PURSUANT TO CFTC RULE 4.13(a)(3). THEREFORE, UNLIKE A REGISTERED CPO, THE 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.

U.S. TAX

NOTWITHSTANDING ANYTHING IN THIS OFFERING CIRCULAR TO THE CONTRARY, EACH PROSPECTIVE INVESTOR (AND EACH EMPLOYEE, REPRESENTATIVE OR OTHER AGENT OF EACH PROSPECTIVE INVESTOR) MAY DISCLOSE TO ANY AND ALL PERSONS, WITHOUT LIMITATION OF ANY KIND, THE U.S. FEDERAL, STATE, AND LOCAL TAX TREATMENT OF THE ISSUER, THE NOTES, AND THE TRANSACTIONS DESCRIBED IN THIS OFFERING CIRCULAR AND ALL MATERIALS OF ANY KIND (INCLUDING OPINIONS OR OTHER U.S. TAX ANALYSES) RELATING TO SUCH U.S. FEDERAL, STATE, AND LOCAL TAX TREATMENT AND THAT MAY BE RELEVANT TO UNDERSTANDING SUCH U.S. FEDERAL, STATE, AND LOCAL TAX TREATMENT.

MIFID II Product Governance

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, "**MiFID II**"); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturer target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturer target market assessment) and determining appropriate distribution channels.

PRIIPs Regulation

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**") or in the United Kingdom ("**UK**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive 2016/97/EU (as amended or superseded, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in Regulation 2017/1129/EU (as may be amended or superseded from time to time, the "**Prospectus Regulation**"). Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the

"**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPS Regulation.

Prospectus Regulation

This Offering Circular has been prepared on the basis that any offer of Notes in any member state of the EEA or in the UK (each, a "**Relevant State**") will be made pursuant to an exemption under the Prospectus Regulation from the requirement to publish a prospectus for offers of Notes. Accordingly any person making or intending to make an offer in that Relevant State of Notes that are the subject of an offering contemplated in this Offering Circular may only do so in circumstances in which no obligation arises for the Issuer or the Placement Agent to publish a prospectus pursuant to Article 3 of the Prospectus Regulation in relation to such offer. None of the Issuer nor the Placement Agent or any of its Affiliates has authorised, nor does either of them authorise, the making of any offer of Notes in circumstances in which an obligation arises for the Issuer or the Placement Agent or any of its Affiliates to publish or supplement a prospectus for such offer.

Benchmarks Regulation

Amounts payable on the Notes are calculated by reference to EURIBOR. As at the date of this Offering Circular, the administrator of EURIBOR is included in the register of administrators of the European Securities and Markets Authority ("**ESMA**") under Article 36 of the Regulation (EU) No. 2016/1011 (the "**Benchmarks Regulation**").

APPLICABILITY OF EU LAW IN THE UK

THE UK WITHDREW FROM AND CEASED TO BE A MEMBER STATE OF THE EU AT 11:00 P.M. GMT ON 31 JANUARY 2020. THE NEGOTIATED WITHDRAWAL AGREEMENT ENTERED INTO BETWEEN THE UK AND THE EU PROVIDES FOR A TRANSITION PERIOD, COMMENCING ON 31 JANUARY 2020 AND ENDING AT 11.00 P.M. GMT ON 31 DECEMBER 2020, UNLESS EXTENDED BY A SINGLE DECISION FOR UP TO ONE OR TWO YEARS (SUCH PERIOD, THE "**TRANSITION PERIOD**"). UNLESS OTHERWISE PROVIDED IN THE NEGOTIATED WITHDRAWAL AGREEMENT, EU LAW WILL BE APPLICABLE TO AND IN THE UK DURING THE TRANSITION PERIOD. ACCORDINGLY,

DURING THE TRANSITION PERIOD ANY REFERENCES IN THIS OFFERING CIRCULAR TO THE "EU" AND ITS "MEMBER STATES" IN THE CONTEXT OF EU LEGISLATION AND THE APPLICATION THEREOF SHALL BE INTERPRETED SO AS TO INCLUDE THE UK (EXCEPT WHERE EXPRESSLY INDICATED OTHERWISE).

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OVERVIEW

*The following Overview does not purport to be complete and is qualified in its entirety by reference to the detailed information appearing elsewhere in this offering circular (this "**Offering Circular**") and related documents referred to herein. Capitalised terms not specifically defined in this Overview have the meanings set out in Condition 1 (Definitions) under "Terms and Conditions of the Notes" below or are defined elsewhere in this Offering Circular. An index of defined terms appears at the back of this Offering Circular. References to a "**Condition**" are to the specified Condition in the "Terms and Conditions of the Notes" below and references to "**Conditions 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	Vendome Funding CLO 2020-1 DAC, a designated activity company limited by shares duly incorporated under the laws of Ireland with registered number 655722
Collateral Manager	CBAM CLO Management Europe, LLC
Trustee	U.S. Bank Trustees Limited
Placement Agent	J.P. Morgan Securities plc
Collateral Administrator, Calculation Agent and Information Agent	U.S. Bank Global Corporate Trust Limited
Custodian, Account Bank, Principal Paying Agent, Transfer Agent and Registrar	Elavon Financial Services DAC

Notes[1]

Class of Notes	Principal Amount	Initial Stated Interest Rate[23]	Alternative Stated Interest Rate[4]	Fitch Ratings of at least[6]	S&P Ratings of at least[6]	KBRA Ratings of at least[6]	Maturity Date
A	€210,000,000	3 month EURIBOR + 1.86%[7]	6 month EURIBOR + 1.86%[7]	AAAsf	AAA(sf)	AAA(sf)	20 July 2031
B-1	€23,400,000	3 month EURIBOR + 2.34%[7]	6 month EURIBOR + 2.34%[7]	AAsf	AA(sf)	AA(sf)	20 July 2031
B-2	€12,000,000	2.90% per annum	2.90% per annum	AAsf	AA(sf)	AA(sf)	20 July 2031
C	€35,500,000	3 month EURIBOR + 3.00%[7]	6 month EURIBOR + 3.00%[7]	Not Rated	A-(sf)	A-(sf)	20 July 2031
D	€17,300,000	3 month EURIBOR + 4.70%[7]	6 month EURIBOR + 4.70%[7]	Not Rated	BBB-(sf)	BBB-(sf)	20 July 2031

Class of Notes	Principal Amount	Initial Stated Interest Rate[2][3]	Alternative Stated Interest Rate[4]	Fitch Ratings of at least[6]	S&P Ratings of at least[6]	KBRA Ratings of at least[6]	Maturity Date
E	€12,400,000	3 month EURIBOR + 7.25%[7]	6 month EURIBOR + 7.25%[7]	Not Rated	BB-(sf)	BB-(sf)	20 July 2031
Subordinated Notes	€37,200,000	Residual[5]	Residual[5]	Not Rated	Not Rated	Not Rated	20 July 2031

1 The Notes are being issued at a maximum issue price of 100% of the principal amount thereof. The Issuer and the Placement Agent may offer the Notes at prices as may be negotiated at the time of sale which may vary among different purchasers and be different to the issue price of the Notes.

2 Any Class of Rated Notes may be issued with a fixed rate or a floating rate or a combination of both.

3 Applicable to each three month Accrual Period, provided that the rate of interest of the Notes of each Class (other than the Class B-2 Notes) for the initial Accrual Period will be determined by reference to a straight line interpolation of 3 month EURIBOR and 6 month EURIBOR.

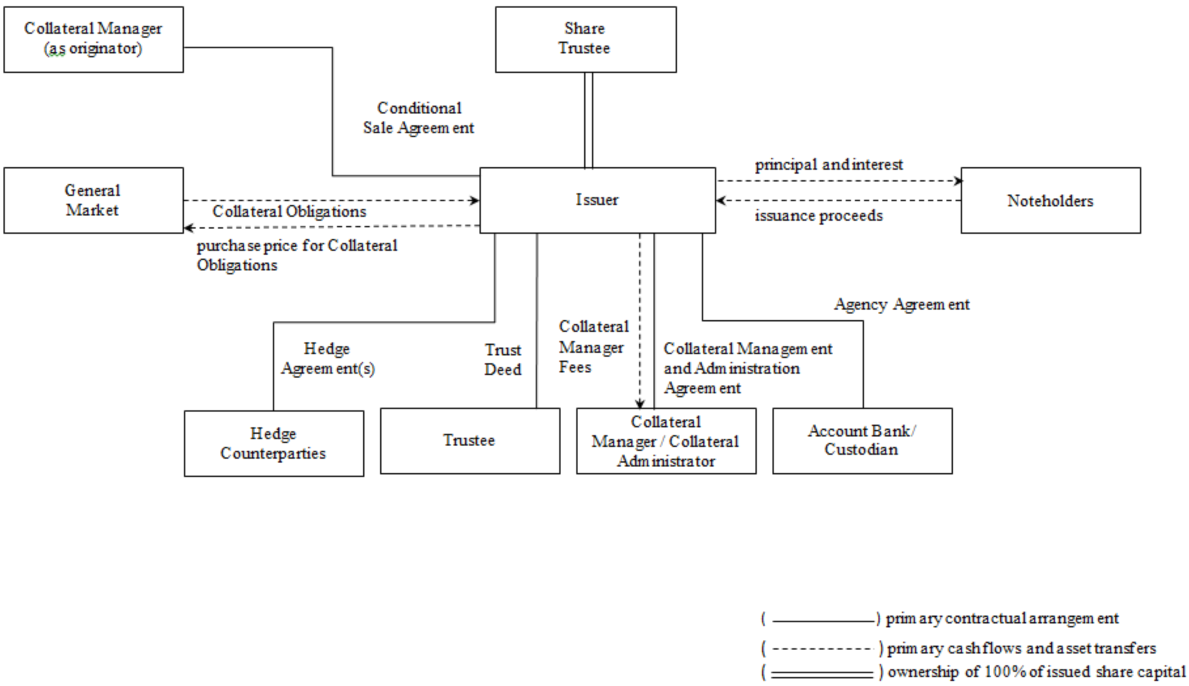
4 Applicable to each six month Accrual Period, provided that the rate of interest of the Notes of each Class (other than the Class B-2 Notes) for the period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date will, if such first mentioned Payment Date falls on or about 20 April 2031, be determined by reference to three month EURIBOR.

5 Payment of interest on the Subordinated Notes will be made on an available funds basis in accordance with the Priorities of Payment. The Applicable Margin or spread over EURIBOR, in the case of the Rated Notes (other than the Class B-2 Notes), may be reduced pursuant to a refinancing in accordance with Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*).

6 A security rating is not a recommendation to buy, sell or hold the Notes and may be subject to revision, suspension or withdrawal at any time by the applicable Rating Agency. As of the date of this Offering Circular, each of the Rating Agencies is established in the European Union and is registered under Regulation (EC) No 1060/2009 (as amended) ("**CRA3**"). As such, each Rating Agency is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with CRA3. The ratings assigned to the Class A Notes and Class B Notes address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class C Notes, Class D Notes and Class E Notes address the ultimate payment of principal and interest.

7 EURIBOR will be subject to a minimum of zero per cent. per annum.

Diagrammatic Overview of the Transaction, Cash Flows and Ownership Structure



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 in reliance on Rule 144A.
Distributions on the Notes	
Payment Dates	20 January, 20 April, 20 July and 20 October prior to the occurrence of a Frequency Switch Event and on 20 January and 20 July (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either January or July) or on 20 April and 20 October (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either April or October) following the occurrence of a Frequency Switch Event in each year commencing on 20 October 2020 and ending on the Maturity Date (subject to any earlier redemption of the Notes and in each case to adjustment for non Business Days in accordance with the Conditions).
Interest	Interest in respect of the Notes of each Class will be payable quarterly in arrear 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 20 October 2020) in accordance with the Interest Proceeds Priority of Payments.
Deferral of Interest	Failure on the part of the Issuer to pay the Interest Amounts due and payable on the Class A Notes or the Class B Notes, in accordance with the Priorities of Payment shall not be an Event of Default unless and until such failure continues for a period of at least five Business Days or, in the case of an administrative error or omission only where such failure continues for a period of at least ten Business Days, and save in each case as the result of any deduction therefrom or the imposition of any withholding thereon as set out in Condition 9 (*Taxation*). To the extent that interest payments on the Class C Notes, the Class D Notes or the Class E Notes are not made on the relevant Payment Date, an amount equal to such unpaid interest will be added to the principal amount of the Class C Notes, the Class D Notes and the Class E Notes (as applicable), and from the date such unpaid interest is added to the applicable Principal Amount Outstanding of the relevant Class of Notes, such unpaid amount will accrue interest at the rate of interest applicable to such Notes. See Condition 6(c) (*Deferral of Interest*). Non-payment of interest amounts due and payable on the Class C Notes, the Class D Notes, the Class E Notes and the Subordinated Notes as a result of the insufficiency of available Interest Proceeds or Principal Proceeds will not constitute an Event of Default.
Redemption of the Notes	Principal payments on the Notes may be made in the following circumstances: (a) on the Maturity Date (see Condition 7(a) (*Final Redemption*)); (b) in whole (with respect to all Classes of Rated Notes) but not in part on any Business Day following the expiry of the Non-Call Period from Sale Proceeds or Refinancing Proceeds (or any combination thereof) if directed in writing by the Subordinated Noteholders (acting by way of an Ordinary Resolution) (see

Condition 7(b)(i)(A) (*Optional Redemption in Whole – Subordinated Noteholders*));

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

(d) in part by the redemption in whole of one or more Classes of Rated Notes from Refinancing Proceeds on any Business Day following the expiry of the Non-Call Period if directed in writing by the Subordinated Noteholders (acting by way of an Ordinary Resolution), subject to the consent of the Collateral Manager, as long as the Class of Rated Notes to be redeemed represents not less than the entire Class of such Rated Notes and subject to certain conditions (see Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*));

(e) in whole (with respect to all Classes of Rated Notes) but not in part from Sale Proceeds on any Payment Date following the expiry of the Non-Call Period if, upon or at any time following the expiry of the Non-Call Period the Aggregate Collateral Balance is less than 15 per cent. of the Target Par Amount and if directed in writing by the Collateral Manager (on behalf of the Issuer) (see Condition 7(b)(iii) (*Optional Redemption in Whole – Collateral Manager Clean-up Call*));

(f) the Subordinated Notes may be redeemed in whole or in part in aggregate at their Redemption Price, on any Business Day following the redemption in full of all Classes of Rated Notes at the direction of either: (i) the Subordinated Noteholders acting by way of Ordinary Resolution; or (ii) the Collateral Manager (on behalf of the Issuer) (see Condition 7(b)(viii) (*Optional Redemption of Subordinated Notes*));

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

(h) on any Payment Date during the Reinvestment Period at the discretion of the Collateral Manager (acting on behalf of the Issuer) following written certification by the Collateral Manager to the Trustee that, using reasonable endeavours, it has been unable, for a period of twenty consecutive Business Days, to identify a sufficient quantity of additional Collateral Obligations or Substitute Collateral Obligations in which to invest or reinvest Principal Proceeds (see Condition 7(d) (*Special Redemption*));

(i) if, as at the Business Day prior to the Payment Date following the Effective Date, an Effective Date Rating Event has occurred and is continuing, the Rated Notes shall be redeemed in accordance with the Note Payment Sequence on such Payment Date and thereafter on each subsequent Payment Date (to the extent required) out of Interest Proceeds and thereafter out of Principal Proceeds subject to the Priorities of Payment, in each case until redeemed in full or, if earlier, until an Effective Date

	Rating Event is no longer continuing (see Condition 7(e) (*Redemption upon Effective Date Rating Event*)); (j) following expiry of the Reinvestment Period, on each Payment Date out of Principal Proceeds transferred to the Payment Account immediately prior to the related Payment Date (see Condition 7(f) (*Redemption Following Expiry of the Reinvestment Period*)); (k) on any Payment Date in whole (with respect to all Classes of Notes) at the option of the Controlling Class or the Subordinated Noteholders in each case acting by way of Ordinary Resolution, following the occurrence of a Note Tax Event, subject to (i) the Issuer having failed to cure the Note Tax Event; and (ii) certain minimum time periods (see Condition 7(g) (*Redemption following Note Tax Event*)); and (l) at any time following an Event of Default which occurs and is continuing and has not been cured and following acceleration in accordance with Condition 10(b) (*Acceleration*) (See Condition 10 (*Events of Default*)).
Non-Call Period...	During the period from and including the Issue Date up to, but excluding, 7 July 2021, provided that if such 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) (the "**Non-Call Period**"), the Notes are not subject to Optional Redemption (save for upon a Collateral Tax Event, a Note Tax Event or a Special Redemption). See Condition 7(b) (*Optional Redemption*), Condition 7(d) (*Special Redemption*) and Condition 7(g) (*Redemption following Note Tax Event*).
Redemption Prices.....................................	The Redemption Price of each Class of Rated Notes will be (a) 100 per cent. of the Principal Amount Outstanding of the Notes to be redeemed (including, in the case of the Class C Notes, the Class D Notes and the Class E Notes, any accrued and unpaid Deferred Interest on such Notes) plus (b) accrued and unpaid interest thereon to the day of redemption. The Redemption Price for each Subordinated Note will be its *pro-rata* share (calculated in accordance with the Priorities of Payments) of the aggregate proceeds of liquidation of the Collateral, or realisation of the security thereover in such circumstances, remaining following application thereof in accordance with the Priorities of Payment.
Priorities of Payment	Prior to the delivery of an Acceleration Notice (deemed or otherwise) in accordance with Condition 10(b) (*Acceleration*) or following the delivery of an Acceleration Notice which has subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*) and other than in connection with an Optional Redemption in whole but not in part pursuant to Condition 7(b) (*Optional Redemption*) or in connection with a redemption in whole but not in part pursuant to Condition 7(g) (*Redemption following Note Tax Event*), Interest Proceeds will be applied in accordance with the Interest Proceeds Priority of Payments and Principal Proceeds will be applied in accordance with the Principal Proceeds Priority of Payments. Upon any redemption in whole but not in part of the Notes in accordance with Condition

	7(b) (*Optional Redemption*) or in accordance with Condition 7(g) (*Redemption following Note Tax Event*) or following the delivery of an Acceleration Notice (deemed or otherwise) in accordance with Condition 10(b) (*Acceleration*) which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*), Interest Proceeds and Principal Proceeds and the net proceeds of enforcement of the security over the Collateral (save in respect of and for the avoidance of doubt excluding any (1) Counterparty Downgrade Collateral which is required to be paid or returned to the relevant Hedge Counterparty outside the Priorities of Payment in accordance with the relevant Hedge Agreement and (2) any Swap Tax Credits which in each case are required to be paid or returned to a Hedge Counterparty outside the Priorities of Payment in accordance with the relevant Hedge Agreement) will be applied in accordance with the Post-Acceleration Priority of Payments, in each case as described in the Conditions of the Notes.
Repurchases of the Notes...........................	On any Payment Date, at the discretion of the Collateral Manager acting on behalf of the Issuer, the Issuer may, subject to certain conditions, purchase any of the Rated Notes (in whole or in part) using Principal Proceeds standing to the credit of the Principal Account or the Collateral Enhancement Account. See Condition 7(k) (*Purchase*).
Collateral Management Fees	
Senior Collateral Management Fee............	0.15 per cent. per annum of the Aggregate Collateral Balance (exclusive of any VAT thereon) calculated on the basis of a 360-day year and the actual number of days elapsed in such Due Period. See "*Description of the – Fees*".
Subordinated Collateral Management Fee	0.35 per cent. per annum of the Aggregate Collateral Balance (exclusive of any VAT thereon) calculated on the basis of a 360-day year and the actual number of days elapsed in such Due Period. See "*Description of the Collateral Management and Administration Agreement – Fees*".
Incentive Collateral Management Fee...	After having met or surpassed the Incentive Collateral Management Fee IRR Threshold of 12.0 per cent. an amount equal to 20.0 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 Payment (exclusive of VAT thereon). See "*Description of the Collateral Management and Administration Agreement – Fees*".
Security for the Notes	
General	The Notes will be secured in favour of the Trustee for the benefit of the Secured Parties by taking security over a portfolio of Collateral Obligations predominantly consisting of Secured Senior Loans, Secured Senior Bonds, Second Lien Loans, Mezzanine Obligations, Unsecured Senior Obligations, Corporate Rescue Loans and High Yield Bonds. The Notes will also be secured by an assignment by way of security of various of the Issuer’s other rights, including its rights under certain of the agreements described herein but excluding its rights in respect of the Irish Excluded Assets. See Condition 4 (*Security*).

Hedge Arrangements	The Issuer may enter into a Hedge Agreement to hedge interest rate risk and/or currency risk around or after the Issue Date provided that the Issuer obtains legal advice from reputable international legal counsel to the effect that the entry into such arrangements shall not require any of the Issuer, its Directors or officers or the Collateral Manager or its Affiliates to register with the United States Commodities Futures Trading Commission (the "**CFTC**") and/or the United States National Futures Association as a commodity pool operator (a "**CPO**") or a commodity trading advisor (a "**CTA**") pursuant to the United States Commodity Exchange Act of 1936, as amended (the "**Hedging Condition**"). The Issuer will obtain Rating Agency Confirmation and KBRA Confirmation prior to entering into any hedging arrangements after the Issue Date unless it is in a form which the Issuer (or the Collateral Manager acting on behalf of the Issuer) has previously received Rating Agency Confirmation and KBRA Confirmation in respect thereof. See "*Hedging Arrangements*".
Non-Euro Obligations and Asset Swap Transactions	Subject to the Eligibility Criteria, the Issuer may purchase Collateral Obligations that are denominated in a currency other than Euro (each, a "**Non-Euro Obligation**") provided that, subject to the satisfaction of the Hedging Condition, an Asset Swap Transaction is entered into in respect of each such Non-Euro Obligation with one or more Asset Swap Counterparties satisfying the applicable Rating Requirement under which the currency risk is reduced or eliminated, no later than the settlement date of the acquisition of the relevant Collateral Obligation. Under each Asset Swap Transaction, the currency risk arising from the receipt of certain cash flows from the relevant Non-Euro Obligation, including interest and principal payments thereon, are hedged. The Asset Swap Transaction shall terminate on the maturity date of the Non-Euro Obligation and in the other circumstances specified therein. See "*The Portfolio – Management of the Portfolio – Non-Euro Obligations" and "Hedging Arrangements*".
Interest Rate Hedging	The Issuer (or the Collateral Manager on behalf of the Issuer) may enter into Interest Rate Hedge Transactions from time to time in order to hedge any interest rate mismatch between the Notes (other than the Subordinated Notes) and the Collateral Obligations and for no other purpose, subject to the receipt of Rating Agency Confirmation and KBRA Confirmation in respect thereof and the other requirements specified in "*Hedging Arrangements*".
Collateral Manager	Pursuant to the Collateral Management and Administration Agreement, the Collateral Manager is required to act as the Issuer's investment manager with respect to the Portfolio, to act in specific circumstances in relation to the Portfolio on behalf of the Issuer and to carry out the duties and functions described herein. Pursuant to the Collateral Management and Administration Agreement, the Issuer delegates authority to the Collateral Manager to carry out certain functions in relation to the Portfolio and any hedging arrangements without the requirement for specific approval by the Issuer, the Collateral Administrator or the Trustee but subject to the policies and ongoing review of the Issuer. See "*Description of the Collateral Management and Administration Agreement*" and "*The Portfolio*".

Purchase of Collateral Obligations	
As of the Issue Date	The Issuer anticipates that, by or on the Issue Date, it will have purchased or committed to purchase Collateral Obligations, the Aggregate Principal Balance of which equals at least approximately €347,000,000 (representing approximately 99 per cent. of the Target Par Amount).
Target Par Amount	It is intended that the Aggregate Principal Balance of the Collateral Obligations in the Portfolio on the Effective Date will be equal to at least €350,000,000.
Initial Investment Period	During the period from and including the Issue Date to but excluding the earlier of: (a) the date designated for such purpose by the Collateral Manager, subject to the Effective Date Determination Requirements having been satisfied; and (b) 20 September 2020 (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 Collateral Manager (on behalf of the Issuer) intends to purchase the remainder of the Portfolio of Collateral Obligations, subject to the Eligibility Criteria and certain other restrictions.
Reinvestment in Collateral Debt Obligations	Subject to the limits described in the Priorities of Payment and Principal Proceeds available from time to time, the Collateral Manager shall, on behalf of the Issuer, use reasonable endeavours to purchase Substitute Collateral Obligations meeting the Eligibility Criteria and the Reinvestment Criteria during the Reinvestment Period. Following expiry of the Reinvestment Period and subject to the limits described in the Priorities of Payment, only Sale Proceeds from the sale of Credit Improved Obligations, Credit Impaired Obligations and Unscheduled Principal Proceeds received after the Reinvestment Period may be reinvested by the Issuer or the Collateral Manager, on behalf of the Issuer, in Substitute Collateral Obligations meeting the Eligibility Criteria and the Reinvestment Criteria. See "*The Portfolio – Management of the Portfolio – Sale of Collateral Obligations*" and "*The Portfolio – Management of the Portfolio – Reinvestment of Collateral Obligations*".
Eligibility Criteria	In order to qualify as a Collateral Obligation, an obligation must satisfy certain specified Eligibility Criteria. Each obligation 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 Obligation which must also satisfy the Eligibility Criteria on the Issue Date. See "*The Portfolio – Eligibility Criteria*".
Restructured Obligations	In order for a Collateral Obligation which is the subject of a restructuring to qualify as a Restructured Obligation, such Collateral Obligation must satisfy the Restructured Obligation Criteria as at the applicable Restructuring Date.
Collateral Quality Tests	The Collateral Quality Tests will comprise the following:

	For so long as any of the Notes rated by Fitch are Outstanding: (a) the Fitch Maximum Weighted Average Rating Factor Test; (b) the Fitch Minimum Weighted Average Recovery Rate Test; and (c) the Fitch Minimum Weighted Average Spread Test. For so long as any of the Notes rated by S&P are Outstanding (from the Effective Date and until the expiry of the Reinvestment Period only), the S&P CDO Monitor Test. For so long as any of the Rated Notes are Outstanding, the Weighted Average Life Test.
Portfolio Profile Tests................................	In summary, the Portfolio Profile Tests will consist of each of the following (the percentage requirements applicable to different types of Collateral Obligations specified in the Portfolio Profile Tests and summarily displayed in the table below shall be determined by reference to the Aggregate Collateral Balance):

		Minimum	**Maximum**
(a)	Secured Senior Loans or Secured Senior Bonds in aggregate (which shall include the Balance of the Principal Account and the Unused Proceeds Account)	90%	N/A
(b)	Secured Senior Loans in aggregate (which shall include the Balance of the Principal Account and the Unused Proceeds Account)	70%	N/A
(c)	Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and/or High Yield Bonds in aggregate	N/A	10%
(d)	Collateral Obligations to a single Obligor	N/A	2.5% provided that up to 5 Obligors may each represent up to 3%
(e)	Secured Senior Loans and Secured Senior Bonds to a single Obligor	N/A	2.5% provided that up to 5 Obligors may each represent up to 3%
(f)	Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and High Yield Bonds to a single Obligor	N/A	1.5%, provided that up to 3 Obligors (including any exceptions pursuant to (e) above) may each represent up to 2 per cent. of the Aggregate Collateral Balance.
(g)	Participations	N/A	5%
(h)	Fitch CCC Obligations*	N/A	7.5%
(i)	S&P CCC Obligations	N/A	7.5%
(j)	Fixed Rate Collateral Obligations	N/A	10%
(k)	Current Pay Obligations	N/A	5%
(l)	Unfunded Amounts/Funded Amounts under Revolving Obligations/ Delayed Drawdown Collateral Obligations	N/A	10%
(m)	Corporate Rescue Loans	N/A	5% provided that not more than 2% shall consist of Corporate Rescue Loans from a single Obligor

		Minimum	Maximum
(n)	PIK Securities	N/A	5% provided that such PIK Securities are Restructured Obligations
(o)	Cov-Lite Loans	N/A	40%
(p)	Domicile of Obligors – Fitch*	N/A	10% Domiciled in countries or jurisdictions with a country ceiling below "AAA" by Fitch unless Rating Agency Confirmation from Fitch is obtained
(q)	Domicile of Obligors – S&P	N/A	20% Domiciled in countries or jurisdictions with a country rating below "A-" by S&P unless Rating Agency Confirmation from S&P is obtained
(r)	Maximum Fitch industry category in any single Fitch industry*	N/A	15% provided that: (i) any three Fitch industry categories may comprise up to 40% in aggregate; and (ii) any one Fitch industry category may comprise up to 17.5%
(s)	Maximum in any single S&P Industry Classification Group		Not more than 17.5% of the Aggregate Collateral Balance shall be obligations comprising any one S&P industry
(t)	Bivariate Risk Table	N/A	See limits set out in "*The Portfolio – Bivariate Risk Table*"
(u)	Non-Euro Obligations	N/A	25%
(v)	Bridge Loans	N/A	2.5%
(w)	Obligations of Obligors with total indebtedness of an amount equal to or more than €150,000,000 and less than €200,000,000 (or its equivalent in any currency)	N/A	5%

*applicable for so long as Fitch assigns a rating in respect of an Outstanding Class of Rated Notes.

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

Coverage Tests .... Each of the Coverage Tests shall be satisfied on a Measurement Date in the case of: (i) the Par Value Tests (other than the Class E Par Value Test), on and after the Effective Date; (ii) the Class E Par Value Test, on and after the expiry of the Reinvestment Period and (iii) the Interest Coverage Tests on and after the Determination Date immediately preceding the second Payment Date following the Effective 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	133.62%
C	117.40%
D	111.37%
E	107.69%

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

Reinvestment Overcollateralisation Test.. If, on any Determination Date falling on and after the Effective Date and prior to the expiry of the Reinvestment Period, the Class E Par Value Ratio is less than 108.69 per cent. on the relevant Payment Date, Interest Proceeds shall be paid to the Principal Account, for the acquisition of additional Collateral Obligations in an amount equal to the lesser of (1) 50 per cent. of all remaining Interest Proceeds available for payment pursuant to paragraph (T) of the Interest Proceeds Priority of Payments and (2) the amount which, after giving effect to the payment of all amounts payable in respect of paragraphs (A) to (S) (inclusive) of the Interest Proceeds Priority of Payments, would be sufficient to cause the Reinvestment Overcollateralisation Test to be met as of the relevant Determination Date after giving effect to any payments made pursuant to paragraph (T) of the Interest Proceeds Priority of Payments, such amounts to be applied during the Reinvestment Period to purchase additional Collateral Obligations.

CM Voting Notes, CM Non-Voting Exchangeable Notes and CM Non-Voting Notes.. Each of 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. 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 CM Voting Notes have a right to vote and be counted.

CM Voting Notes shall be exchangeable at any time upon request by the relevant Noteholder into CM 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 Notes held by or on behalf of the Collateral Manager 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. Any CM Voting Notes held by or on behalf of any Collateral Manager Related Person other than the Collateral Manager shall have voting rights with respect to, and shall be counted for the purposes of determining a quorum and the results of voting on any, CM Removal Resolution or CM Replacement Resolution.
Authorised Denominations	The Regulation S Notes of each Class will be issued in minimum denominations of €100,000 each and integral multiples of €1,000, in each case in excess thereof. The Rule 144A Notes of each Class will be issued in minimum denominations of €250,000 each and integral multiples of €1,000, in each case in excess thereof.
Form, Registration and Transfer of the Notes..............................	The Regulation S Notes of each Class (other than the Subordinated Notes) will be represented on issue by beneficial interests in one or more Regulation S Global Certificates in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**"). Beneficial interests in a Regulation S Global Certificate may at any time be held only through, and transfers thereof will only be effected through, records maintained by Euroclear or Clearstream, Luxembourg. See "*Form of the Notes*" and "*Book Entry Clearance Procedures*". Interests in any Regulation S Note may not at any time be held by any U.S. Person or U.S. Resident. The Rule 144A Notes of each Class (other than the Subordinated Notes) 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, provided that a Subordinated Noteholder must hold Subordinated Notes in Definitive Certificates. See "*Form of the Notes – Exchange for Definitive Certificates*".

On the Issue Date, an acquirer of a Class E Note in the form of a Rule 144A Global Certificate or a Regulation S Global Certificate 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 unless such acquirer: (i) receives the written consent of the Issuer; and (ii) provides an ERISA certificate to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person (in or substantially in the form of **Annex A** (*Form of ERISA Certificate*) and as set out in the Trust Deed. Other than on the Issue Date, an acquirer of a Class E Note in the form of a Rule 144A Global Certificate or a Regulation S Global Certificate 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 unless such acquirer: (i) receives the written consent of the Issuer; (ii) provides an ERISA certificate to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person (in or substantially in the form of **Annex A** (*Form of ERISA Certificate*) and as set out in the Trust Deed); and (iii) other than with respect to Retention Notes, holds such Class E Note in the form of a Definitive Certificate. Each purchaser and transferee understands and agrees that no transfer of an interest in Class E Notes or Subordinated Notes will be permitted or recognised if it would cause the 25 per cent. Limitation to be exceeded with respect to the Class E Notes or the Subordinated Notes (determined separately by Class).

If a holder of Class E Notes represented by a Definitive Certificate wishes at any time to transfer its interest in such Notes to a person who wishes to take delivery thereof in the form of a beneficial interest in a Regulation S Global Certificate, such holder may effect such transfer only upon receipt by the Registrar of: (i) notification from the common depositary for Euroclear and Clearstream, Luxembourg of the Regulation S Global Certificate that the appropriate credit entry has been made in the accounts of the relevant participants of Euroclear and Clearstream, Luxembourg, (but in no case for less than the minimum authorised denomination applicable to such Notes); and (ii) a certificate in the form of part 7 (*Form of Definitive Certificate to Regulation S Global Certificate Transfer Certificate of Class E Notes*) of schedule 4 (*Transfer, Exchange and Registration Documentation*) of the Trust Deed or in such other form as the Registrar, relying upon the advice of counsel, may deem substantially similar in legal effect (a copy of which is provided to the Registrar) given by the holder of the beneficial interests in such Notes.

Each person who becomes an owner of a beneficial interest in a Regulation S Global Certificate will be deemed to have represented

	and agreed to the representations set forth in this Offering Circular relating to such Notes under the heading "*Transfer Restrictions*". If a holder of Class E Notes represented by a Definitive Certificate wishes at any time to transfer its interest in such Notes to a person who wishes to take delivery thereof in the form of a beneficial interest in a Rule 144A Global Certificate, such holder may effect such transfer only upon receipt by the Registrar of: (i) notification from the common depositary for Euroclear and Clearstream, Luxembourg of the Rule 144A Global Certificate that the appropriate credit entry has been made in the accounts of the relevant participants of Euroclear and Clearstream, Luxembourg (but in no case for less than the minimum authorised denomination applicable to Notes of such Class); and (ii) a certificate in the form of part F (*Form of Definitive Certificate to Rule 144A Global Certificate Transfer Certificate of Class E Notes or Subordinated Notes*) of schedule 4 (*Transfer, Exchange and Registration Documentation*) of the Trust Deed or in such other form as the Registrar, relying upon the advice of counsel, may deem substantially similar in legal effect (in each case, copies of which are provided to the Registrar as applicable) given by the proposed transferee. Each person who becomes an owner of a beneficial interest in a Rule 144A Global Certificate will be deemed to have represented and agreed to the representations set forth in this Offering Circular relating to such Notes under the heading "*Transfer Restrictions*". Transfers of interests in the Notes are subject to certain restrictions and must be made in accordance with the procedures set forth in the Trust Deed. See "*Form of the Notes*", "*Book Entry Clearance Procedures*" and "*Transfer Restrictions*". Each purchaser of Notes in making its purchase will be required to make, or will be deemed to have made, certain acknowledgements, representations and agreements. See "*Transfer Restrictions*". The transfer of Notes in breach of certain of such representations and agreements will result in affected Notes becoming subject to certain forced transfer provisions. See Condition 2(h) (*Forced Transfer of Rule 144A Notes*).
Governing Law..	The Notes, the Trust Deed, the Collateral Management and Administration Agreement, the Agency Agreement and all other Transaction Documents (save for the Corporate Services Agreement and the Irish Security Agreement which are governed by the laws of Ireland) will be governed by English law.
Listing..	Application has been made to Euronext Dublin for the Notes to be admitted to the Official List of Euronext Dublin and trading on its Global Exchange Market which is the exchange regulated market of Euronext Dublin. It is anticipated that such listing and admission to trading of the Notes will take place on or about the Issue Date. The Global Exchange Market is not a regulated market for the purposes of MiFID II. See "*General Information*".
Tax Considerations....................................	See "*Tax Considerations*".
Certain ERISA Considerations..................	See "*Certain ERISA Considerations*".
Withholding Tax..	No gross up in respect of amounts deducted from or withheld for or on account of tax in relation to the Notes in respect of any payments to the Noteholders is required of the Issuer. See Condition 9 (*Taxation*).

Additional Issuances..................................	Subject to certain conditions being met, additional Notes of all existing Classes may be issued and sold. See Condition 17 (*Additional Issuances*).
Retention Holder and EU Retention Requirements...................	The Retention Notes will be subscribed for by the Retention Holder on the Issue Date and, pursuant to the Risk Retention Letter, the Collateral Manager, in its capacity as Retention Holder, will undertake to retain the Retention for the purposes of the EU Retention Requirements. See "*Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence Requirements*".
U.S. Risk Retention	Based on the LSTA Decision, the Collateral Manager has informed the Issuer that the U.S. Risk Retention Rules are not expected to apply to the transactions contemplated herein and neither it nor any of its Affiliates intend to retain the Minimum Risk Retention Requirement pursuant to the U.S. Risk Retention Rules for any period of time on the basis that it intends to qualify as an "open market CLO". See "*Risk Factors – Regulatory Initiatives – U.S. Risk Retention Rules"*.

RISK FACTORS

*An investment in the Notes of any Class involves certain risks, including risks relating to the Collateral Obligations 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. The following risk factors are applicable to an investment in the Notes. Prospective investors should carefully consider the following factors, in addition to the matters set forth elsewhere in this Offering Circular prior to investing in any Notes. Terms not defined in this section and not otherwise defined above have the meanings set out in Condition 1 (*Definitions*) of the "Terms and Conditions of the Notes".*

1. GENERAL COMMERCIAL RISKS

1.1 General

It is intended that the Issuer will invest in Collateral Obligations (and other financial assets) with certain risk characteristics as described below and subject to the investment policies, restrictions and guidelines described in the section of this Offering Circular titled "*The Portfolio*". There can be no assurance that the Issuer's investments will be successful, that its investment objectives will be achieved, that the Noteholders will receive the full amounts payable by the Issuer under the Notes or that they will receive any return on their investment in the Notes. Prospective investors are therefore advised to review this entire Offering Circular carefully and should consider, among other things, the risk factors set out in this section before deciding whether to invest in the Notes. Except as is otherwise stated below, such risk factors are generally applicable to all Classes of Notes, although the degree of risk associated with each Class of Notes will vary in accordance with the position of such Class of Notes in the Priorities of Payment. See Condition 3(c) (*Priorities of Payment*) and Condition 11(b) (*Enforcement*). In particular, (i) payments in respect of the Class A Notes are generally higher in the Priorities of Payment than those of the other Classes of Notes; (ii) payments in respect of the Class B Notes are generally higher in the Priorities of Payment than those of the Class C Notes, the Class D Notes, the Class E Notes and the Subordinated Notes; (iii) payments in respect of the Class C Notes are generally higher in the Priorities of Payment than those of the Class D Notes, the Class E Notes and the Subordinated Notes; (iv) payments in respect of the Class D Notes are generally higher in the Priorities of Payment than those of the Class E Notes and the Subordinated Notes; and (v) payments in respect of the Class E Notes are generally higher in the Priorities of Payment than those of the Subordinated Notes.

None of the Placement Agent, the Agents or 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 Offering Circular or to advise any investor or potential investor in the Notes of any information coming to the attention of the Placement Agent, the Agents or the Trustee which is not included in this Offering Circular, the Monthly Reports or the Payment Date Reports, as the case may be.

In preparing and furnishing the Monthly Reports and the Payment Date Reports, the Issuer will rely conclusively on the accuracy and completeness of the information or data regarding the Collateral Obligations that has been provided to it by the Collateral Administrator (which will rely conclusively, in turn, on the accuracy and completeness of certain information provided to it by the Collateral Manager and third parties) (and reviewed by the Collateral Manager), and the Issuer will not verify, re-compute, reconcile or recalculate any such information or data.

In addition, the information contained in the Monthly Reports and the Payment Date Reports will be dependent in part on interpretations, calculations and/or determinations made by the Collateral Administrator and the Collateral Manager. The accuracy of the Monthly Reports and the Payment Date Reports, and the information included therein, will therefore be subject to the accuracy of the interpretations, calculations and/or determinations of the Collateral Administrator and the Collateral Manager.

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 Payment. If such funds are not sufficient to pay the expenses incurred by the Issuer, the ability of the Issuer to operate effectively may be impaired, and it may not be able to defend or prosecute legal proceedings brought against it or which it might otherwise bring to protect its interests or be able to pay the expenses of legal proceedings against persons it has indemnified and or pre funded and/or secured.

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 if there are 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 General Economic Conditions may Deteriorate and may Affect the Ability of the Issuer to make Payments on the Notes

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 1.7 "*European Union and Euro Zone Risk*", 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.

In addition, Obligors of Collateral Obligations may be organised in, or otherwise Domiciled in, certain of such countries currently suffering from economic distress, or other countries that may begin to suffer economic distress, and the uncertainty and market instability in any such country may increase the likelihood of default by such Obligor. If any such Obligor becomes insolvent, by virtue of being organised in such a jurisdiction or having a substantial percentage of its revenues or assets in such a jurisdiction, it may be more likely to be subject to bankruptcy or insolvency proceedings in such jurisdiction at the same time as such jurisdiction is itself potentially unstable.

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 and the ability of private equity sponsors and leveraged loans arrangers to effectuate new leveraged buy-outs may be partially or significantly limited.

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. A continuing decreased ability of obligors to obtain refinancing may result in an economic decline causing a deterioration in loan performance generally and defaults of Collateral Obligations. 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 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 Obligations are likely to decrease. A decrease in market value of the Collateral Obligations would also adversely affect the Sale Proceeds that could be obtained upon the sale of the Collateral Obligations and could ultimately affect the ability of the Issuer to pay in full or redeem the 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 or whether such conditions or markets will deteriorate rather than improve.

There has been an outbreak of a novel coronavirus (SARS-CoV-2) and related respiratory disease (coronavirus disease (COVID-19)) ("**COVID-19**"), that was first detected in December 2019 and which has now been found in over 200 countries globally. This outbreak and measures being put in place to restrict its spread have disrupted (and continue to disrupt) economies and slowed (and continue to slow) economic growth both in countries where the outbreak has been detected and in a number of other countries. This may result, and in some cases (including in respect of the United Kingdom and Member States of the European Union) has resulted, in the downgrade of certain sovereign credit ratings by certain rating agencies. This has (and continues to) materially and adversely impact the global supply chain, market and economies. At this time, the outbreak has not been successfully contained and continues to detrimentally affect societies and economies globally and it remains uncertain as to what its ultimate impact will be in different affected areas, or how disruptive such outbreak and preventive measures (including for example certain financial relief measures for both individuals and corporate entities adopted by governmental bodies and financial institutions) may be to the global and regional economies. This state of affairs is causing (and may continue to cause) significant uncertainty in both domestic and global financial markets, has led to (and may continue to cause) volatility and disruption in the capital markets and has had (and may continue to have) a material adverse effect on Obligors of Collateral Obligations. In particular, these additional risks and market disruptions have materially and adversely affected (and may continue to materially and adversely affect) the ability of certain Obligors to make payments under Collateral Obligations, the ratings applicable to Collateral Obligations (see also 4.24 "*Ratings on Collateral Obligations*"), and may materially and adversely affect the Issuer's ability to make payments on the Notes, the liquidity and value of the Notes, and the Issuer's ability to acquire and sell Collateral Obligations. Rating actions (including, in respect of the potential downgrade of ratings applicable to Collateral Obligations, such ratings being downgraded between the date of this Offering Circular and the Issue Date) may result in the Initial Ratings of any Class of Rated Notes published by the Rating Agencies being lower than is described in this Offering Circular. Furthermore, any such rating actions taken between the Issue Date and the Effective Date could result in (a) a downgrade of one of more Classes of Rated Notes from their Initial Ratings and (b) certain Collateral Quality Tests and Portfolio Profile Tests not being satisfied as at the Effective Date, resulting in an Effective Date Rating Event and following which 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*) (see also 4.5 "*Considerations Relating to the Initial Investment Period*"). If any rating assigned to the Notes is subject to a downgrade, the market value of the Notes may reduce and holders of the Notes may not be able to resell their Notes without a substantial discount (see 3.16 "*Ratings of the Notes Not Assured and Limited in Scope*").

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 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 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 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 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, 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 imposition of capital controls, 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. Investors should carefully consider how changes to the Euro zone may affect their investment in the Notes.

1.8 The UK's Withdrawal from the European Union

On 31 January 2020, the UK withdrew from the EU (as more particularly described below). At this time, the full consequences of such withdrawal are not clear.

In particular, there is uncertainty as to the final trade arrangements to be put in place following the expiry of the Transition Period (as defined below). Investors should be aware that the Issuer's risk profile may be materially affected by this uncertainty which might also have an adverse impact on the Portfolio and the Issuer's business, financial condition, results of operations and prospects and could therefore also be materially detrimental to Noteholders. Any such potential adverse economic conditions may also affect the ability of the obligors to make payment under the Collateral Obligations which in turn may adversely affect the ability of the Issuer to pay interest and repay principal to the Noteholders.

Applicability of EU law in the UK

The negotiated withdrawal agreement between the EU and the UK provides for a transition period, commencing on 31 January 2020 and ending at 11.00 p.m. GMT on 31 December 2020, unless extended by a single decision for up to one or two years (such period, the "**Transition Period**"). On 12 June 2020, the UK formally confirmed that it would not be seeking an extension and this was formally accepted by the EU. The negotiated withdrawal agreement states that, unless otherwise provided in the agreement, EU law will be applicable to and in the UK during the Transition Period. **Accordingly, during the Transition Period any references in this Offering Circular to the "EU" and its "Member States" in the context of EU legislation and the application thereof shall be interpreted so as to include the UK (except where expressly indicated otherwise)**.

During the Transition Period negotiations will continue between the UK and the EU in respect of the nature of their future relationship. It is at present unclear what type of future trading relationship between the UK and the EU will be established. 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 or when negotiations of such relationship will be finalised.

Following the end of the Transition Period, 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 final trade arrangements to be put in place, substantial amendments to English law may occur and may diverge from the corresponding provisions of EU law applicable after the Transition Period. Consequently, English law may change and differ from EU law and it is impossible at this time to predict the consequences on the Portfolio, the Issuer's business, financial condition, results of operations or prospects or any potential investors. Such changes could be materially detrimental to Noteholders.

Regulatory Risk

Under the EU single market directives, mutual access rights to markets and market infrastructure exist across the EEA 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 the expiry of the Transition Period, the existing passporting regime will apply (if at all). Depending on the terms of any future trading relationship between the EEA and the UK, it is likely that, UK regulated entities may, following the expiry of the Transition Period 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 future trade relationship with the EU will include arrangements for the continuation of the existing passporting regime or mutual access rights to market infrastructure and recognition of insolvency, bank recovery and resolution regimes. Such uncertainty could adversely impact the Issuer and, in particular, the ability of third parties to provide services to the Issuer, and could be materially detrimental to Noteholders.

Market Risk

Following the result of the referendum on the UK's withdrawal from the EU and its subsequent withdrawal, 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 Obligations.

Investors should be aware that as a result of the UK's withdrawal from the EU, any negotiation between the UK and the EU with respect to their future trading relationship and following the expiry of the Transition Period, 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 following the UK's withdrawal from the EU and the end of the Transition Period and depending on the terms of any future trading relationship between the UK and 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 withdrawal of the UK from the EU, 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 4.16 "*Counterparty Risk*".

Ratings Actions

Since the result of the referendum on the withdrawal of the UK from the EU each of S&P, Fitch and Moody's downgraded the UK's sovereign credit rating and Moody's also placed such rating on negative outlook, suggesting possible further negative rating action. Following the outbreak of COVID-19, Fitch have further downgraded the UK's sovereign credit rating and 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, such 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 4.16 "*Counterparty Risk*".

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 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 the 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, the Corporate Services Provider and for payment of the Issuer's other accrued and unpaid Administrative Expenses are limited to those amounts available in accordance with the Priorities of Payment. 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 brought against it or that the Issuer might otherwise bring to protect its interests. In addition, service providers who are not paid in full, including the Directors may have the right to resign. This could ultimately lead to the Issuer being in default under the applicable laws of Ireland and potentially being removed from the register of companies and dissolved.

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 creating the potential for conflict across jurisdictions. Investors should be aware that risks posed by such regulatory overlap and divergence are material and that the Issuer and, consequently, an investment in the Notes, could be materially and adversely affected thereby.

None of the Issuer, the Placement Agent, the Collateral Manager, the Retention Holder, the Trustee or 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 investors whose investment activities are subject to: investment laws, rules and regulations (including risk retention laws, rules and regulations that apply currently to the investor, or which may do so in the future); regulatory capital requirements; or to review by regulatory authorities (including risk retention rules whether currently applicable to the investor or in respect of the introduction or proposal of future risk retention rules) should consult with their own legal, accounting and other advisors in determining whether, and to what extent, the Notes are subject to any such investment or other restrictions and to unfavourable accounting treatment, capital charges or reserve requirements. None of the Issuer, the Placement Agent, the Trustee, the Collateral Administrator, the Retention Holder and the Collateral Manager nor any of their affiliates makes any representation, warranty, or guarantee that the structure of the Notes is compliant with any applicable legal, regulatory, or other framework (nor regarding the manner in which such a framework applies to any investor's investment in the Notes).

2.1 **Basel III and Basel IV**

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.

In December 2017, the BCBS announced a set of amendments to the Basel III package, described by some commentators as "**Basel IV**". These reforms introduce significant limitations on the ability of banks to reduce their capital requirements through their calculation of risk weighted assets ("**RWAs**") using the Internal Ratings Based approach (the "**IRB Approach**"). The reforms include revisions to the IRB Approach for credit risk, revised minimum capital requirements for market risk, revisions to the credit value adjustment risk framework, amendments to the leverage ratio exposure measure and the introduction of a leverage ratio buffer for global systemically important banks ("**G-SIBs**"), which will take the form of a Tier 1 capital buffer set at 50% of a G-SIB's risk-weighted capital buffer. The reforms also introduce an aggregate output floor, which will ensure that banks' RWAs generated by internal models used in the IRB approach are no lower than 72.5% of RWAs as calculated by the Basel III framework's standardised approaches. The Basel IV reforms will have to be implemented by January 2022, with the exception of the new output floor requirement, which will be phased in between 1 January 2022 and the end of 2026, becoming fully effective on 1 January 2027. No timeline has been established for adopting these changes by the U.S. banking regulatory agencies.

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. None of the Issuer, the Placement Agent, the Collateral Manager, the Agents, the Trustee or any of their affiliates makes any representation or warranty to any such prospective investor or purchaser of the Notes regarding the regulatory capital treatment of their investment in the Notes on the Issue Date or at any time in the future.

2.2 **Risk Retention and Due Diligence Requirements**

Securitisation Regulation

Background

A regulation (Regulation (EU) 2017/2401) to amend the CRR (as defined below) (the "**CRR Amendment Regulation**") and a regulation (Regulation (EU) 2017/2402) aiming to create a general European framework for securitisation and a specific framework for "simple, transparent and standardised" securitisation (the "**Securitisation Regulation**") were published in the Official Journal of the European Union on 28 December 2017 and entered into force on the twentieth day thereafter. The Securitisation Regulation applies to securitisations the securities of which are issued on or after 1 January 2019. The CRR Amendment Regulation applied from 1 January 2019 (subject to certain transitional provisions regarding securitisations the securities of which were issued before 1 January 2019).

There are uncertainties regarding the scope of the obligations in the Securitisation Regulation and the obligations in the technical standards that will be adopted pursuant thereto which will provide details of the requirements under the Securitisation Regulation, as further described below. Most of the relevant technical standards have not yet been adopted.

Investors should be aware, and in some cases are required to be aware, of the retention, due diligence and transparency requirements in the EU (the "**EU Retention, Due Diligence and Transparency Requirements**") set out in the Securitisation Regulation (as defined below) (and of 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. 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 Offering Circular and in any investor report provided in relation to the transaction is sufficient for the purpose of satisfying such requirements.

None of the Issuer, the Collateral Manager, the Placement Agent, the Trustee, the Collateral Administrator, the Retention Holder nor their respective Affiliates or any other person makes any representation, warranty or guarantee that the information set out in this Offering Circular 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 Retention, Due Diligence and Transparency Requirements or any other applicable legal regulatory or other requirements. No such person shall have any liability to any prospective investor with respect to any deficiency in such information or any failure of the transactions contemplated hereby to comply with or otherwise satisfy such requirements.

Due-diligence Requirements for Institutional Investors

The EU Retention, Due Diligence and Transparency Requirements contain due diligence requirements that apply to certain types of "institutional investor" as defined in the Securitisation Regulation ("**Institutional Investors**"). Such Institutional Investors include institutions for occupational retirement provision, credit institutions, alternative investment fund managers that manage and/or market alternative investment funds in the EU, investment firms as defined in Regulation (EU) No 575/2013 (the "**Capital Requirements Regulations**" or the "**CRR**"), insurance and reinsurance undertakings, and management companies of UCITS funds (or internally managed UCITS).

These requirements restrict such Institutional Investors from investing in securitisations unless such investors have verified (among other things) that: (i) the originator, sponsor or original lender will retain, on an ongoing basis, a material net economic interest of not less than five per cent. in the securitisation in accordance with the Securitisation Regulation and the risk retention is disclosed to the Institutional Investor; (ii) the originator, sponsor or securitisation special purpose entity ("**SSPE**") has, where applicable, made available the information required by Article 7 of the Securitisation Regulation (as to which see *"The Retention Holder and EU Retention and Transparency Requirements - Transparency Requirements"*) in accordance with the frequency and modalities provided for in that Article; (iii) where the originator or original lender is established in the EU, and is not a credit institution or an investment firm as defined in the CRR, the originator or original lender grants all the credits giving rise to the underlying exposures on the basis of sound and well-defined criteria and clearly established processes for approving, amending, renewing and financing those credits and has effective systems in place to apply those criteria and processes in accordance with Article 9(1) of the Securitisation Regulation; and (iv) where the originator or original lender is established in a non-EU country, credit granting criteria apply that are substantially similar to those in (iii).

Pursuant to Article 14 of the CRR consolidated subsidiaries of credit institutions and investment firms subject to the CRR may also be subject to these requirements.

Failure to comply with one or more of the requirements may result in various penalties including, in the case of those Institutional Investors subject to regulatory capital requirements, the imposition of a punitive capital charge in respect of the Notes acquired by the relevant investor.

Risk Retention Obligation

The Securitisation Regulation imposes a direct obligation on the originator, sponsor or original lender of a securitisation to retain on an ongoing basis a material net economic interest in the securitisation of not less than five per cent. A failure by the Retention Holder to comply with the Securitisation Regulation's direct retention requirements may result in administrative and/or criminal penalties being imposed on the Retention Holder including, in the case of a legal person, pecuniary sanctions of at least EUR 5,000,000 (or its equivalent) or of up to 10 per cent. of total annual net turnover (the "**Pecuniary Sanctions**").

Any such Pecuniary Sanction levied on the Retention Holder may materially adversely affect the ability of the Retention Holder to perform its obligations under the Transaction Documents and could have a negative impact on the price and liquidity of the Notes in the secondary market.

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 section of this Offering Circular titled *"The Retention Holder and EU Retention and Transparency Requirements"*.

Transparency Requirements

The originator, sponsor and SSPE (i.e. the Issuer) of a securitisation are required to designate one of them (the "**reporting entity**") to fulfil the Securitisation Regulation's reporting requirements in Article 7 (the "**Transparency Requirements**"). The reporting entity must make certain prescribed information available to holders of a securitisation position, to the relevant competent authorities ("**Competent Authorities**") and, upon request, to potential investors.

Under Article 7 of the Securitisation Regulation, certain Transaction Documents and any transaction summary required pursuant to Article 7(1)(c) are required to be made available before pricing. It is not possible to make final documentation available before pricing and so the Collateral Administrator (acting on behalf of the Issuer), has made draft documentation available in substantially final form by way of a website (see *"Description of the Reports"*). Such Transaction Documents in final form will be available on and after the Issue Date.

Article 7 of the Securitisation Regulation also includes ongoing reporting obligations which include quarterly portfolio level disclosure ("**Loan Reports**"); quarterly investor reports ("**Investor Reports**"); any inside information relating to the securitisation that the reporting entity is obliged to make public under the Market Abuse Regulation (Regulation (EU) No 596/2014) ("**Inside Information**"); and, where applicable, information on "significant events" ("**Significant Events**").

The Loan Reports and the Investor Reports are to be made available simultaneously on a quarterly basis and at the latest one month after each Payment Date. With respect to any period where no Payment Date occurs quarterly, the Loan Reports and Investor Reports are required to be made available simultaneously not more than three months after the most recent publication of the Loan Reports and Investor Reports, or within three months of the Issue Date. Disclosures relating to any Inside Information and Significant Events are required to be made available without delay.

On 16 October 2019 the Commission adopted certain technical standards under the Transparency Requirements containing detailed draft disclosure templates that are required to be completed with respect to the Loan Reports, Investor Reports and, in relation to public transactions only, Inside Information and Significant Events (the "**Transparency RTS**"). The European Parliament and the Council have a prescribed period (which may be extended) following the Commission's adoption during which they may object to the Transparency RTS. The application date of the Transparency RTS and the reporting requirements contained therein have not yet been specified. Further, there remains significant uncertainty as to the jurisdictional scope of the reporting requirements contained in the Transparency RTS.

The transitional provisions of the Securitisation Regulation with respect to the Transparency Requirements provide that until the application of the Transparency RTS, for the purposes of the Loan Reports and the Investor Reports, the reporting entity shall make available the information referred to in Annexes I to VIII of Delegated Regulation (EU) 2015/3 (the "**CRA3 RTS**"). Currently, there is no dedicated CRA3 RTS template for collateral loan obligation ("**CLO**") transactions (other than with respect to content of Investor Reports set out in Annex VIII of the CRA3 RTS), nor is it expected that one will be developed in accordance with the CRA3 RTS.

On 30 November 2018, the European Banking Authority (the "**EBA**"), ESMA and the European Insurance and Occupational Pensions Authority (the "**European Supervisory Authorities**" or "**ESAs**") published a joint statement (the "**Joint Statement**") regarding the reporting templates to be used for the Loan Reports and the Investor Reports (the "**Article 7 Quarterly Reporting Requirements**") in the period until the Transparency RTS apply.

The ESAs stated that they expect Competent Authorities to generally apply their supervisory powers in their day-to-day supervision and enforcement of applicable legislation in a proportionate and risk-based manner. This approach entails that the Competent Authorities can, when examining reporting entities' compliance with the disclosure requirements of the Securitisation Regulation, take into account the type and extent of information already being disclosed by reporting entities. The ESAs also noted that they expect that difficulties with compliance will be solved with the final application of the disclosure templates in the Transparency RTS. As such, the Joint Statement from the ESAs should be viewed as a temporary measure. The Joint Statement went on to state that this approach does not entail general forbearance, but a case-by-case assessment by the Competent Authorities of the degree of compliance with the Securitisation Regulation. As the Joint Statement does not "grandfather" transactions that are issued after 1 January 2019 but before the application of the disclosure templates in the Transparency RTS, such transactions, including the transaction described herein, will need to comply with the disclosure templates in the Transparency RTS once they apply.

In light of the Joint Statement, the transaction described herein will initially seek to comply with subparagraphs (a) and (e) of Article 7(1) and make available the information referred to in Annex VIII of the CRA3 RTS through the Monthly Reports and the Payment Date Reports (see the section of this Offering Circular titled *"Description of the Reports"*).

Transparency Requirements – Collateral Manager and Issuer arrangements

In relation to the Transparency Requirements: (a) the Issuer will be designated as the reporting entity; (b) the Collateral Manager will undertake in the Collateral Management and Administration Agreement to provide to the Collateral Administrator and the Issuer, subject to any confidentiality undertaking given by the Collateral Manager or to which the Collateral Manager is subject, any reports, data and other information (i) which are in the possession of the Collateral Manager, (ii) which are not subject to legal or contractual restrictions on disclosure (unless the relevant information can be summarised or disclosed in an anonymised form, in accordance with such legal or contractual restrictions on disclosure), and (iii) to which the Collateral Administrator (or any applicable third party reporting entity) does not otherwise have access or which are not otherwise in the Collateral Administrator's possession required in connection with the proper performance by the Issuer, as the reporting entity, of its obligation to make available to the Noteholders, potential investors and the Competent Authorities, the reports and information necessary to fulfil the Transparency Requirements; and (c) the Collateral Administrator (on the instructions of the Issuer) will undertake in the Collateral Management and Administration Agreement to make available such reports and information by means of a website accessible by investors, Competent Authorities and, upon request, potential investors.

Once the Transparency RTS apply, the Loan Reports and Investor Reports will be prepared in accordance with the requirements of the Transparency RTS. Prior to the application of the disclosure templates in the Transparency RTS, the Issuer intends to fulfil the requirements contained in subparagraphs (a) and (e) of Article 7(l) through the Monthly Reports and the Payment Date Reports (as applicable), see *"Description of the Reports"*). The Joint Statement is not a legally binding document and there is currently uncertainty in relation to the legal position as regards the form of quarterly reporting until the date of application of the Transparency RTS. Investors should note that it is for relevant Competent Authorities to determine whether they consider that this form of reporting satisfies the Transparency Requirements and none of the Issuer, the Collateral Manager as the originator, the Placement Agent, the

Trustee, the Collateral Administrator or any other person gives any assurance as to whether this form of reporting will satisfy the Transparency Requirements.

Whether the Collateral Manager will be able to obtain and provide to the Issuer and the Collateral Administrator all of the information required to be reported in accordance with the Transparency Requirements is unclear.

Although the Issuer has undertaken to act as the reporting entity, it should be noted that the Securitisation Regulation's reporting obligations will apply to both the Collateral Manager as the originator as well as to the Issuer. Any failure by the Issuer, as the reporting entity, or by the Collateral Administrator (on behalf of the reporting entity), or by the Collateral Manager, to fulfil the Transparency Requirements applicable to them or covenants relating thereto may cause the transaction to be non-compliant with the Securitisation Regulation.

If a Competent Authority determines that the transaction did not comply or is no longer in compliance with the Transparency Requirements, then: (i) 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; and (ii) the Retention Holder as the originator and/or the Issuer may be subject to the Pecuniary Sanctions as described above. Any such Pecuniary Sanctions levied on the Issuer may materially adversely affect the Issuer's ability to perform its obligations under the Notes and any such Pecuniary Sanctions levied on the Retention Holder as the originator may materially adversely affect its ability to perform its obligations under the Transaction Documents and could have a negative impact on the price and liquidity of the Notes in the secondary market.

Investors should be aware that, pursuant to the Collateral Management and Administration Agreement, the Collateral Manager will not be liable for, and will only indemnify the Issuer for, any failure by the Issuer to comply with the Transparency Requirements to the extent such failure constitutes gross negligence (with such term given its meaning under New York law) on the part of the Collateral Manager. As described in *"Description of the Collateral Management and Administration Agreement – Responsibilities of the Collateral Manager"*, this represents a significantly lower standard of care than negligence under English law and as a result, if a failure by the Issuer to meet the Transparency Requirements was caused by the negligence of the Collateral Manager, the Issuer would not be able to claim under such indemnity to the extent that such negligence does not constitute gross negligence (with such term given its meaning under New York law). Any such Pecuniary Sanctions levied on the Issuer, in particular where no indemnity is available from the Collateral Manager as described herein, may reduce the returns on the Notes to investors. The Collateral Manager may be entitled to indemnification from the Issuer in respect of any such Pecuniary Sanctions levied on the Collateral Manager even if Pecuniary Sanctions arise due to the negligence under English law of the Collateral Manager, provided there is no gross negligence (with such term given its meaning under New York) on the part of the Collateral Manager (see the section of this Offering Circular titled *"Description of the Collateral Management and Administration Agreement – Responsibilities of the Collateral Manager"*).

Jurisdictional Scope of the Securitisation Regulation Obligations

The Securitisation Regulation is silent as to the jurisdictional scope of the direct risk retention obligation and the Transparency Requirements and whether, for example, these obligations apply to U.S. established entities such as the Collateral Manager or the Retention Holder.

As regards the jurisdictional scope of the direct risk retention obligation, the Explanatory Memorandum to the original European Commission proposal for a Securitisation Regulation implied that the direct obligation would not apply where none of the originator, sponsor or original lender is established in the EU. The European Banking Authority (the "**EBA**") confirmed this interpretation (in its "Feedback on the public consultation" section of its Final Draft Regulatory Technical Standards published on 31 July 2018) where it said: "The EBA agrees however that a "direct" obligation should apply only to originators, sponsors and original lenders established in the EU as suggested by the Commission in the explanatory memorandum." This EBA interpretation is, however, non-binding and not legally enforceable.

The Securitisation Regulation is silent as to the jurisdictional scope of the Transparency Requirements, and it is unclear if they apply where none of originator, sponsor and SSPE is established in the EU.

Uncertainties in the Scope of the EU Retention, Due Diligence and Transparency Requirements

Aspects of the detail and effect of the EU Retention, Due Diligence and Transparency Requirements and what is, or will be, required to demonstrate compliance to Competent Authorities remain unclear. The EU authorities have published only limited binding guidance relating to the satisfaction of the EU Retention. Due Diligence and Transparency Requirements by an institution, similar to the Retention Holder. Furthermore, any relevant regulator's views with regard to the EU Retention, Due Diligence and Transparency Requirements may not be based exclusively on technical standards, guidance or other information known at this time.

Any changes in the law or regulation, the interpretation or application of any law or regulation or changes in the regulatory capital treatment of the Notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, may have a negative impact on the price and liquidity of the Notes in the secondary market.

No assurance can be given that the EU Retention, Due Diligence and Transparency Requirements, or the interpretation or application thereof, will not change, and, if any such change is effected, whether such change would affect the regulatory position of current or future investors in the Notes. The Retention Holder does not have an obligation to change the quantum or nature of its holding of the Retention due to any future changes in the EU Retention, Due Diligence and Transparency Requirements or in the interpretation thereof. Any costs incurred by the Issuer and/or the Collateral Manager in connection with satisfying the requirements of the Securitisation Regulation and the Irish STS Regulations shall be paid by the Issuer as Administrative Expenses.

Relevant investors are required to independently assess and determine the sufficiency of the information described herein for the purposes of complying with any relevant requirements. None of the Issuer, the Collateral Manager, the Placement Agent, the Trustee, the Collateral Administrator, any other Agent, the Retention Holder, their respective Affiliates or any other Person makes any representation, warranty or guarantee that any information described herein is sufficient in all circumstances for such purposes or any other purpose or that the structure of the Notes, the Retention Holder (including its holding of the Retention) and the transactions described herein are compliant with the EU Retention, Due Diligence and Transparency Requirements or any other applicable legal or regulatory or other requirements and no such person shall have any liability to any prospective investor with respect to any deficiency in such information or any failure of the transactions or structure contemplated hereby to comply with or otherwise satisfy such requirements.

Irish STS Regulations

The European Union (General Framework for Securitisation and Specific Framework for Simple, Transparent and Standardised Securitisation) Regulations 2018 of Ireland (the "**Irish STS Regulations**") came into operation on 1 January 2019 and gives full effect to the Securitisation Regulation in Ireland. The Irish STS Regulations appointed the Central Bank of Ireland as the national competent authority in Ireland and it has the power to (i) give directions to the originator, sponsor, SSPE, or other original lender or any other person, (ii) issue a contravention notice to an originator, sponsor, SSPE or other original lender to ensure compliance with, or to prevent a breach of the Securitisation Regulation or the Irish STS Regulations, or to direct that reporting errors or omissions be corrected, (iii) appoint an assessor to investigate a breach by a non-regulated entity of the Securitisation Regulation or the Irish STS Regulations, and impose sanctions for such a breach (including pecuniary sanctions of up to EUR 5,000,000, or, of up to 10.0 per cent. of the total annual net turnover), and (iv) apply its administrative sanctions procedure to any negligent or intentional contravention of the Securitisation Regulation or the Irish STS Regulations by a regulated financial services provider.

Pursuant to the Irish STS Regulations, the Issuer must make a notification to the Central Bank of Ireland within 15 working days of the issue of the Notes and in the manner prescribed in Regulation 6 of the Irish STS Regulations (the "**15 Day Notification**"). Pursuant to the Trust Deed, the Issuer will (with reasonable assistance from the Collateral Manager, if required) covenant to make the 15 Day Notification within the period required under the Irish STS Regulations.

U.S. Risk Retention Rules

On 21 October 2014, the final rules implementing the credit risk retention requirements of Section 941 of the Dodd-Frank Act (the "**U.S. Risk Retention Rules**") were issued. Except with respect to asset-backed securities transactions that satisfy certain exemptions or that fall within the scope of the LSTA Decision (as discussed further below), the U.S. Risk Retention Rules generally require a "sponsor" of asset-backed securities or its "majority-owned affiliate" (as defined in the U.S. Risk Retention Rules) to retain not less than 5 per cent. of the credit risk of the assets collateralizing asset-backed securities (the "**Minimum Risk Retention Requirement**"). The U.S. Risk Retention Rules define the "sponsor" of a securitisation transaction as a person that organises and initiates a securitisation transaction by selling or transferring assets, either directly or indirectly, including through an affiliate, to the issuing entity. At this time, however, each Person receiving this Offering Circular should understand that there are a number of unresolved questions, little regulatory guidance, and, other than the LSTA Decision (defined below), no established line of authority, precedent or market practice with respect to what is required to comply with the U.S. Risk Retention Rules in certain circumstances. The statements contained in this Offering Circular are solely based on publicly available information as of the date of this Offering Circular.

On 9 February 2018, a three-judge panel (the "**Panel**") of the United States Court of Appeals for the District of Columbia Circuit ruled in favour of the Loan Syndications and Trading Association in its lawsuit against the Securities and Exchange Commission and the Board of Governors of the Federal Reserve System and held that collateral managers of "open market CLOs" (described in the LSTA Decision as CLOs where assets are acquired from "arms-length negotiations and trading on an open market") are not "securitizers" or "sponsors" under Section 941 of the Dodd-Frank Act and, therefore, are not subject to risk retention and do not have to comply with the U.S. Risk Retention Rules (the "**LSTA Decision**"). The District Court entered summary judgment in favour of the LSTA on 5 April 2018. As of the date of this Offering Circular, CLO managers of "open-market" CLOs (described in the ruling as CLOs where assets are acquired from "arms-length negotiations and trading on an open market") are no longer required to comply with the U.S. Risk Retention Rules. The Collateral Manager has informed the Issuer that the U.S. Risk Retention Rules are not expected to apply to the transactions contemplated herein and neither it nor any of its Affiliates intend to retain the Minimum Risk Retention Requirement pursuant to the U.S. Risk Retention Rules for any period of time on the basis that it intends to qualify as an "open market CLO". Accordingly investors will not be entitled to the protections previously afforded by the U.S. Risk Retention Rules that required CLO collateral managers to have "skin in the game" and to comply with certain disclosure obligations specified in the U.S. Risk Retention Rules.

No assurance can be made whether or not any governmental authority will continue to take further legislative or regulatory action in response to past or future economic crises, or otherwise, including by adopting new credit risk retention rules for the type of transaction contemplated herein (a "**New Risk Retention Rule**" and together with the U.S. Risk Retention Rules, "**U.S. Retention Regulations**"), and the effect (and extent) of such actions, if any, cannot be known or predicted.

If any determination is made that this transaction is subject to the U.S. Risk Retention Rules, the Retention Holder may fail to comply (or not be able to comply) with the U.S. Risk Retention Rules, which may have a material adverse effect on the Collateral Manager, the Issuer and/or the market value and/or liquidity of the Notes.

If the U.S. Retention Regulations become applicable to this transaction in the future, the Issuer's ability to effect any additional issuance of Notes, any Refinancing or any material amendment may be impaired or limited due to the consent rights of the Collateral Manager with respect to each such action. In granting or withholding its consent to any such action to the extent it is required under the Trust Deed with respect thereto, 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 Issuers and/or any holders of Notes).

Recent developments concerning the treatment of CLOs for certain Japanese investors

On 15 March 2019, the Japanese Financial Services Agency (the "**JFSA**") published a rule (the "**JFSA Securitisation Regulation**") concerning the regulatory capital treatment of securitisation transactions for Japanese banks, bank holding companies, certain Japanese credit unions and cooperatives and certain other Japanese financial institutions and their respective affiliates (such investors, "**Affected Japanese Investors**"). The JFSA Securitisation Regulation subjects Affected Japanese Investors to punitive capital charges and/or other regulatory penalties for securitisation exposures they purchase after 31 March 2019 unless the applicable investor (i) has conducted satisfactory due diligence on the assets underlying such securitisation, including the establishment and utilization of a due diligence system for evaluating securitised products and (ii) has determined that either (a) the underlying assets of the applicable securitisation transaction were "not inadequately or inappropriately formed" or (b) the relevant "originator" (as defined in the JFSA Securitisation Regulation), or another party "deeply involved in the organization of the securitised product," retains at least 5% of the securitised exposures. At this time there are several unresolved questions relating to the JFSA Securitisation Regulation (for which no official English translation is yet available) and little guidance on many aspects of the rule including, among others, (i) what is meant by assets "not inadequately or inappropriately formed" and what materials an Affected Japanese Investor may be required to review to make such a determination, (ii) the eligibility requirements for a retention holder for purposes of the rule and (iii) on what basis to calculate the 5% retention requirement (i.e., how to determine the amount of "securitised exposures").

The JFSA Securitisation Regulation is expected to apply to Affected Japanese Investors investing in the Notes and potentially to any securities issued in connection with a Refinancing or additional issuance of Notes purchased by Affected Japanese Investors.

The JFSA Securitisation Regulation may lead to decreased participation of Affected Japanese Investors in the market for CLO securities, which may adversely affect (i) the liquidity of the Notes in the secondary market, (ii) the leveraged loan and CLO markets generally and (iii) the ability of the Issuer to effect a Refinancing and/or additional issuance of Notes.

Notwithstanding the fact that the Retention Holder is purchasing on the Issue Date and retaining Notes of each Class with the intention of satisfying the EU Retention and Transparency Requirements, no party including, without limitation, the Issuer, the Placement Agent, the Collateral Manager, the Retention Holder, the Trustee or any of their respective affiliates makes any representation, warranty or guaranty that such retention would enable any Affected Japanese Investor to comply with the JFSA Securitisation Regulation.

Furthermore, no party including, without limitation, the Issuer, the Placement Agent, the Collateral Manager, the Trustee or any of their respective affiliates, makes any representation, warranty or guaranty that the Collateral Obligations were not, or will not be, "inadequately or inappropriately formed," that the information made available with respect to the Collateral Obligations is sufficient to make such a determination or that this transaction otherwise satisfies the JFSA Securitisation Regulation.

It is the responsibility of each Affected Japanese Investor to conduct adequate due diligence to confirm and verify that the requirements of the JFSA Securitisation Regulation have been satisfied and none of the Issuer, the Placement Agent, the Collateral Manager or the Trustee assumes any responsibility or liability for the failure of any Affected Japanese Investor to conduct the due diligence that is necessary to satisfy the JFSA Securitisation Regulation.

2.3 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 (any such arrangements, the "**Retention Financing Arrangements**") and in respect of any Retention Financing Arrangements will grant security over the Retention Notes in connection with such financing. None of the Collateral Manager, the Retention Holder, any Agent, the Issuer, the Trustee, 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. In particular, should the Retention Holder default in the performance of its obligations under the Retention Financing Arrangements, the lender or lenders thereunder (expected to be, as of the Issue Date, an Affiliate of the Retention Holder) 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. In exercising its rights pursuant to any Retention Financing Arrangements, any lender would not be required to have regard to the EU Retention Requirements or the Noteholders and any such sale or appropriation may therefore cause the transaction described in this Offering Circular to be non-compliant with the EU Retention Requirements. See 5 "*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 such sales may therefore cause the transaction described in this Offering Circular to be non-compliant with the EU Retention Requirements.

2.4 **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 2.5 (*Alternative Investment Fund Managers Directive*)), credit institutions and insurance companies, or other entities which are "non-financial counterparties" (or third country entities equivalent to "financial counterparties" or "non-financial counterparties"). EMIR was amended by Regulation (EU) 2019/834 ("**EMIR REFIT**")

Types of entities and obligations

Financial counterparties ("**FC**") (as defined in EMIR and EMIR REFIT) are 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 that have become subject to the clearing obligation, depending on certain clearing thresholds as introduced under EMIR REFIT that exempt small financial counterparties ("**SFC**") from the clearing obligation. Counterparties must also report the details of all derivative contracts to a trade repository (the "**reporting obligation**") (see below for some changes to the reporting obligation brought in by EMIR REFIT), 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 FC, this may lead to a termination of the Hedge Agreements or restricting of their terms.

All alternative investment funds are now financial counterparties

EMIR REFIT brought into the FC definition all alternative investment funds ("**AIFs**"), that are either established in the EEA or whose investment manager is authorised/registered under Directive 2011/61/EU on Alternative Investment Fund Managers ("**AIFMD**"). Notably, the FC definition will effectively capture non-EU AIFs managed by non-EU managers when they are a counterparty to an EU FC. Previously, such funds were usually determined to be third country entities ("**TCEs**") that would be NFCs if they were established in the EU, meaning that such funds were out of scope of the clearing obligation and risk mitigation obligations (subject to the fund not exceeding the relevant clearing threshold for NFCs) when dealing with EU FCs. Under the amended definition of a FC in EMIR REFIT, such funds will now be regarded as TCEs that would be FCs if they were established in the EU, meaning that EU FCs will be required to ensure compliance with the clearing obligation and margin requirements for uncleared derivatives when trading with such funds.

Securitisation special purpose entities are excluded from categorisation as a FC under EMIR REFIT.

Reporting

Under EMIR REFIT, from June 2020, the FC (or the manager, in the case of an EU AIF) will be solely responsible, and legally liable for the reporting, albeit non-financial counterparties ("**NFC**") will be under an obligation to provide to their FC counterparty those relevant details that the FC cannot be reasonably expected to hold. It is therefore expected that the Issuer’s counterparty under the Hedge Agreements will be solely responsible for reporting when this provision comes into effect.

Further, under EMIR REFIT, non-financial counterparties below the clearing threshold ("**NFC-**") do not have to report if facing a third country FC, where the legal regime or reporting to which the third country FC is subject has been declared equivalent, and the third country FC has reported to a repository that is subject to a legally valid and enforceable obligation to grant EU regulators access to data.

Under EMIR REFIT, NFCs have to calculate their aggregate month-end average positions for the previous 12 months. If the Issuer does not so calculate its positions (or if the calculations were to indicate that the relevant threshold is exceeded), the Issuer will have to immediately notify ESMA and the relevant competent authority and establish clearing arrangements within four months.

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 and 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, would take effect on dates ranging from 21 June 2016 (for major market participants grouped under "Category 1") to June 2021 (for counterparties that are grouped under "Category 3").

NFC- and SFCs are exempted from the clearing obligation (and in the case of NFC-, of certain additional risk mitigation obligations such as the posting of collateral) provided that, (i) in the case of NFCs, 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), however, once the threshold under one asset class is exceeded, OTC derivatives (of that NFC) falling just under that class become clearable, and (ii), in the case of FCs, the same thresholds apply, but FCs: (A) cannot exclude their hedging transactions from the threshold calculations, and (B) once the threshold under one asset class is exceeded, all OTC derivatives of that FC become clearable. 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 NFC within such group exceeds the applicable thresholds (excluding eligible hedging transactions), 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.

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 through a staged implementation period. The margin requirements apply to FCs and NFCs 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 the 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 the section of this Offering Circular titled "*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 and EMIR REFIT 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 and EMIR REFIT in making any investment decision in respect of the Notes.

2.5 **Alternative Investment Fund Managers Directive**

AIFMD introduced authorisation and regulatory requirements for managers of **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 an FC under EMIR and may be required to comply with clearing obligations and/or other risk mitigation techniques (including obligations to post margin to any central clearing counterparty or market counterparty) with respect to Hedge Transactions (under the EMIR REFIT, all AIFs will be FCs whether or not managed by an authorised AIFM). See also 2.4 "*European Market Infrastructure Regulation (EMIR)*".

There is an exemption from the definition of AIF in AIFMD for "SSPEs" (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, as regards the position in Ireland, the Central Bank of Ireland has confirmed that pending such further clarification from ESMA, "registered financial vehicle corporations" within the meaning of Article 1(2) of Regulation (EC) No 24/2009 (which has now been recast pursuant to Regulation (EU) No 1075/2013 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 of Ireland 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, any application of 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.

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

2.6 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**") 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 Offering Circular or require the publication of a new offering circular in connection with the issuance and sale of any additional notes issued pursuant to Condition 17 (*Additional Issuances*) or any Refinancing. While 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 or the Placement Agent 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.

2.7 CFTC Regulations

Pursuant to the Dodd-Frank Act regulators in the United States (including the CFTC) 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, among others, (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 and (iii) swap reporting and recordkeeping obligations, and other matters. These 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 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.

Furthermore, regulations requiring the posting of initial and variation margin on uncleared swaps entered into by entities such as the Issuer entered into effect in the United States on 1 March 2017 for all registered swap dealers with respect to variation margin (subject to limited relief) and are being phased in for registered swap dealers between 1 September 2016 and 1 September 2021 with respect to initial margin. Hedge Transactions may be subject to such requirements, depending on the identity of the Hedge Counterparty. While transactions existing prior to the relevant implementation date are not subject to the applicable initial and variation margin requirements, new Hedge Transactions, depending on the identity of the Hedge Counterparty, may be subject to the initial and variation margin requirements, as might existing Hedge Transactions that undergo a material amendment, based on guidance provided and positions taken by United States regulators in other contexts. The Trust Deed does not permit the Issuer to post initial or variation margin. Accordingly, the application of United States regulations to a Hedge Transaction or a proposed Hedge Transaction could have a material adverse effect on the Issuer's ability to hedge its interest or currency rate exposure, or on the cost of such hedging.

2.8 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 provided that the Issuer obtains legal advice from reputable international legal counsel to the effect that the entry into such arrangements shall not require any of the Issuer, its Directors or officers or the Collateral Manager or its Affiliates to register with the CFTC and/or the United States National Futures Association as a CPO or a CTA pursuant to the United States Commodity Exchange Act of 1936, as amended.

If 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) for CPOs to pools whose interests are sold to qualifying investors pursuant to an exemption from registration under the Securities Act, and that limit transactions in commodity interests to the trading thresholds set forth in the Rule. Specifically, under CFTC Rule 4.13(a)(3), the Issuer would be required to limit transactions in commodity interests so that either (i) no more than 5% of the liquidation value of the Issuer's assets is used as margin, premiums and required minimum security deposits to establish such positions, or (ii) the aggregate net notional value of the Issuer's positions in commodity interests does not exceed 100% of the Issuer's liquidation value. If the Collateral Manager elects to file for a registration exemption under CFTC Rule 4.13(a)(3), then unlike a CFTC-registered CPO, the Collateral Manager would not be required to deliver a CFTC-mandated disclosure document or a certified annual report to investors, or otherwise comply with the requirements applicable to CFTC-registered CPOs and CTAs. 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.

Notwithstanding the above, if 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 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.

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 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.

Neither the CFTC nor the National Futures Association (the "**NFA**") pass judgement 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 Offering Circular or any related agreement for the placement or purchase of Notes by any Person.

2.9 Volcker Rule

Section 619 of the Dodd-Frank Act (the "**Volcker Rule**") and the corresponding implementing rules prevents "banking entities" (a term which includes affiliates of a U.S. banking organisation as well as affiliates of a non-U.S. banking organisation that has a branch or agency office in the U.S., regardless of 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. In addition, in certain circumstances, the Volcker Rule restricts relevant banking entities from entering into certain transactions with covered funds.

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 1940 (the "**ICA**") 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 CEA (see 2.8 "*Commodity Pool Regulation"*) 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 may seek removal of the Collateral Manager and select a replacement Collateral Manager for Cause (as defined in the Collateral Management and Administration Agreement). 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, particularly given the lack of interpretative guidance of the Volcker Rule. None of the Issuer, the Placement Agent, the Collateral Manager, the Trustee or any of their affiliates makes any representation to any prospective investor or purchaser of the Notes regarding the application of the Volcker Rule to the Issuer, or to the investor's investment in the Notes on the Issue Date or at any time in the future.

In 2018, the five federal agencies responsible for implementing the Volcker Rule approved for issuance a notice of proposed rulemaking which would amend certain aspects of the implementing regulations. As part of that notice, though, the agencies also requested public comment on the need for potential changes to virtually all aspects of the implementing regulations, including those aspects of the regulations relevant to securitizations and their treatment under the Volcker Rule's covered fund provisions. In 2019, these agencies adopted final regulations consistent with the amendments proposed in 2018. In addition, in early 2020, these agencies proposed additional amendments to the final regulations, including changes relevant to the treatment of securitisations (the "**Proposed Volcker Changes**"). In particular, these proposed amendments would narrow the definition of "ownership interest," ease certain aspects of the loan securitization exclusion, and create additional exclusions from the "covered fund" definition. It is unclear at this time which if any of the proposed amendments ultimately will be adopted, and whether any such changes will affect the ability of banking entities to acquire and retain any of the Notes or to exercise voting rights with respect to the selection or replacement of the Collateral Manager.

No assurance can be made as to the effect of the Volcker Rule or the Proposed Volcker Changes 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 or the Proposed Volcker Changes 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.

2.10 **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. 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. Changes in capital requirements have been announced by the Basel Committee on Banking Supervision and it is uncertain when all such changes will be fully implemented. When 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.

2.11 **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.

In a speech on 27 July 2017, Andrew Bailey, the Chief Executive of the FCA, announced the FCA's intention to cease sustaining LIBOR from the end of 2021.

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

It is possible that the LIBOR administrator, ICE Benchmark Administration, and the panel banks could continue to produce LIBOR on the current basis after 2021, if they are willing and able to do so. However, the survival of LIBOR in its current form, or at all, is not guaranteed after 2021. If LIBOR does not survive in its current form or at all, this could adversely affect the value of, and amounts payable under, any Collateral Obligations which pay interest calculated with reference to LIBOR and therefore reduce amounts which may be available to the Issuer to pay Noteholders. Furthermore, the uncertainty as to whether LIBOR will survive in its current form or at all may lead to adverse market conditions, which may have an adverse effect on the amounts available to the Issuer to pay to Noteholders.

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 "**Benchmarks Regulation**") on indices used as benchmarks in financial instruments and financial contracts. The Benchmarks Regulation was published in the Official Journal of the EU on 29 June 2016 and entered into force on 30 June 2016. The application date for the majority of its provisions was 1 January 2018. It is directly applicable law across the EU.

The Benchmarks 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 Benchmarks 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 Benchmarks Regulation is wide and, in addition to so-called "critical benchmark" indices, could also potentially apply to many interest rate and foreign exchange rate indices, equity indices and other indices (including "proprietary" indices or strategies) where used to determine the amount payable under or the value or performance of certain financial instruments traded on a trading venue, financial contracts and investment funds. EURIBOR and LIBOR have been designated "critical benchmarks" for the purposes of the Benchmarks Regulation, by way of European Commission Implementing Regulations published on 12 August 2016 and 28 December 2017, respectively.

Benchmarks such as EURIBOR or LIBOR may be discontinued if they do not comply with the requirements of the Benchmarks Regulation, or if the administrator of the benchmark either fails to apply for authorisation or is refused authorisation by its home regulator. On 2 July 2019, the European Money Markets Institute, administrator for EURIBOR, was granted authorisation under the Benchmarks Regulation by the Financial Services and Markets Authority of Belgium. EURIBOR is now considered compliant with the Benchmarks Regulation.

Potential effects of the Benchmarks 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 Benchmarks Regulation, and such changes could (among other things) have the effect of reducing or increasing the rate or level or affecting the volatility of the published rate or level of the benchmark.

Investors should be aware that:

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

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

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

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

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

(d) if any of the relevant EURIBOR benchmarks referenced in Condition 6 (*Interest*) is discontinued, interest on the Notes will be calculated under Condition 6(e) (*Interest on the Rated Notes*). In general, fall-back mechanisms which may govern the determination of interest rates where a benchmark rate is not available (such as those described in paragraph (c) immediately above) are not suitable for long term use. Accordingly, if a benchmark rate is permanently discontinued, it may be desirable to amend the applicable interest rate provisions in the affected Collateral Obligation, Hedge Agreement or the Notes. Investors should note that the Issuer may, in certain circumstances, amend the Transaction Documents to modify or amend the reference rate in respect of the Notes without the consent of Noteholders. See Condition 14(c) (*Modification and Waiver*); and

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

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

2.12 Financial Transaction Tax ("FTT")

In February 2013 the European Commission published a proposal (the "**Commission 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 (together, other than Estonia, the "**Participating Member States**"). However, on 16 March 2016, Estonia completed the formalities required to cease participation in the enhanced cooperation on FTT.

Under the Commission Proposal, 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 may apply to both transaction parties where one of these circumstances applies. The FTT may also apply to dealings in the Collateral to the extent the Collateral constitutes financial instruments within its scope, such as bonds. In such circumstances, it is not possible to predict with certainty what effect the proposed FTT might have on the business of the Issuer, there will be no gross-up by any party to the transaction and amounts due to Noteholders may be adversely affected.

Certain aspects of the Commission Proposal are controversial and, while the Commission Proposal initially 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 due to disagreement among the Participating Member States regarding a number of key issues concerning the scope and application of the FTT. Accordingly, the date of implementation of the FTT remains 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 any FTT and its potential impact on their dealings in the Notes before investing.

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

The Uniting and Strengthening America By Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "USA PATRIOT Act"), signed into law on and effective as of 26 October 2001, requires that financial institutions, a term that includes banks, broker-dealers and investment companies, establish and maintain compliance programs to guard against money laundering activities. The USA PATRIOT Act requires the Treasury to prescribe regulations in connection with anti-money laundering policies of financial institutions. The Financial Crimes Enforcement Network ("FinCEN"), an agency of the Treasury, has announced that it is likely that such regulations would require pooled investment vehicles such as the Issuer to enact anti-money laundering policies.

Many other jurisdictions have adopted wide-ranging anti-money laundering, economic and trade sanctions, and anti-corruption and anti-bribery laws, and regulations (collectively with the USA PATRIOT Act, 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 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. The AML Requirements could require the Issuer to implement additional restrictions on the transfer of the Notes.

The Issuer reserves the right to request such information as is necessary to verify the identity of a Noteholder and the source of the payment of subscription monies, or as is necessary to comply with any customer identification programs required by FinCEN and/or the SEC or any other applicable AML Requirements. If there is a delay or failure by the applicant to produce any information required for verification purposes, an application for or transfer of Notes and the subscription monies relating thereto may be refused.

2.14 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. CRA3 has subsequently been supplemented by Delegated Regulation (EU) 2015/3 of 30 September 2014 (the "**CRA3 RTS**").

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.

2.15 Action Plan on Base Erosion and Profit Shifting

On 5 October 2015, the Organisation for Economic Co-operation and Development ("**OECD**") published final reports, analyses and sets of recommendations for all of the fifteen actions it identified as part of its

Action Plan on Base Erosion and Profit Shifting ("**BEPS**"), 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 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.

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.

Ireland deposited its instrument of ratification with the OECD on 29 January 2019 and therefore the Multilateral Instrument came into force in respect of Ireland on 1 May 2019.

Upon ratifying the Multilateral Instrument Ireland provided a list of reservations and notifications to be made pursuant to it. Based on the information contained in these documents and the Multilateral Instrument Action 6 would be implemented into the double tax treaties Ireland has entered into by the inclusion of a principal purpose test ("**PPT**").

In particular it remains to be seen what specific changes will be made to any 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 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.

It is also possible that Ireland will negotiate other bespoke amendments to its double tax treaties on a bilateral basis in the future which may affect the ability of the Issuer to obtain the benefits of those treaties.

Investors should note that other action points which form part of the OECD BEPS project (such as Action 4, which can deny deductions for financing costs (see 2.16 "*EU Anti-Tax Avoidance Directive and EU Anti-Tax Avoidance Directive 2*")) may be implemented in a manner which affects the tax position of the Issuer.

2.16 **EU Anti-Tax Avoidance Directive and EU Anti-Tax Avoidance Directive 2**

As part of its anti-tax avoidance package, and to provide a framework for a harmonised implementation of the BEPS conclusions across the EU, the EU Council adopted Council Directive (EU) 2016/1164 (the "**ATAD 1**") on 12 July 2016. The EU Council adopted Council Directive (EU) 2017/952 (the "**ATAD 2**" and together with ATAD 1, "**ATAD**") on 29 May 2017, amending the ATAD 1, to provide for minimum standards for counteracting hybrid mismatches involving EU member states and third countries. EU member states had until 31 December 2018 to implement ATAD 1 (subject, in certain cases, to derogations for the EU member states which have equivalent measures in their domestic law) and have until 31 December 2019 to implement the ATAD 2 (except for measures relating to reverse hybrid mismatches, which must be implemented by 31 December 2021 and which will apply as of 1 January 2022). The Directives contain various measures that could, depending on their implementation in Ireland, potentially result in certain payments made by the Issuer ceasing to be fully deductible. This could increase the Issuer's liability to tax. There are two measures of particular relevance.

First, ATAD provides for an "interest limitation rule" which restricts the deductible interest of an entity to the higher of (a) EUR 3,000,000 or (b) 30 per cent. of its earnings before interest, tax, depreciation and amortisation. However, the interest limitation only applies to the net borrowing costs of an entity (being the amount by which its borrowing costs exceed its taxable interest revenues and other economically equivalent taxable revenues). The interest limitation rule is anticipated to be in effect in Ireland from 1 January 2021.

Secondly, the ATAD provides for hybrid mismatch rules. These rules are designed to neutralise arrangements where amounts are deductible from the income of one entity but are not taxable for another, or the same amounts are deductible for two entities. These rules could potentially apply to the Issuer where: (i) the interest that it pays under the Notes, and claims deductions, from its taxable income for, is not brought into account as taxable income by the relevant Noteholder, either because of the characterisation of the Notes, or the payments made under them, or because of the nature of the Noteholder itself; and (ii) the mismatch arises between associated enterprises, between the Issuer and an associated enterprise or under a 'structured arrangement'. 'Associated' for these purposes includes direct and indirect participation in terms of voting rights or capital ownership of 25 per cent. or more or an entitlement to receive 25 per cent. or more (50 per cent. in certain circumstances) of the profits of that entity, as well as entities that are part of the same consolidated group for financial accounting purposes or enterprises that have a significant influence in the management of the taxpayer. A structured arrangement is an arrangement involving a transaction, or series of transactions, under which a mismatch outcome arises where; (a) the mismatch outcome is priced into the terms of the arrangement; or (b) the arrangement was designed to give rise to a mismatch oucome. The anti-hybrid rules have been in effect in Ireland since 1 January 2020.

If the Irish tax authorities impose net income, profits or similar tax upon the Issuer or its representative of any amount in excess of €1,000 for the relevant year a Note Tax Event will occur. If Issuer was unable to cure such Note Tax Event 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 Ordinary 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 Payment.

2.17 **Taxation Implications of Contributions**

A Noteholder may, in certain circumstances, provide the Issuer with cash by way of a Contribution in accordance with Condition 2(l) (*Contributions*). Noteholders may become subject to taxation in relation to the making of a Contribution. Noteholders are solely responsible for any and all taxes that may be applicable in such circumstances. Noteholders should consult their own tax advisor as to the tax treatment to them of making a Contribution in accordance with Condition 2(l) (*Contributions*).

2.18 **Irish Value Added Tax Treatment of the Collateral Management Fees**

The Issuer has been advised that under current Irish domestic law, the Collateral Management Fees should be exempt from VAT. This is on the basis that they should be treated as consideration paid for collective portfolio management services provided to a "*qualifying company*" as defined in Section 110 of the Taxes Consolidation Act 1997.

This exemption is based upon Article 135(1)(g) of Council Directive 2006/112/EC on the Common System of Value Added Tax (the "**VAT Directive**"), which provides that Member States shall exempt from VAT the management of "*special investment funds*" as defined by Member States.

Historically, a similar position has been taken by the Netherlands, though recent developments have changed this and, in February 2020 the Dutch tax authorities issued letters to participants in the Dutch CLO market explaining that collateral management and administration services are subject to VAT in the Netherlands with effect from 1 April 2019. This change in approach stems in part from the decision of the Court of Justice of the European Union on 9 December 2015 in the case of *Staatssecretaris van Financiën v Fiscale Eenheid X NV cs Case C-595/13*. The *Fiscale Eenheid X* case concerned whether a Dutch fund investing in real estate could qualify as a "special investment fund". The Court decided that funds such as those under consideration that are not UCITS could only qualify as "special investment funds" if they are "*subject to specific State supervision*" because only "*investment funds that are subject to specific State supervision can be subject to the same conditions of competition and appeal to the same circle of investors*". However, on 22 April 2020, the Dutch tax authorities subsequently provided written guidance confirming that, although collateral management and administration fees remain subject to VAT, this will not apply with retroactive effect.

Partly in response to the *Fiscale Eenheid X* case, the European Commission has asked the VAT Committee (an advisory body comprising representatives from tax authorities of all of the Member States and chaired by a representative from the European Commission) (the **"VAT Committee"**) to shed light on the types of entities that can also qualify as "*special investment funds*". A large majority of the VAT Committee concluded that an entity cannot qualify as a "*special investment fund*" if it cannot be seen to target the same circle of investors as UCITS either because of the characteristics of its investment portfolio or because of the conditions under which investors are permitted to participate in the fund.

The views expressed by the VAT Committee are merely advisory and do not necessarily have the agreement of the European Commission. Furthermore, its views are not legally binding and the courts may disagree with them. There is nevertheless a risk that the European Commission will accept the views of the VAT Committee and will conclude that entities such as the Issuer cannot qualify as a "special investment fund" because they are either not subject to the right sort of regulatory supervision in Ireland and/or because they do not target the same circle of investors as UCITS.

Member States have a degree of discretion on how to define "*special investment funds*", and therefore there are some discrepancies amongst Member States on the meaning of the term. The *Fiscale Eenheid X* case was about how broad that discretion is. The application of the VAT exemption for "*special investment funds*" could now be reviewed at a Member State level and/or by the European Commission to ensure that the definitions used are within the ambit of discretion permitted by the VAT Directive.

The Issuer is not aware of any proposal to amend Irish domestic law to remove the exemption from VAT on collateral management fees paid by entities such as the Issuer. However, it is possible that some Member States (including Ireland) could change their domestic VAT laws, or the European Commission could require them to do so. If so, the Issuer could from then be required to account for VAT in Ireland in respect of the Collateral Management Fees. The standard VAT rate in Ireland is currently 23%. It is also possible that Ireland could be required to recover the benefit of the VAT exemption obtained before the date on which the law changes from the Issuer together with interest.

The imposition of VAT in Ireland on the Collateral Management Fees will constitute a Note Tax Event. If a Note Tax Event occurs, the Issuer shall, subject to and in accordance with the terms of the Trust Deed, use all reasonable efforts to cure that Note Tax Event (which may include changing 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). If the Issuer is unable to cure the Note Tax Event, 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 Ordinary 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 Payment.

Furthermore, it may not be possible to substitute the Issuer with another company that is incorporated in another jurisdiction within the European Economic Area that does not charge VAT on CLO collateral management fees.

2.19 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 the CRS while the Finance Act 2014 of Ireland and the Finance Act 2015 of Ireland contain measures necessary to implement the 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 the CRS from 1 January 2016 came into operation on 31 December 2015.

Over 95 jurisdictions have committed to exchanging information under the CRS and a group of 50 countries, including Ireland, and all other EU Member States (known as the "**Early Adopter Group**") committed to the early adoption of the CRS from 1 January 2016. The Early Adopter Group activated their exchange relationships under the CRS and commenced the exchange of data in September 2017. In November 2017, a further 53 jurisdictions committed to activating their exchange relationships by September 2018.

The Irish Revenue Commissioners have indicated that 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.

2.20 Regulated Banking Activity

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). 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 Obligations subject to these local law requirements may restrict the Issuer's ability to purchase the relevant Collateral 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 Obligations are acquired by the Issuer, there can be no assurance that, as a result of the application of regulatory law, rule or regulation or interpretation thereof by the relevant governmental body or agency, or change in such application or interpretation thereof by such governmental body or agency, payments on the Collateral Obligations might not in the future be adversely affected as a result of such application of regulatory law or that the Issuer might become subject to proceedings or action by the relevant governmental body or agency, which if determined adversely to the Issuer, may adversely affect its ability to make payments in respect of the Notes.

2.21 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 require 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 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.

2.22 U.S. Stay Rules Relating to Qualified Financial Contracts

U.S. regulators have adopted final rules and interpretative guidance setting forth limitations on certain insolvency-related default rights of parties to certain "qualified financial contracts" ("**QFCs**") entered into with counterparties that have been designated as systemically important, along with certain of such entities' subsidiaries and affiliates (each, a "**Covered Entity**"). Such rules and guidance (the "**QFC Stay Rules**") generally require: (i) the Covered Entity to ensure that any stays imposed as a result of the entry of such entity into certain liquidation proceedings are contractually acknowledged by the counterparty to the QFC (in particular, where the relevant QFC is governed by non-U.S. law and/or the counterparty is located in a non-U.S. jurisdiction); and (ii) the Covered Entity to not agree in its QFCs to certain types of cross-defaults that are related, directly or indirectly, to the entry into a receivership, insolvency, liquidation, resolution or similar proceeding of certain affiliates of the Covered Entity. If a Covered Entity enters into a contract with the Issuer that is subject to the QFC Stay Rules, the Covered Entity will be responsible for ensuring that such QFC complies with the QFC Stay Rules. As a result of the application of such rules, the Issuer may be required to accept limitations in its insolvency-related default rights against the Covered Entity.

2.23 Centre of Main Interests

Article 3(1) of Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on Insolvency Proceedings (recast) (the "**Recast EU Insolvency Regulation**"), has been in force in Ireland since 26 June 2017 and applies to "insolvency proceedings" opened after 26 June 2017. Article 3(1) of the EU Insolvency Regulation provides that the centre of main interests ("**COMI**") shall be "the place where the debtor conducts the administration of its interests on a regular basis and which is ascertainable by third parties" and in the case of a company, such as the Issuer, the place of the registered office shall be presumed to be the COMI in the absence of proof to the contrary and provided that the registered office has not been moved from another Member State within the three month period prior to the request for the opening of "insolvency proceedings".

In the decision by the Court of Justice of the European Union in relation to Eurofood IFSC Limited, the Court of Justice of the European Union 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". This is consistent with Recital 30 to the Recast EU Insolvency Regulation.

Recital 28 to the Recast EU Insolvency Regulation further indicates that in assessing whether a company's centre of main interests is ascertainable to third parties for these purposes, "special consideration should be given to the creditors and to their perception as to where a debtor conducts the administration of its interests". As the Issuer has its registered office in Ireland, has not moved its registered office from another Member State to Ireland within the three month period prior to a request for the opening of "insolvency proceedings", has an Irish corporate services provider, has Irish directors and is registered for tax in Ireland, the Issuer does not believe that factors exist that would rebut this presumption, although this would ultimately be a matter for the relevant court to decide, based on the circumstances existing at the time when it was asked to make that decision. If the Issuer's COMI is not located in Ireland, and is held to be in a different jurisdiction within the European Union, main insolvency proceedings may not be opened in Ireland.

Accordingly, pursuant to Article 3 of the Recast EU Insolvency Regulation and as the Issuer is an Irish incorporated company and has its registered office in Ireland there is a rebuttable presumption that the Issuer's COMI is in Ireland and consequently that any main insolvency proceedings applicable to it would be governed by Irish law.

3. RELATING TO THE NOTES

3.1 Limited Liquidity and Restrictions on Transfer

The Placement Agent (or any of its affiliates) is not 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 the sections of this Offering Circular titled "*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 The Notes are not guaranteed by the Issuer, the Placement Agent, the Collateral Manager, the Agents, the Directors, any Hedge Counterparty or the Trustee.

None of the Issuer, the Placement Agent, the Collateral Manager, the Agents, the Directors, any Hedge Counterparty, the Trustee or any Affiliate thereof makes any assurance, guarantee or representation whatsoever as to the expected or projected success, profitability, return, performance, result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) to any Noteholder of ownership of the Notes, and no Noteholder may rely on any such party for a determination of expected or projected success, profitability, return, performance, result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) to any investor of ownership of the Notes. Each Noteholder will be required to represent (or, in the case of certain non-certificated Notes, deemed to represent) to the Issuer and the Placement Agent, among other things, that it has consulted with its own legal, regulatory, tax, business, investment, financial, and accounting advisors regarding investment in the Notes as it has deemed necessary and that the investment by it is within its powers and authority, is permissible under applicable laws governing such purchase, has been duly authorised by it and complies with applicable securities laws and other laws.

3.3 Optional Redemption and Market Volatility

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

A form of liquidity for the Subordinated Notes is the optional redemption provision set out in Condition 7(b) (*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 Payment.

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

The Rated Notes may be redeemed in whole from Sale Proceeds and/or Refinancing Proceeds (or a combination thereof):

(a) on any Business Day after the expiry of the Non-Call Period, at the direction of the Subordinated Noteholders acting by way of Ordinary Resolution;

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

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

in each case subject to certain requirements and conditions set out in the Conditions (including, in the case of any redemption in part pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*), the consent of the Collateral Manager). 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 (including, in the case of any redemption in part pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*), the consent of the Collateral Manager) at the option of the Subordinated Noteholders , 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*).

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 Business Day on or after the redemption or repayment in full of the Rated Notes, at the direction of either of (x) the Subordinated Noteholders (acting by Ordinary 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 Payment Date falling on or after the expiry of the Non-Call Period, if the Aggregate Collateral Balance is less than 15 per cent. of the Target Par Amount.

If there is 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 or, in certain circumstances, that losses would not be incurred on the Rated Notes. In addition, an Optional Redemption could require the Collateral Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the realised value of the Collateral Obligations sold.

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 and the Priorities of Payment. 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.

3.5 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 and absolute discretion notifies the Trustee that using reasonable endeavours it has been unable, for a period of 20 consecutive Business Days, to identify additional Collateral Obligations or Substitute Collateral Obligations that are deemed appropriate by the Collateral Manager in its 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 Obligations. On the Special Redemption Date, the Special Redemption Amount will be applied in accordance with the Priorities of Payment. 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.

3.6 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 Class C Noteholders, the Class D Noteholders and the Class E Noteholders or the level of the returns to the Subordinated Noteholders, including the breach of any of the Coverage Tests or an Effective Date Rating Event. See Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*) and Condition 7(e) (*Redemption upon Effective Date Rating Event*).

3.7 The Reinvestment Period may Terminate Early

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

3.8 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 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 and Administration Agreement. See the section of this Offering Circular titled "*The Portfolio – Management of the Portfolio – Following the Expiry of the Reinvestment Period*". 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 Obligations and the average lives of the Notes.

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

Additional Issuances

At any time, subject to certain conditions set out in Condition 17 (*Additional Issuances*) 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 Obligations and, if applicable, enter into additional Hedge Transactions in connection with the Issuer's issuance of, and making payments on, the Notes and ownership of and disposition of the Collateral Obligations. See Condition 17 (*Additional Issuances*).

Redirection of Funds to Reinvestment

The Collateral Manager may, pursuant to the Priorities of Payment, 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 Obligations or other Permitted Uses.

Collateral Manager Advances

The Collateral Manager may make Collateral Manager Advances pursuant to Condition 3(k) (*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 Obligations which the Collateral Manager determines on behalf of the Issuer should be purchased or exercised. Outstanding Collateral Manager Advances may accrue interest at a rate of EURIBOR plus 2.0 per cent. per annum.

Reinvestment Amounts

Subordinated Noteholders may elect to make a Reinvestment Amount in accordance with Condition 3(c)(iii) (*Reinvestment Amounts*) by designating distributions that would otherwise be made by the Issuer to the Subordinated Noteholder as a contribution back from the Subordinated Noteholder to the Issuer. The Collateral Manager will decide (in consultation with the relevant Subordinated Noteholder but at the discretion of the Collateral Manager) whether such Reinvestment Amount is accepted and, if so accepted, the Permitted Use to which such Reinvestment Amount would be applied.

Any of the above actions could result in satisfaction of a Coverage Test that would otherwise be failing and therefore potentially decrease the occurrence of principal prepayments of the highest ranking Class of Notes. Likewise, any such action could prevent an Event of Default which would otherwise have occurred and therefore potentially result in the Notes continuing to be outstanding in circumstances where the Controlling Class may otherwise have had the right to direct the Trustee to accelerate the Notes. Consequentially, the average life of the Notes may be longer than it would otherwise be (see 3.17 "*Average Life and Prepayment Considerations*").

3.10 **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 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 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 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 Payment. 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 Payment, the debts, liabilities and 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 E Noteholders; (c) thirdly, the Class D Noteholders; (d) fourthly, the Class C Noteholders; (e) fifthly, the Class B Noteholders and (f) lastly, the Class A Noteholders, in each case in accordance with the Priorities of Payment.

In addition, at any time while the Notes are Outstanding, none of the Noteholders, the Trustee or any other Secured Party (or any other person acting on behalf of any of them) shall be entitled at any time to institute against the Issuer, or join in any institution against the Issuer of any bankruptcy, reorganisation, arrangement, examinership, insolvency, winding up or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any debts, liabilities and 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. These limited recourse provisions shall survive the termination of the Notes.

3.11 **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) petition 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.

3.12 **Subordination of the Notes**

The Class B Notes are fully subordinated to the Class A Notes, the Class C Notes are fully subordinated to the Class A Notes and the Class B Notes, the Class D Notes are fully subordinated to the Class A Notes, the Class B Notes and the Class C Notes, the Class E Notes are fully subordinated to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes and the Subordinated Notes are fully subordinated to the Rated Notes.

The payment of principal and interest on any other Classes of Notes may not be made until all payments of principal and interest due and payable on any Classes of Notes ranking in priority thereto pursuant to the Priorities of Payment 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 during the Reinvestment Period to transfer amounts which would have been payable on the Subordinated Notes to the Collateral Enhancement Account to be applied in the acquisition of Substitute Collateral Obligations or in the acquisition or exercise of rights under Collateral Enhancement Obligations and the requirement to transfer amounts to the Principal Account if the Reinvestment Overcollateralisation Test is not met during the Reinvestment Period.

Non-payment of any Interest Amount due and payable in respect of the Class A Notes or the Class B Notes when the same becomes due and payable (save, in each case, as the result of any deduction therefrom or the imposition of withholding thereon in the circumstances described in the Conditions), will constitute an Event of Default (where such non-payment continues for a period of at least five consecutive Business Days or ten consecutive Business Days in the case of an administrative error or omission). In such circumstances, the Controlling Class, acting by Extraordinary Resolution, may request the Trustee to accelerate the Notes pursuant to Condition 10 (*Events of Default*).

Non-payment of interest amounts due and payable on the Class C Notes, the Class D Notes, the Class E Notes and the Subordinated Notes as a result of the insufficiency of available Interest Proceeds or Principal Proceeds will not constitute an Event of Default.

If any acceleration of the Class A Notes occurs, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Subordinated Notes will also be subject to automatic 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 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 could be adverse to the interests of Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class A Noteholders could be adverse to the interests of the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class B Noteholders could be adverse to the interests of the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class C Noteholders could be adverse to the interests of the Class D Noteholders, the Class E Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class D Noteholders could be adverse to the interests of the Class E Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class E Noteholders could be adverse to the interests of the Subordinated Noteholders.

The Trust Deed provides that in the event of any conflict of interest among or between the 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. If the Trustee receives 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*).

3.13 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 Offering Circular.

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 Floating Rate of Interest in respect of such Payment Date shall be determined, pursuant to Condition 6(e)(i)(C) (*Floating Rate of Interest*), as the Floating Rate of Interest in effect as at the immediately preceding Accrual Period that was determined by reference to a EURIBOR screen rate or through quotations provided by four Reference Banks. To the extent interest amounts in respect of the Notes are determined by reference to a previously calculated rate, Noteholders may be adversely affected. In such circumstances, none of the Calculation Agent, any Agent or the Trustee shall have any obligation to determine the Floating Rate of Interest on any other basis and shall suffer no liability to any Noteholder for any adverse effects or losses incurred as a result.

Investors should note that the Issuer may, in certain circumstances, amend the Transaction Documents to modify or amend the reference rate in respect of the Notes (if there is a material disruption to, change in the methodology of calculating, or cessation of, EURIBOR, or the Collateral Manager reasonably expects any of the foregoing will occur) without the consent of the Noteholders, subject to the conditions specified in paragraph (xxx) of Condition 14(c) (*Modification and Waiver*).

3.14 Amount and Timing of Payments

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

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

3.15 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, based on certain information provided to it by the Collateral Manager. Noteholders may access these reports by way of a unique password obtained from the Collateral Administrator (or as may otherwise be permitted by the Collateral Manager). In preparing and furnishing these reports, the Issuer will rely conclusively on the accuracy and completeness of the information or data regarding the Collateral Obligations that has been provided to it by the Collateral Administrator (which will rely conclusively, in turn, on the accuracy and completeness of certain information provided to it by the Collateral Manager), and the Issuer will not verify, recompute, reconcile or recalculate any such information or data. Information in the reports will not be audited nor will reports include a review or opinion by a public accounting firm. To the extent that the Collateral Administrator agrees to assist in the preparation of Investor Reports and Loan Reports, the foregoing shall apply equally to such Investor Reports and Loan Reports.

3.16 Ratings of the Notes Not Assured and Limited in Scope

A credit 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 Rated 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 Rated 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 Rated Notes and the market value of such Rated Notes is likely to be adversely affected.

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

The Rating Agencies may change their published ratings criteria or methodologies for securities such as the Rated Notes at any time in the future. Further, the Rating Agencies may retroactively apply any new standards to the ratings of the Rated Notes. Any such action could result in a substantial lowering (or even withdrawal) of any rating assigned to any Rated Note, despite the fact that such Rated Note might still be performing fully to the specifications set forth for such Rated Note in this Offering Circular and the Transaction Documents. The rating assigned to any Rated Note may also be lowered following the occurrence of an event or circumstance despite the fact that the related Rating Agency previously provided confirmation that such occurrence would not result in the rating of such Rated Note being lowered. Additionally, any Rating Agency may, at any time and without any change in its published ratings criteria or methodology, lower or withdraw any rating assigned by it to any Class of Rated Notes. If any rating initially assigned to any Rated Note is subsequently lowered or withdrawn for any reason, Noteholders 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

Obligations including by restricting the ability of the Collateral Manager on behalf of the Issuer to reinvest Sale Proceeds and/or Unscheduled Principal Proceeds in Substitute Collateral Obligations following the expiry of the Reinvestment Period, in each case due to the occurrence of a Restricted Trading Period following a downgrade or withdrawal of ratings in relation to certain of the Rated Notes. See the sections of this Offering Circular titled "*The Portfolio*" and "*Ratings of the Notes*").

As at the date of this Offering Circular, 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 Noteholders.

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 an Effective Date Rating Event shall have occurred, 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 Rated Notes.

Requirements imposed on Rating Agencies could result in Withdrawal of Ratings if Certain Actions are not Taken by the Issuer

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 ("**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. 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 Issuer, the Collateral Manager, the Placement Agent, the Trustee and each of their respective Affiliates are not obliged to take any action following the publication or announcement of any such Unsolicited Ratings.

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 and Administration 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 Offering Circular, would constitute "due diligence services" under Rule 17g-10. 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 Rated Notes. In such case, the price or transferability of the Notes (and any beneficial owner of Rated Notes that relies on ratings of securities for regulatory or other compliance purposes) may be adversely affected.

3.17 **Average Life and Prepayment Considerations**

The Maturity Date of the Notes is 20 July 2031 (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 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 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 Obligations. Collateral Obligations may be subject to optional prepayment by the Obligor of such loans. Any disposition of a Collateral Obligation may change the composition and characteristics of the 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.

3.18 **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 Obligations; differences in the actual allocation of Collateral Obligations among asset categories from those assumed; mismatches between the time of accrual and receipt of Interest Proceeds from the Collateral Obligations. None of the Issuer, the Collateral Manager, the Trustee, the Placement Agent, the Collateral Administrator or any other party to this transaction or any of their respective Affiliates has any obligation to update or otherwise revise any projections, forecasts or estimates, including any revisions to reflect changes in economic conditions or other circumstances arising after the date of this Offering Circular or to reflect the occurrence of unanticipated events.

3.19 **Volatility of the Subordinated Notes**

The Subordinated Notes represent a leveraged investment in the underlying Collateral Obligations. Accordingly, it is expected that changes in the market value of the Subordinated Notes will be greater than changes in the market value of the underlying Collateral Obligations, which themselves are subject to credit, liquidity, interest rate and other risks. Utilisation of leverage is a speculative investment technique and involves certain risks to investors and will generally magnify the Subordinated Noteholders' opportunities for gain and risk of loss. In certain scenarios, the Notes may not be paid in full, and the Subordinated Notes and one or more Classes of Rated Notes may be subject to a partial or a 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. Furthermore, if an Event of Default has occurred and is continuing, the holders of the Subordinated Notes will not have any creditors' rights against the Issuer and will not have the right to determine the remedies to be exercised under the Trust Deed. There is no guarantee that any funds will remain to make distributions to the holders of subordinated Classes of Notes and in particular, the Subordinated Notes, following any liquidation of the Collateral and the application of the proceeds from the Collateral to pay senior Classes of Notes and the fees, expenses, and other liabilities payable by the Issuer.

In addition, the failure to meet certain Coverage Tests or the Reinvestment Overcollateralisation 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 Obligations, instead being applied on the next Payment Date to make principal payments on the more senior classes of Rated Notes until such tests have been satisfied. This feature will likely reduce the return on the Subordinated Notes and/or one or more subordinate Classes of Rated Notes and cause temporary or permanent suspension of distributions to the Subordinated Notes and/or one or more subordinate Classes of Rated Notes. See 3.6 "*Mandatory Redemption of the Notes*".

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

3.20 **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 an Event of Default on or about that date.

3.21 **Withholding Tax on the Notes**

So long as the Notes remain listed on the Global Exchange Market of Euronext Dublin or another recognised stock exchange for the purposes of Section 64 of the Taxes Consolidation Act 1997 ("**TCA**") and the Notes are held in a "recognised clearing system" for the purposes of Section 64 or interest on the Notes is paid by a paying agent that is not in Ireland, no withholding tax under current law is expected to be imposed in Ireland on payments of interest on the Notes. However, there can be no assurance that the law will not change. In addition, as described under Condition 9 (*Taxation*), the Issuer is authorised to withhold amounts otherwise distributable to a holder if the 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.

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 Event of Default shall occur as a result of any such withholding or deduction.

If a Note Tax Event occurs 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 Issuer shall, subject to and in accordance with the terms of the Trust Deed, use all reasonable efforts to cure that Note Tax Event (which may include changing 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). If the Issuer is unable to cure the Note Tax Event, 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 Ordinary 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 Payment.

3.22 **Book-entry Holders are not Considered Noteholders under the Trust Deed and may Delay Receipt of Payments on the Notes**

Holders of beneficial interests in any Notes held in global form will not be considered holders of such Notes under the Trust Deed. After payment of any interest, principal or other amount to the applicable Clearing System, the Issuer will have no responsibility or liability for the payment of such amount by the applicable Clearing System or to any holder of a beneficial interest in a Note. The applicable Clearing System or its nominee will be the sole holder for any Notes held in global form, and therefore each person owning a beneficial interest in a Note held in global form must rely on the procedures of such Clearing System (and if such Person is not a participant in the applicable Clearing System on the procedures of the participant through which such Person holds such interest) with respect to the exercise of any rights of a Noteholder under the Trust Deed.

Noteholders owning a book-entry Note may experience some delay in their receipt of distributions of interest and principal on such Note since distributions are required to be forwarded by the Principal Paying Agent to the applicable Clearing System, and the applicable Clearing System will be required to credit such distributions to the accounts of its participants which thereafter will be required to credit them to the accounts of the applicable Noteholders, either directly or indirectly through indirect participants. See the section of this Offering Circular titled "*Form of the Notes*".

3.23 **Security**

Clearing Systems

Collateral Obligations or other assets forming part of the Collateral which are in the form of securities (if any) will be held by the Custodian on behalf of the Issuer 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 Obligations that are held through the Custodian, take effect as a security interest over (i) the beneficial interest of the Issuer in its share of the pool of securities fungible with the relevant Collateral Obligations held in the accounts of the Custodian 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 which may expose the Secured Parties to the risk of loss in the case of a shortfall of such securities if the Custodian or its sub-custodian becomes insolvent.

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

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

Fixed Security

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

3.24 Resolutions, Amendments and Waivers

The Conditions and the Trust Deed contain detailed provisions governing modification of the Conditions and the Transaction Documents and the convening of meetings and passing of Resolutions by the Noteholders. Certain key risks relating to these provisions are summarised below.

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

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

Any Notes held by or on behalf of the Collateral Manager 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. Any CM Voting Notes held by or on behalf of any Collateral Manager Related Person other than the Collateral Manager shall have voting rights with respect to, and shall be counted for the purposes of determining a quorum and the results of voting on any, CM Removal Resolution or CM Replacement Resolution. See further 5 "*Certain Conflicts of Interest – Certain Conflicts of Interest Involving or Relating to the Collateral Manager and its Affiliates*".

If a meeting of Noteholders is called to consider a Resolution, determination as to whether the requisite number of Notes has been voted in favour of such Resolution will be determined by reference to the percentage which the Notes voted in favour represent of the total amount of Notes voted in respect of such Resolution and not the aggregate Principal Amount Outstanding of all such Notes held or represented by any person or persons entitled to vote at such meeting. The voting threshold at any Noteholders' meeting in respect of an Ordinary Resolution or an Extraordinary Resolution of all Noteholders is, respectively, more than 50 per cent. or at least 66⅔ per cent. of the votes cast on such Resolution. This means that a lower percentage of Noteholders may pass a Resolution which is put to a meeting of Noteholders than would be required for a Written Resolution in respect of the same matter. There are however quorum provisions which provide that a minimum number of Noteholders representing a minimum amount of the aggregate Principal Amount Outstanding of the applicable Class or Classes of Notes be present at any meeting to consider an Extraordinary Resolution or Ordinary 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) and in the case of an Ordinary Resolution this is one or more persons holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of each Class of Notes (or the relevant Class or Classes only, if applicable). Such quorum provisions still, however, require considerably lower thresholds than would be required for a Written Resolution. In addition, if a quorum requirement is not satisfied at any meeting, lower quorum thresholds will apply at any meeting previously adjourned for want of quorum as set out in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and in the Trust Deed.

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.

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, waivers and modifications to the Transaction Documents may be made without the consent of Noteholders. See Condition 14(c) (*Modification and Waiver*). Such amendments, waivers or modifications could be adverse to certain Noteholders. Without limitation to the foregoing, potential investors should note that the Issuer may amend the Transaction Documents to modify or amend the components of the Portfolio Profile Tests, the Eligibility Criteria, the Reinvestment Criteria or the Collateral Quality Tests (other than the Weighted Average Life Test) and the related definitions, provided that Rating Agency Confirmation and KBRA Confirmation has been obtained (save in the case of certain modifications or amendments to the components of a the Fitch Tests Matrices, the S&P CDO Monitor BDR, the S&P CDO Monitor SDR or S&P Recovery Rates as specified in paragraph (xiv) of Condition 14(c) (*Modification and Waiver*)) and (to the extent provided in Condition 14(c) (*Modification and Waiver*)) the Controlling Class has consented by way of Ordinary Resolution but without the consent of any other Class of Noteholders. The Weighted Average Life Test can be modified or amended with the consent of the Controlling Class and, if the Class B Notes remain Outstanding and are not the Controlling Class, the consent of the Class B Noteholders (to the extent provided in Condition 14(c) (*Modification and Waiver*)).

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

In addition to the Trustee's right to agree to changes to the Transaction Documents which, in its opinion, are made to correct a manifest error or which are of a formal, minor or technical nature, 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.

3.25 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 Noteholders of specified percentages of Subordinated Notes and/or the Controlling Class (as applicable).

3.26 Enforcement Rights Following an Event of Default

If an Event of Default occurs and is continuing, the Trustee may, at its discretion, and shall, at the request of the Controlling Class acting by way of Extraordinary 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 the occurrence of an Event of Default described in Condition 10(a)(vi) (*Insolvency Proceedings*) or Condition 10(a)(vii) (*Illegality*) such notice shall be deemed to have been given and all the Notes shall automatically become immediately due and payable.

At any time after the Notes become due and repayable and the security under the Trust Deed or the Irish Security Agreement 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 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 and the Class E Notes) and all amounts payable in priority to the Subordinated Notes pursuant to the Priorities of Payment; (B) otherwise, in the case of an Event of Default specified in sub-paragraphs (i), (ii) or (iv) of Condition 10 (*Events of Default*) the Controlling Class acting by way of Ordinary Resolution (and no other Class of Notes) may direct the Trustee to take Enforcement Action without regard to any other Event of Default which has occurred prior to, contemporaneously or subsequent to such Event of Default; or (C) in the case of any other Event of Default, each Class of Rated Notes voting separately by Class by way of Ordinary Resolution may direct the Trustee to take Enforcement Action (subject, in each case, to the Trustee 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 Payment and/or at a time when enforcement thereof may be adverse to the interests of certain Classes of Notes and, in particular, the Subordinated Notes.

3.27 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 I of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), or Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), or entities whose underlying assets are treated as assets of such plans or arrangements (collectively, "**Plans**") invest in a Class of Notes that is treated as equity under the regulation (which could include the Class E Notes or the Subordinated Notes), the assets of the Issuer could be considered to be assets of such Plans and certain of the transactions contemplated under such Notes could be considered "prohibited transactions" under Section 406 of ERISA or Section 4975 of the Code. See the section of this Offering Circular titled "*Certain ERISA Considerations*".

3.28 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 shall, promptly after determination that such person is a Non-Permitted Holder or Non-Permitted ERISA Holder by the Issuer, send notice to such Non-Permitted Holder or Non-Permitted ERISA Holder (as applicable) demanding that such Noteholder 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 Noteholder 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 such Transfer Agent and the Issuer, in connection with such transfer, that such person or entity either is not a U.S. Person or is a QIB and a QP and is not a Non-Permitted ERISA Holder (b) pending such transfer, no further payments will be made in respect of such beneficial interest.

In addition, the Trust Deed generally provides that, if a Noteholder fails to provide the Issuer or 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, or if the Noteholder's ownership of any Notes would otherwise cause the Issuer to be subject to tax under FATCA, the Issuer is authorised to withhold amounts otherwise distributable to the Noteholder, to compel the Noteholder to sell its Notes, and, if the Noteholder does not sell its Notes within 10 Business Days after notice from the Issuer, to sell the Noteholder's Notes on behalf of the Noteholder.

3.29 U.S. Tax Risks

Imposition of Tax on Non-U.S. Holders

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

U.S. Trade or Business

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

FATCA

Under FATCA, the Issuer may be subject to a 30 per cent. withholding tax on certain income. 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 implementing regulations that require the Issuer to provide the name, address, and taxpayer identification number of, and certain other information with respect to, certain Noteholders to the Office of the Revenue Commissioners of Ireland, which would then provide this information to the IRS. The Issuer intends to comply with the intergovernmental agreement and these regulations; however, there can be no assurance that the Issuer will be able to do so. 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 or documentation to the Issuer or are certain "foreign financial institutions" that do not comply with FATCA.

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

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

The Class E Notes could be treated as representing equity in the Issuer for U.S. federal income tax purposes. If the Class E Notes are so treated, gain on the sale of a Class E 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 could be subject to the additional tax. U.S. Noteholders (as defined in the section of this Offering Circular titled "*Tax Considerations—United States Federal Income Taxation*") may be able to avoid these adverse consequences by filing a protective "qualified electing fund" election with respect to their Class E Notes. Alternatively, if the Class E Notes are treated as equity for U.S. federal income tax purposes, U.S. Holders of those Notes could be subject to the rules pertaining to 10 per cent United States shareholders of a controlled foreign corporation ("**CFC**"). See the section of this Offering Circular titled "*Tax Considerations – United States Federal Income Taxation – U.S. Federal Tax Treatment of U.S. Holders of Rated Notes – Possible Treatment of Class E Notes as Equity for U.S. Federal 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, see the section of this Offering Circular titled "*Tax Considerations – United States Federal Income Taxation*".

3.30 **Flip Clauses**

The validity and enforceability of certain provisions in contractual priorities of payment 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.), Chapter 11 Case 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 instances 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. Lehman filed a notice of appeal with regards to this decision on 6 February 2017. In addition, 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 Payment, however the context and manner of subordination which may be applied to a Hedge

Counterparty in accordance with such provisions will not be identical; and the judgments in Belmont and subsequent litigation in which the same rule has been applied have noted that English law questions relating to the anti-deprivation principle will be determined on the basis of the particular terms at hand and their commercial context. As such, it is not necessarily settled that the particular flip clauses contained in the Priorities of Payment would certainly be enforceable as a matter of English law, in the case of insolvency of a Hedge Counterparty.

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

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 Obligation is required to satisfy, as disclosed in this Offering Circular, 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 (i) the Interest Coverage Tests, which are required to be satisfied on and after any Determination Date immediately preceding the second Payment Date and (ii) the Class E Par Value Test, which is required to be satisfied on any Measurement Date on and after the expiry of the Reinvestment Period) and in each case (save as described herein) thereafter. This Offering Circular does not contain any information regarding the individual Collateral Obligations on which the Notes will be secured from time to time. Purchasers of any of the Notes will not have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding the investments to be made by the Issuer and, accordingly, will be dependent upon the judgement and ability of the Collateral Manager in acquiring investments for purchase on behalf of the Issuer over time. No assurance can be given that the Issuer will be successful in obtaining suitable investments or that, if such investments are made, the objectives of the Issuer will be achieved.

Neither the Issuer nor the Placement Agent has made any investigation into the Obligors of the Collateral Obligations. The value of the Portfolio may fluctuate from time to time (as a result of substitution or otherwise) and none of the Issuer, the Trustee, the Placement Agent, the Custodian, the Collateral Manager, the Collateral Administrator, any Hedge Counterparty, or any of their Affiliates are under any obligation to maintain the value of the Collateral Obligations at any particular level. None of the Issuer, the Trustee, the Custodian, the Collateral Manager, the Collateral Administrator, any Hedge Counterparty, the Placement Agent or any of their Affiliates has any liability to the Noteholders as to the amount or value of, or any decrease in the value of, the Collateral Obligations from time to time.

Furthermore, pursuant to the Collateral Management and Administration Agreement, the Collateral Manager is required to carry out due diligence in accordance with the Standard of Care specified in the Collateral Management and Administration Agreement, to ensure 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 Obligation and that the Issuer will, upon the settlement of such purchase, become the legal and beneficial holder of such Collateral Obligations in accordance with the terms of the relevant Underlying Instrument and all applicable laws. Noteholders are reliant on the Collateral Manager conducting such due diligence in a manner which ensures that the Collateral Obligations are properly and effectively transferred and satisfy each of the Eligibility Criteria.

4.2 Nature of Collateral; Defaults

The Collateral on which the Notes and the claims of the other Secured Parties are secured will be subject to credit, liquidity, interest rate and exchange rate risks. The Portfolio of Collateral Obligations which will secure the Notes will be predominantly comprised of Secured Senior Loans, Secured Senior Bonds, Unsecured Senior Loans, Second Lien Loans, Mezzanine Obligations and High Yield Bonds as well as certain other investments lent to or issued by a variety of Obligors with a principal place of business in a Non-Emerging Market Country which are primarily rated below investment grade.

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 section of this Offering Circular titled "*The Portfolio*".

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

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

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

The composition of the collateral pool may be influenced by discussions that the Collateral Manager and/or, prior to the Issue Date, the Placement Agent may have with investors, and there is no assurance that (i) any investor would have agreed with any views regarding the initial proposed portfolio that are expressed by another investor in such discussions, (ii) the collateral pool was not, and will not be, influenced more heavily by the views of certain investors, particularly if that investor's participation in the transaction is necessary for the transaction to occur, in which case the Collateral Manager or the Placement Agent would not receive the benefits of its role in the transaction, and in order to preserve the possibility of future business opportunities between the Collateral Manager or the Placement Agent and such investors, (iii) those views, and any modifications made to the portfolio as a result of those discussions, will not adversely affect the performance of a holder's Notes, or (iv) the views of any particular investors that are expressed in such discussions will not influence the composition of the collateral pool. The Collateral Manager will have sole authority to select, and sole responsibility for selecting, the Collateral Obligations. Except for a right to approve purchases under the Warehouse Facility as described below, the Placement Agent has not and will not determine the composition of the collateral pool.

4.3 Acquisition of Collateral Obligations Prior to the Issue Date

It is expected that at least €347,000,000 in aggregate principal amount of the initial Collateral Obligations will have been acquired (or committed to be acquired) under the Warehouse Facility (as defined below) as of the Issue Date at prevailing market prices at the time of purchase by the Collateral Manager (on behalf of the Issuer).

The Issuer's purchase of such Collateral Obligations have been financed by a warehouse financing facility (the "**Warehouse Facility**") provided by JPMorgan Chase Bank, National Association ("**JPMCB**"), as lender and Post Portfolio Trust, LLC as purchaser (the "**Warehouse Equity Provider**") of warehouse subordinated notes issued by the Issuer. Pursuant to the terms of the warehousing deed dated 4 November 2019 documenting the Warehouse Facility, CBAM Partners, LLC ("**CBAM U.S.**" **)** was appointed as collateral manager.

On the Issue Date, the Warehouse Facility will terminate and JPMCB as lender will be paid in full from the issuance proceeds received by the Issuer for the Notes. All unrealised losses and gains with respect to the Collateral Obligations purchased under the Warehouse Facility will be for the Issuer's account and, consequently, the market value of such Collateral Obligations on the Issue Date may be lower or higher (as the case may be) than at the time they were acquired by the Issuer. If the issuance of the Notes does not occur, the initial Collateral Obligations may be liquidated and JPMCB as lender and/or the Warehouse Equity Provider may suffer a loss. This risk may provide an incentive for the Placement Agent and the Collateral Manager to close the transaction in non-optimal conditions.

In connection with the Warehouse Facility, JPMCB has the right to approve all Collateral Obligations which are selected and acquired under the Warehouse Facility (on behalf of the Issuer) and, in certain circumstances, JPMCB has the right to require or approve sales of Collateral Obligations. JPMCB will exercise those rights solely for its own benefit as a lender and in a manner that protects its rights and interests as a creditor of the Issuer. In certain circumstances, prior to the Issue Date, Collateral Obligations previously acquired may be sold pursuant to the Warehouse Facility. The Warehouse Equity Provider may purchase Notes on the Issue Date or at any time thereafter. None of JPMCB, the Placement Agent or any of their Affiliates or the Warehouse Equity Provider has done, and no such person will do, any analysis of the Collateral Obligations so acquired or sold for the benefit of, or in a manner designed to further the interests of, any Noteholder. Neither JPMCB nor the Warehouse Equity Provider will have the right to approve the sale or purchase of any Collateral Obligations by the Collateral Manager (on behalf of the Issuer) on and after the Issue Date.

By its purchase of Notes, each Noteholder is deemed to have consented to the purchase of the initial Collateral Obligations by the Issuer and the arrangements described above.

4.4 Acquisitions of Collateral Obligations

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

The requirement that the Eligibility Criteria be satisfied applies only (i) at the time that any commitment to purchase a Collateral Obligation is entered into, (ii) in respect of Issue Date Collateral Obligations, on the Issue Date and (iii) in respect of certain of the Eligibility Criteria that comprise the Restructured Obligation Criteria, those Collateral Obligations which are the subject of a restructuring (whether effected by way of an amendment to the terms of such Collateral Obligation or by way of substitution of new obligations and/or change of Obligor), on the applicable Restructuring Date, and, in each case, any failure by such Collateral Obligation to satisfy the relevant Eligibility Criteria at a later stage will not result in any requirement to sell it or take any other action.

4.5 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 Obligations in order to satisfy, as at the Effective Date, the Target Par Amount and each of the Coverage Tests (other than in respect of (i) the Interest Coverage Tests, which are required to be satisfied on and after any Determination Date immediately preceding the second Payment Date and (ii) the Class E Par Value Test, which is required to be satisfied on any Measurement Date on and after the expiry of the Reinvestment Period), Collateral Quality Tests and Portfolio Profile Tests. See the section of this Offering Circular titled "*The Portfolio*". The ability to satisfy such tests and requirement will depend on a number of factors beyond the control of the Issuer and the Collateral Manager, including the availability of obligations that satisfy the Eligibility Criteria and other Portfolio related requirements in the primary and secondary loan markets, the condition of the financial markets, general economic conditions, international political events and other macroeconomic events. Therefore, there can be no assurance that such tests and requirements will be met. See 1.5 "*General Economic Conditions may Deteriorate and may Affect the Ability of the Issuer to make Payments on the Notes*". 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 2.4 "*European Market Infrastructure Regulation (EMIR)*". To the extent it is not possible to purchase such additional Collateral 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 Obligations are not purchased, the level of income receivable by the Issuer on the Collateral and therefore its ability to meet its interest payment obligations under the Notes, together with the weighted average lives of the Notes, may be adversely affected. Any failure by the Collateral Manager (on behalf of the Issuer) to acquire such additional Collateral Obligations and/or enter into required Asset Swap Transactions during such period could result in the non-confirmation or downgrade or withdrawal by any Rating Agency of its Initial Rating of any Class of Notes. Such non-confirmation, downgrade or withdrawal may result in the redemption of the Notes, shortening their weighted average life and reducing the leverage ratio of the Subordinated Notes to the other Classes of Notes which could adversely affect the level of returns to the holders of the Subordinated Notes. Any such redemption of the Notes may also adversely affect the risk profile of Classes of Notes in addition to the Subordinated Notes to the extent that the amount of excess spread capable of being generated in the transaction reduces as the result of redemption of the most senior ranking Classes of Notes in accordance with the Note Payment Sequence which bear a lower rate of interest than the remaining Classes of Rated Notes.

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

4.6 The Target Par Amount

As of the Effective Date, the Issuer is required to have acquired, or entered into binding commitments to acquire, Collateral Obligations the Aggregate Principal Balance of which equals or exceeds the Target Par Amount (provided that for the purposes of determining such Aggregate Principal Balance, any repayments or prepayments of Collateral Obligations not subsequently reinvested subsequent to the Issue Date shall be disregarded and the Principal Balance of a Collateral Obligation which is a Defaulted Obligation shall be the lower of its Fitch Collateral Value and its S&P Collateral Value). If the Target Par Amount has not been reached on the Effective Date an Effective Date Rating Event may occur pursuant to the Conditions which may in certain circumstances lead to an early redemption of the Notes.

4.7 Prepayment Risk

Loans are generally prepayable in whole or in part at any time at the option of the obligor thereof at par plus accrued and unpaid interest thereon. Secured Senior Bonds may include obligor call or prepayment features, with or without a premium or make whole. Prepayments on loans and bonds may be caused by a variety of factors, which are difficult to predict. Accordingly, there exists a risk that loans or bonds purchased at a price greater than par may experience a capital loss as a result of such a prepayment. In addition, Principal Proceeds received upon such a prepayment are subject to reinvestment risk. Any inability of the Issuer to reinvest payments or other proceeds in Collateral 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 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. The rate of prepayments, amortisation and defaults may be influenced by various factors including:

- changes in Obligor performance and requirements for capital;
- the level of interest rates;
- lack of credit being extended and/or the tightening of credit underwriting standards in the commercial lending industry; and
- the overall economic environment, including any fluctuations in the recovery from the current economic conditions.

The Issuer cannot predict the actual rate of prepayments, accelerated amortisation or defaults which will be experienced with respect to the Collateral Obligations. As a result, the Notes may not be a suitable investment for any investor that requires a regular or predictable schedule of principal payments.

Bonds frequently have call or redemption features (with or without a premium or make whole) that permit the issuer to redeem such obligations prior to their final maturity date.

Repayments on bonds may be caused by a variety of factors which are difficult to predict. Accordingly, there exists a risk that bonds purchased at a price greater than par may experience a capital loss as a result of such repayment. In addition, Principal Proceeds received upon such a repayment are subject to reinvestment risk. Any inability of the Issuer to reinvest payments or other proceeds in Collateral Obligations with comparable interest rates that satisfy the Eligibility Criteria and may be acquired in compliance with the Reinvestment Criteria may adversely affect the timing and amount of payments and distributions received by holders of the Notes and the yield to maturity of the Notes. There can be no assurance that the Issuer will be able to reinvest proceeds in Collateral Obligations with comparable interest rates that satisfy the Eligibility Criteria or 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.

4.8 **Defaults and Recoveries**

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

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

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 is 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 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 (including any such analysis prepared by the Placement Agent for or at the direction of investors) in determining whether to purchase the Notes.

In some European jurisdictions (including the UK), obligors or lenders may seek a "scheme of arrangement". In such instance, a lender may be forced by a court to accept restructuring terms.

Recoveries on Senior Obligations, 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 4.25 "*Insolvency Considerations relating to Collateral Obligations*".

It is a requirement of the rating of the Rated Notes that Collateral Obligations that are to constitute Restructured Obligations following a restructuring satisfy the Restructured Obligation Criteria on the applicable Restructuring Date. Such requirement may result in Collateral Obligations ceasing to be Collateral Obligations following a restructuring of the terms thereof.

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

4.9 Underlying Portfolio

Characteristics of Senior Obligations, Second Lien Loans 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 shall consist of obligations which are Secured Senior Loans or Secured Senior Bonds (which term shall comprise the aggregate of the Aggregate Principal Balance of the Secured Senior Loans and Secured Senior Bonds and the Balances standing to the credit of the Principal Account and the Unused Proceeds Account, in each case as at the relevant Measurement Date). Senior Obligations, Second Lien Loans and Mezzanine Obligations are of a type generally incurred by the Obligors thereunder in connection with highly leveraged transactions, often (although not exclusively) to finance internal growth, pay dividends or other distributions to the equity holders in the Obligor, or finance acquisitions, mergers, and/or stock purchases. As a result of the additional debt incurred by the Obligor 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 and Second Lien Loans are typically at the most senior level of the capital structure with Second Lien Loans and Mezzanine Obligations being subordinated to any Senior Obligations or to any other senior debt of the Obligor. Secured Senior Loans and Secured Senior Bonds are often secured by specific collateral, including but not limited to, trademarks, patents, accounts receivable, inventory, equipment, buildings, real estate, franchises and common and preferred stock of the Obligor and its subsidiaries and any applicable associated liens relating thereto. In continental Europe, security is often limited to shares in certain group companies, accounts receivable, bank account balances and intellectual property rights. Second Lien Loans and Mezzanine Obligations may have the benefit of a second priority charge over such assets. Unsecured Senior Loans do not have the benefit of such security. Senior Obligations usually have shorter terms than more junior obligations and often require mandatory prepayments from excess cash flows, asset dispositions and offerings of debt and/or equity securities.

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

Mezzanine Obligations generally take the form of medium term loans repayable shortly (perhaps six months or one year) after the senior loans of the obligor thereunder are repaid. Because Mezzanine Obligations are only repayable after the senior debt (and interest payments may be blocked to protect the position of senior debt interest in certain circumstances), 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 Obligations may bear interest at a fixed rate, for example high yield bonds. Risks associated with fixed rate obligations are discussed at 4.19 "*Interest Rate Risk*".

The majority of Senior Obligations and Mezzanine Obligations bear interest based on a floating rate index, for example EURIBOR, a certificate of deposit rate, a prime or base rate (each as defined in the applicable 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 Obligation or Mezzanine Obligation may receive certain syndication or participation fees in connection with its purchase. Other fees payable in respect of a Senior Obligation or Mezzanine Obligation, which are separate from interest payments on such loan, may include facility, commitment, amendment and prepayment fees.

Senior Obligations and Mezzanine Obligations also generally provide for restrictive covenants designed to limit the activities of the Obligors thereunder in an effort to protect the rights of lenders to receive timely payments of interest on, and repayment of, principal of the loans. Such covenants may include restrictions on dividend payments, specific mandatory minimum financial ratios, limits on total debt and other financial tests. A breach of covenant (after giving effect to any cure period) under a Senior Obligation or Mezzanine Obligation which is not waived by the lending syndicate normally is an event of acceleration which allows the syndicate to demand immediate repayment in full of the outstanding loan.

However, although any particular Senior Obligation or Mezzanine Obligation may share many similar features with other loans and obligations of its type, the actual terms of any Senior Obligation or Mezzanine Obligation will have been a matter of negotiation and will be unique. Any such particular loan may contain non-standard terms and may provide less protection for creditors than may be expected generally, including in respect of covenants, events of default, security or guarantees.

Limited Liquidity, Prepayment and Default Risk in relation to Senior Obligations, Second Lien Loans and Mezzanine Obligations

In order to induce banks and institutional investors to invest in a Senior Obligation, Second Lien 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 such Senior Obligation, Second Lien Loan or Mezzanine Obligation, and the private syndication of the Senior Obligations, Second Lien 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 Obligations, Second Lien 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 Obligations, resulting in increased disposal risk for such obligations.

Secured Senior Bonds are generally freely transferrable negotiable instruments (subject to standard selling and transfer restrictions to ensure compliance with applicable law, and subject to minimum denominations) and may be listed and admitted to trading on a regulated or an exchange regulated market; however there is currently no liquid market for them to any materially greater extent than there is for Senior Obligations which are 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 Senior Obligations which are loans.

Increased Risks for Mezzanine Obligations

The fact that Mezzanine Obligations are generally subordinated to any Senior Obligations and potentially other indebtedness of the relevant Obligor thereunder, may have a longer maturity than such other indebtedness and will generally only have a second ranking security interest over any security granted in respect thereof, increases the risk of non-payment thereunder of such Mezzanine Obligations in an enforcement situation.

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

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

Investing in Cov-Lite Loans involves certain risks

The Issuer or the Collateral Manager acting on its behalf may purchase Collateral 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. Depending upon market conditions, there may be a very limited market for High Yield Bonds.

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 Rated 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 Obligors 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 4.25 "*Insolvency Considerations relating to Collateral Obligations*". 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.

The Collateral Manager may, in accordance with its portfolio management practices and subject to the Transaction Documents, 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.

Investing in Second Lien Loans involves certain risks

The Collateral Obligations may include Second Lien Loans, each of which will be secured by 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 Obligation if a default or foreclosure on that Collateral Obligation occurs.

Liens on the collateral (if any) securing a Collateral 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 Obligation, the Issuer’s interest in the asset will be subordinate to such lien. If the creditor holding such lien exercises its remedies, it is possible that, after such creditor is repaid, sufficient cash proceeds from the underlying collateral will not be available to pay the outstanding principal amount of such Collateral Obligation.

Characteristics of Unsecured Senior Loans

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

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

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

Although a Corporate Rescue Loan may be unsecured, 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.

4.11 **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.

4.12 **Collateral Enhancement Obligations**

All funds required in respect of the purchase price of any Collateral Enhancement Obligations and all funds required in respect of the exercise price of any rights or options thereunder, may only be paid out of the Balance standing to the credit of the Collateral Enhancement Account at the relevant time as well as from Contributions by Noteholders in accordance with the Conditions. 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 Payment rather than being paid to the Subordinated Noteholders.

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 Obligation at any time. The ability of the Collateral Manager (acting on behalf of the Issuer) to exercise any rights or options under any Collateral Enhancement Obligation will be dependent upon there being sufficient amounts standing to the credit of the Collateral Enhancement Account to pay the costs of any such exercise. Failure to exercise any such right or option may result in a reduction of the returns to the Subordinated Noteholders (and, potentially, Noteholders of other Classes).

Collateral Enhancement Obligations and any income or return generated thereby are not taken into account for the purposes of determining satisfaction of, or required to satisfy, any of the Coverage Tests, the Portfolio Profile Tests, the Collateral Quality Tests or the Reinvestment Overcollateralisation 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 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 and Administration Agreement. All such Collateral Manager Advances shall be repaid (together with interest thereon) out of the Interest Proceeds and Principal Proceeds on each Payment Date pursuant to the Priorities of Payment.

4.13 **Limited Control of Administration and Amendment of Collateral Obligations**

As a holder of an interest in a syndicated loan, the Issuer will have limited consent and control rights and such rights may not be effective in view of the expected proportion of such obligations held by the Issuer. 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 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 and Administration 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 and Administration Agreement.

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

4.14 **Participations, Novations and Assignments**

The Collateral Manager, acting on behalf of the Issuer may acquire interests in Collateral Obligations which are loans either directly (by way of novation or assignment) or indirectly (by way of sub participation). Each institution from which such an interest is taken by way of participation or acquired by way of assignment is referred to herein as a "**Selling Institution**". Interests in loans acquired directly by way of novation or assignment are referred to herein as "**Assignments**". Interests in loans 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. If the Selling Institution selling a Participation becomes insolvent, 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 in 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 2.21 "*EU Bank Recovery and Resolution Directive*".

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 Obligations that may comprise Participations as a proportion of the Aggregate Collateral Balance (excluding any Defaulted Obligations).

4.15 Voting Restrictions on Syndicated Loans for Minority Holders

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

4.16 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 generally 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 strategy as results in the rating of the Rated Notes being maintained at their then current level within the remedy period specified in the ratings criteria of the Rating Agencies.

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 and within the time limits prescribed for such action in the applicable Transaction Documents. There can be no assurance that the applicable Hedge Counterparty will be able to transfer its obligations to a suitable replacement counterparty or exercise any of the other aforementioned remedies within the specified remedy period. Failure to do so may result in interest rate or currency mismatches, which could adversely affect the ability of the Issuer to make payments on the Notes as the Issuer may not receive payments it would otherwise be entitled to from such Hedge Counterparty to cover its interest rate risk exposure or currency risk exposure in respect of Non-Euro Obligations for so long as the Issuer has not entered into a replacement Hedge Transaction (see 4.19 "*Interest Rate Risk*" and 4.20 "*Non-Euro Obligations and Asset Swap Transactions – Currency Risk*"). For further information, see the section of this Offering Circular titled "*Hedging Arrangements*".

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 2.21 "*EU Bank Recovery and Resolution Directive*".

4.17 **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 section of this Offering Circular titled "*The Portfolio – Portfolio Profile Tests and Collateral Quality Tests*". Although the resulting diversification of Collateral may reduce the risk described above, the diversification requirements applicable to the Issuer may cause the Issuer to invest in obligors or industries that suffer more defaults than if the Issuer were not required to invest in a diversified portfolio.

4.18 **Credit Risk**

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

4.19 **Interest Rate Risk**

The Class A Notes, the Class B-1 Notes, the Class C Notes, the Class D Notes and the Class E Notes bear interest at a floating rate based on EURIBOR. The Class B-2 Notes bear interest at a fixed rate of interest. It is possible that Collateral 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 Obligations securing the Notes must bear interest on a particular basis, save for the Portfolio Profile Test which requires that not more than 10 per cent. of the Aggregate Collateral Balance may comprise Fixed Rate Collateral Obligations.

In addition, any payments of principal or interest received in respect of Collateral Obligations and not otherwise reinvested during the Reinvestment Period in Substitute Collateral Obligations will generally be invested in Eligible Investments until shortly before the next Payment Date. There is no requirement that such Eligible Investments bear interest on a particular basis, and the interest rates available for such Eligible Investments are inherently uncertain.

As a result of these factors, it is expected that there will be a fixed/floating rate mismatch, floating rate basis mismatch, maturity date mismatch and/or mismatch in timing of determination of the applicable floating rate benchmark, in each case between the Notes and the underlying Collateral Obligations and Eligible Investments. Such mismatch may be material and may change from time to time as the composition of the related Collateral Obligations and Eligible Investments change and as the liabilities of the Issuer accrue or are repaid. As a result of such mismatches, changes in the level of EURIBOR could adversely affect the ability to make payments on the Notes. In addition, pursuant to the Collateral Management and Administration Agreement, the Collateral Manager, acting on behalf of the Issuer, is authorised to enter into the Hedge Transactions in order to mitigate such interest rate mismatch from time to time, subject to receipt in each case of Rating Agency Confirmation and KBRA Confirmation in respect thereof (unless such interest rate hedge is a Form Approved Interest Rate Hedge) and subject to certain regulatory considerations in relation to swaps, discussed in 2.8 "*Commodity Pool Regulation*". However, the Issuer will depend on each Hedge Counterparty to perform its obligations under any Hedge Transaction to which it is a party and if any Hedge Counterparty defaults or becomes unable to perform due to insolvency or otherwise, the Issuer may not receive payments it would otherwise be entitled to from such Hedge Counterparty to cover its interest rate risk exposure. Furthermore, the terms of the Hedge Agreements may provide for the ability of the Hedge Counterparty to terminate such Hedge Agreement upon the occurrence of certain events, including related to certain regulatory matters. Any such termination in the case of an Interest Rate Hedge Transaction would result in the Issuer's exposure to interest rate exposure increasing, and may result in the Issuer being required to pay a termination amount to the relevant Hedge Counterparty. See the section of this Offering Circular titled "*Hedging Arrangements*".

If a significant number of Collateral Obligations pay interest on a semi-annual basis there may be insufficient interest received to make quarterly interest payments on the Notes prior to the occurrence of a Frequency Switch Event. In order to mitigate the effects of any such timing mis-match, the Issuer will hold back a portion of the interest received on Collateral Obligations which pay interest less frequently than quarterly in order to make quarterly payments of interest on the Notes ("**Interest Smoothing**"). In addition, to mitigate re-set risk, a Frequency Switch Event shall occur if (amongst other things) a sufficient portion of the Collateral Obligations re-set from quarterly to semi-annual pay, as more particularly described in the definition of "**Frequency Switch Event**". There can be no assurance that Interest Smoothing and the occurrence of a Frequency Switch Event shall be sufficient to mitigate any timing and reset risks, respectively.

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

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 Payment and may, accordingly, have a negative impact on the amounts available to the Issuer to apply as payments on the Notes.

To the extent that the European Central Bank's or other central bank's deposit rate from time to time results in obligors in respect of financial instruments held by the Issuer as Eligible Investments incurring negative deposit rates as a result of having issued such instruments and whilst such instruments remain outstanding, the Issuer (as holder of such instruments) may also be required to compensate the relevant obligors for such chargeable interest incurred in the form of a mandatory reduction in the principal amount outstanding of such instruments in accordance with their terms.

The Issuer has established the Principal Reduction Reserve Account for the purposes of covering any Principal Reductions. The Principal Reduction Reserve Account will be funded after the Issue Date and replenished at the Collateral Manager's discretion (acting in accordance with the standard of care required under the Collateral Management and Administration Agreement) out of (amongst other sources) Interest Proceeds in accordance with the Interest Proceeds Priority of Payments on a senior basis, subject to a cap of €50,000 per annum (or, if lower, the amount (if any) of the Senior Expenses Cap remaining after the payment of all Trustee Fees and Expenses and Administrative Expenses in accordance with the Interest Proceeds Priority of Payments). The Collateral Manager may also fund the Principal Reduction Reserve Account on a subordinated basis (but senior to payments on the Subordinated Notes) in accordance with the Interest Proceeds Priority of Payments to the extent necessary, in its reasonable discretion, to fund anticipated Principal Reductions for the current Due Period.

Accordingly, payments made into the Principal Reduction Reserve Account in order to cover anticipated Principal Reductions as described above, may have a negative impact on amounts available to the Issuer to apply as interest payments on the Notes. In addition, whilst the Issuer (or the Collateral Manager on its behalf) is only permitted to invest in Eligible Investments to the extent that amounts standing to the credit of the Principal Reduction Reserve Account at the time of investment will be sufficient, in the Collateral Manager's reasonable determination, to cover anticipated Principal Reductions for the applicable Due Period, there can be no guarantee that such amounts will be sufficient to cover all Principal Reductions that may arise, and the occurrence of Principal Reductions in respect of Eligible Investments may therefore negatively affect the Aggregate Collateral Balance (and the Par Value Ratios).

The calculation of EURIBOR on the Floating Rate Notes is subject to a floor of zero, and holders of such Notes, notwithstanding that the rate of EURIBOR reaches such floor, will remain entitled to receive no less than the Applicable Margin.

4.20 Non-Euro Obligations and Asset Swap Transactions – Currency Risk

The Portfolio Profile Tests provide that up to 25 per cent. of the Aggregate Collateral Balance may comprise Non-Euro Obligations denominated in certain Non-Emerging Market Currencies. The percentage of the Portfolio that is comprised of these types of obligations may increase or decrease over the life of the Notes within the limit set by the Portfolio Profile Tests. The Issuer is required to enter into an Asset Swap Transaction in respect of each Non-Euro Obligation.

Notwithstanding that Non-Euro Obligations may be subject to Asset Swap Transactions, fluctuations in the currency exchange rates for currencies in which Collateral 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 Obligations because of the cost of entry into such Asset Swap Transactions and due to restrictions in the Collateral Management and Administration Agreement with respect thereto. The Collateral Manager may also be unable to find suitable Asset Swap Counterparties willing to provide Asset Swap Transactions. Furthermore, the terms of the Hedge Agreements may provide for the ability of the Asset Swap Counterparty to terminate such Hedge Agreement upon the occurrence of certain events, including related to certain regulatory matters. Any such termination in the case of an Asset Swap Transaction would result in the Issuer being exposed to currency risk in respect of the related Non Euro Obligations for so long as the Issuer has not entered into a replacement Asset Swap Transaction, and may result in the Issuer being required to pay a termination amount to the relevant Asset Swap Counterparty. 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 2.4 "*European Market Infrastructure Regulation (EMIR)*", 2.7 "*CFTC Regulations*" and 2.8 "*Commodity Pool Regulation*".

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. In addition, it may be necessary for the Issuer to make substantial up-front payments in order to enter into currency hedging arrangements on the terms required by the Collateral Management and Administration Agreement.

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

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

4.21 **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 Obligations and to reinvest the proceeds thereof in Substitute Collateral Obligations in compliance with the Reinvestment Criteria. In addition, during the Reinvestment Period, to the extent that any Collateral Obligations prepay or mature prior to the Maturity Date, the Collateral Manager will seek to invest the proceeds thereof in Substitute Collateral Obligations, subject to the Reinvestment Criteria. In addition, following the expiry of the Reinvestment Period, the Collateral Manager may reinvest some types of Principal Proceeds - see 3.8 "*The Collateral Manager May Reinvest After the End of the Reinvestment Period*". The yield with respect to such Substitute Collateral Obligations will depend, among other factors, on reinvestment rates available at the time, on the availability of investments which satisfy the Reinvestment Criteria and are acceptable to the Collateral Manager, and on market conditions related to high yield securities and bank loans in general. The need to satisfy such Reinvestment Criteria and identify acceptable investments may require the purchase of Collateral Obligations with a lower yield than those replaced, with different characteristics than those replaced (including, but not limited to, coupon, maturity, call features and/or credit quality) or require that such funds be maintained in cash or Eligible Investments pending reinvestment in Substitute Collateral Obligations, which will further reduce the yield of the Portfolio. Any decrease in the yield of the Portfolio will have the effect of reducing the amounts available to make distributions of interest on the Notes which will adversely affect cash flows available to make payments on the Notes, especially the most junior Class or Classes of Notes. There can be no assurance that if the Collateral Obligations are sold, prepaid, or mature, yields on Collateral Obligations that are eligible for purchase will be at the same levels as those replaced and there can be no assurance that the characteristics of any Substitute Collateral Obligations purchased will be the same as those replaced and there can be no assurance as to the timing of the purchase of any Substitute Collateral Obligations.

The timing of the initial investment of the net proceeds of issue of the Notes remaining after the payment of certain fees and expenses due and payable by the Issuer on the Issue Date and reinvestment of Sale Proceeds, Scheduled Principal Proceeds and Unscheduled Principal Proceeds, can affect the return to holders of, and cash flows available to make payments on, the Notes, especially the most junior Class or Classes of Notes. Loans and privately placed high yield securities are not as easily (or as quickly) purchased or sold as publicly traded securities for a variety of reasons, including confidentiality requirements with respect to Obligor information, the customised nature of 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 Obligations. The longer the period between reinvestment of cash in Collateral Obligations, the greater the adverse impact may be on the aggregate amount of the Interest Proceeds collected and distributed by the Issuer, including on the Notes, especially the most junior Class or Classes of Notes, thereby resulting in lower yields than could have been obtained if Principal Proceeds were immediately reinvested. In addition, loans are often prepayable by the 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 Obligations which risk will first be borne by holders of the Subordinated Notes and then by holders of the Rated Notes, beginning with the most junior Class.

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

4.22 Rising Interest Rates may Render some Obligors Unable to pay Interest on their Collateral Obligations

Most of the Collateral Obligations bear interest at floating interest rates. To the extent interest rates increase, periodic interest obligations owed by the related Obligors will also increase. As prevailing interest rates increase, some Obligors may not be able to make the increased interest payments on Collateral Obligations or refinance their balloon and bullet Collateral Obligations, resulting in payment defaults, Defaulted Obligations and an inability of the Issuer to make payment on some or all Classes of Notes. Conversely if interest rates decline, Obligors may refinance their Collateral Obligations at lower interest rates which could shorten the average life of the Notes.

4.23 Balloon Obligations and Bullet Obligations Present Refinancing Risk

The Collateral may consist of Collateral Obligations that are either balloon obligations or bullet obligations. Balloon obligations and bullet obligations involve a greater degree of risk than other types of transactions because they are structured to allow for either small (balloon) or no (bullet) principal payments over the term of the loan, requiring the Obligor to make a large final payment upon the maturity of the Collateral Obligation. The ability of such Obligor to make this final payment upon the maturity of the Collateral Obligation typically depends upon its ability either to refinance the Collateral Obligation prior to maturity or to generate sufficient cash flow to repay the Collateral Obligation at maturity. The ability of any Obligor to accomplish any of these goals will be affected by many factors, including the availability of financing at acceptable rates to such Obligor, the financial condition of such Obligor, the marketability of the collateral (if any) securing such Collateral Obligation, the operating history of the related business, tax laws and the prevailing general economic conditions. Consequently, such Obligor may not have the ability to repay the Collateral Obligation at maturity, and the Issuer could lose all or most of the principal of the Collateral Obligation. Given their relative size and limited resources and access to capital, some Obligors may have difficulty in repaying or refinancing their balloon and bullet Collateral Obligation on a timely basis or at all.

4.24 Ratings on Collateral Obligations

Credit ratings of Collateral Obligations represent the rating agencies' opinions regarding their credit quality but are not a guarantee of such quality or performance. A credit rating is not a recommendation to buy, sell or hold Collateral Obligations and may be subject to revision, suspension or withdrawal at any time by the assigning rating agency. If a credit rating assigned to any Collateral Obligation is lowered for any reason, no party is obliged to provide any additional support or credit enhancement with respect to such Collateral Obligation. Rating agencies attempt to evaluate the relative future creditworthiness of an obligation and do not address other risks, including but not limited to liquidity risk, market value or price volatility; therefore, ratings do not fully reflect the true risks of an investment. Also, rating agencies may fail to make timely changes in credit ratings in response to subsequent events, so that an Obligor's current financial condition may be better or worse than a rating indicates. Consequently, credit ratings of any Collateral Obligation (as is also the case in respect of the Rated Notes) should be used only as a preliminary indicator of investment quality and should not be considered a completely reliable indicator of investment quality. Rating reductions or withdrawals may occur for any number of reasons and may affect numerous Collateral Obligations at a single time or within a short period of time, with material adverse effects upon the Notes. It is possible that many credit ratings of Collateral Obligations that the Issuer holds from time to time will be subject to significant or severe adjustments downward.

The Collateral Quality Tests, the Portfolio Profile Tests, the Coverage Tests and the Reinvestment Overcollateralisation Test are sensitive to variations in the ratings applicable to the underlying Collateral

Obligations. Generally, deteriorations in the business environment or increases in the business risks facing any particular Obligor may result in downgrade of its obligations, which may result in such obligation becoming a Credit Impaired Obligation, a Fitch CCC Obligation, an S&P CCC Obligation or a Defaulted Obligation (and therefore potentially subject to haircuts in the determination of the Coverage Tests and the Reinvestment Overcollateralisation Test and restriction in the Portfolio Profile Tests). The Collateral Management and Administration Agreement contains detailed provisions for determining the Fitch Rating and the S&P Rating. In some instances, the Fitch Rating and the S&P Rating will not be based on or derived from a public rating of the Obligor or the actual Collateral Obligation but may be based on either a private rating of the Obligor or Collateral Obligation or, in certain cases, a confidential credit estimate determined separately by Fitch and S&P. 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 Obligations where the Fitch Rating or the S&P Rating is derived from the rating of another rating agency and *vice versa*. Furthermore, such derived ratings will not reflect detailed credit analysis of the particular Collateral Obligation and may reflect a more or less conservative view of the actual credit risk of such Collateral Obligation than any such fundamental credit analysis might, if conducted, warrant; and model-derived variations in such ratings may occur (and have consequential effects on the Collateral Quality Tests, the Portfolio Profile Tests and the Coverage Tests) without necessarily reflecting comparable variation in the actual credit quality of the Collateral Obligation in question. See the sections of this Offering Circular titled "*Ratings of the Notes*" and "*The Portfolio*".

There can be no assurance that rating agencies will continue to assign such ratings utilising the same methods and standards utilised as at the date of this Offering Circular despite the fact that such Collateral Obligation might still be performing fully to the specifications set forth in its Underlying Instrument. Any change in such methods and standards could result in a significant rise in the number of Fitch CCC Obligations and S&P CCC Obligations or Defaulted Obligations in the Portfolio, which could cause the Issuer to fail to satisfy (i) the Coverage Tests on subsequent Determination Dates (provided that, (i) in the case of the Interest Coverage Tests, such Determination Date is on or after the Determination Date immediately preceding the second Payment Date and (ii) in the case of the Class E Par Value Test, such Determination Date is on or after the expiry of the Reinvestment Period), 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 Obligations (see Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*)) or (ii) the Reinvestment Overcollateralisation Test, which failure could cause a reduction in the amounts available for distribution to the Subordinated Noteholders.

4.25 Insolvency Considerations relating to Collateral Obligations

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

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

4.26 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 Obligations, the Issuer may be subject to claims from creditors of an Obligor that Collateral Obligations issued by such Obligor that are held by the Issuer should be equitably subordinated. However, the Issuer does not intend to engage in, and the Collateral Manager does not intend to advise the Issuer with respect to, any conduct that would form the basis for a successful cause of action based upon the equitable subordination doctrine.

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

The preceding discussion is based upon principles of United States federal and state laws. Insofar as Collateral Obligations that are obligations of non-United States Obligors are concerned, the laws of certain foreign jurisdictions may impose liability upon lenders 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.

4.27 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 collection on the Collateral Obligations, which would have an adverse effect on the amount available for distributions on Notes, beginning with the subordinated Notes as the most junior Classes.

4.28 Withholding Tax on the Collateral Obligations

At the time when they are acquired by the Issuer, the Eligibility Criteria require that payments on the Collateral Obligations either will not be reduced by any withholding tax imposed by any jurisdiction (other than withholding imposed under FATCA and U.S. withholding taxes on commitment fees, amendment fees, waiver fees, consent fees, extension fees, or similar fees) under current market practice or, if and to the extent that any such withholding tax does apply, either (i) such withholding tax can be eliminated or reclaimed by application being made under an applicable double tax treaty or otherwise; or (ii) the Obligor is required to make "gross-up" payments to the Issuer that cover the full amount of any such withholding on an after-tax basis. 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 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 Obligor or (c) the fact that the Issuer has taken a Participation in such Collateral Obligations from a Selling Institution which is able to pay interest payable under such Participation gross.

A large number of double tax treaties which Ireland is a party to have recently been amended or will be amended in the future as part of the Organisation for Economic Cooperation and Development's Base Erosion and Profit Shifting project. In particular a new rule is being added which will 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. If this rule applies the Issuer will not be able to take advantage of the relevant double taxation treaty between Ireland and the jurisdiction from which the relevant payment is made.

If the Issuer receives any interest payments on any Collateral Obligation net of any applicable withholding tax, the Coverage Tests and Collateral Quality Tests will be determined by reference to such net receipts. Such tax would also reduce the amounts available to make payments on the Notes. There can be no assurance that remaining payments on the Collateral Obligations would be sufficient to make timely payments of interest 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 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*).

4.29 Collateral Manager

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

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

In addition, the Collateral Manager may resign or be removed in certain circumstances as described in the section of this Offering Circular titled "*Description of the Collateral Management and Administration 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 and Administration 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 of sensitive data. Such a failure could impede the ability of the Collateral Manager to perform its duties under the Transaction Documents.

4.30 No Placement Agent Role Post-Closing

The Placement Agent takes no responsibility for, and has no obligations in respect of, the Issuer and will have no obligation to monitor the performance of the Portfolio or the actions of the Collateral Manager or the Issuer and has 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 its Affiliates acts as Hedge Counterparty or owns 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. While the Placement Agent may own a portion of certain Classes of Rated Notes on the Issue Date and may own Notes at any time, it has no obligation to make any investment in any Notes and may sell at any time any Notes it does purchase. See also 5 "*Certain Conflicts of Interest – Certain Conflicts of Interest Involving or Relating to the Collateral Manager and its Affiliates*".

4.31 Trading Gains

The Collateral Manager may, in its discretion, direct that any Trading Gains which would have been deposited into the Principal Account and designated for reinvestment or used to redeem the Notes in accordance with the Principal Proceeds Priority of Payments are instead deposited into the Interest Account, subject to certain conditions, including the Class E Par Value Test being satisfied after giving effect to such deposit and the aggregate amount of Trading Gains deposited into the Interest Account being no greater than 1 per cent. of the Target Par Amount. See Condition 3(j)(ii) (*Interest Account*).

In either case, such Trading Gains may not be available to be reinvested in Collateral Obligations and therefore the Aggregate Principal Balance of Collateral Obligations securing the Notes may be less than what would have otherwise been the case if such amounts had been reinvested in Collateral Obligations.

4.32 **Acquisition and Disposition of Collateral Obligations**

The Issuer anticipates that, by the Issue Date, it will have purchased or committed to purchase Collateral Obligations, the Aggregate Principal Balance of which equals at least €347,000,000 (representing 99.0 per cent. of the Target Par Amount). The estimated net proceeds of the issue of the Notes after payment of fees and expenses payable on or about the Issue Date (including, without duplication, amounts deposited into the Expense Reserve Account) will be used by the Issuer for the repayment of any amounts borrowed by the Issuer under the Warehouse Facility (together with any interest thereon) and all other amounts due in order to finance the acquisition of warehoused Collateral Obligations purchased by the Issuer prior to the Issue Date and to fund the First Period Reserve Account. The remaining proceeds shall be retained in the Unused Proceeds Account and used to purchase (or enter into agreements to purchase) additional Collateral Obligations during the Initial Investment Period (as defined in the Conditions). The Collateral Manager's decisions concerning purchases of Collateral Obligations will be influenced by a number of factors, including market conditions and the availability of securities and loans satisfying the Eligibility Criteria, Reinvestment Criteria and the other requirements of the Collateral Management and Administration Agreement. The failure or inability of the Collateral Manager to acquire Collateral Obligations with the proceeds of the offering or to reinvest Sale Proceeds or payments and prepayments of principal in Substitute Collateral Obligations in a timely manner will adversely affect the returns on the Notes, in particular with respect to the most junior Class or Classes. There is no assurance that the Collateral Manager on behalf of the Issuer will be able to acquire Collateral Obligations that satisfy the Eligibility Criteria or the Reinvestment Criteria, as applicable.

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 20 September 2020, subject to the Effective Date Determination Requirements being satisfied.

Under the Collateral Management and Administration Agreement and as described herein, the Collateral Manager may only, on behalf of the Issuer, dispose of a limited percentage of Collateral Obligations in any period of 12 calendar months and, subject to the satisfaction of certain conditions, any Collateral Obligation that meets the definition of a Defaulted Obligation, an Exchanged Equity Security, 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 and Administration Agreement, sales and purchases by the Collateral Manager of Collateral 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 Obligation, but will not be permitted to do so under the terms of the Collateral Management and Administration Agreement.

4.33 **Valuation Information; Limited Information**

None of the Placement Agent, the Collateral Manager or any other transaction party will be required to provide periodic pricing or valuation information to investors. Investors will receive limited information with regard to the Collateral Obligations and none of the transaction parties (including the Issuer, Trustee, or Collateral Manager) will be required to provide any information other than what is required in the Trust Deed or the Collateral Management and Administration Agreement. Furthermore, if any information is provided to the Noteholders (including required reports under the Trust Deed), such information may not be audited. The Collateral Manager may be in possession of material, non-public information with regard to the Collateral Obligations and will not be required to disclose such information to the Noteholders. In particular, the Collateral Manager will not have any obligation to keep any of these parties informed as to matters arising in relation to any Collateral Obligations, except as may be required in connection with the regular reports prepared by the Issuer (or the Collateral Administrator on behalf of the Issuer) in accordance with the Trust Deed.

The Noteholders and the Trustee will not have any right to inspect any records relating to the Collateral Obligations, and the Collateral Manager will not be obligated to disclose any further information or evidence regarding the existence or terms of, or the identity of any Obligor on, any Collateral Obligations, unless (i) specifically required by the Collateral Management and Administration Agreement or (ii) following its receipt of a written request from the Trustee, the Collateral Manager in its sole discretion determines that the disclosure of such further information or evidence regarding the existence or terms of, or the identity of any Obligor on, any Collateral Obligation to the Trustee would not be prohibited by applicable law or the Underlying Instruments relating to such Collateral Obligation, in which case the Collateral Manager will disclose such further information or evidence to the Trustee; provided that (a) the Trustee will not disclose such further information or evidence to any third party except (i) to the extent disclosure may be required by law or any governmental or regulatory authority; and (ii) to the extent that the Trustee, in its sole discretion, may determine that such disclosure is consistent with its obligations under the Trust Deed. Furthermore, the Collateral Manager may, with respect to any information that it elects to disclose, demand that persons receiving such information execute confidentiality agreements before being provided with the information.

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 activities of the Rating Agencies in connection with the transaction described herein may also 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

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

The following briefly summarises certain potential and actual conflicts of interest which are likely to arise from the overall activities of the Collateral Manager, CBAM U.S. and their Related Entities (as defined below), but is not intended to be an exhaustive list of all such conflicts.

Although the Collateral Manager and certain of its officers and personnel will devote such time and effort as the Collateral Manager deems appropriate to enable it to discharge its duties to the Issuer under the Collateral Management and Administration Agreement, they will not devote all of their working time to the affairs of the Issuer. As part of their regular business, the Collateral Manager, CBAM U.S. and their respective Affiliates and any respective officers and employees of such entities hold, purchase, sell, trade or take other related actions for their respective accounts, for the account of the Issuer and for the accounts of their Related Entities and others in which the Issuer has no interest, on a principal or agency basis, with respect to loans, investments and any other financial instruments. Such other accounts will have investment objectives, programs, strategies and positions that are similar or dissimilar to or conflict with those of the Issuer. Also, such other accounts will invest in businesses that compete with, have interests adverse to, or are affiliated with the obligors on loans or other obligations held by the Issuer, which could adversely affect the performance of the Issuer. The Collateral Manager and its Related Entities may invest in the Notes issued by the Issuer or could elect to bid at any auction of Defaulted Obligations or Collateral Obligations owned by the Issuer.

The Collateral Manager, CBAM U.S. and/or their Affiliates also provide investment advisory services for a negotiated fee to obligors who may or may not be Affiliates or Related Entities with respect to the Collateral Manager and whose loans are Collateral Obligations, and neither the Noteholders, nor the Issuer shall have any right to such fees. Accordingly, the Collateral Manager, CBAM U.S. and/or their Affiliates receive fees or other benefits for these services which are greater than and in addition to any fees the Collateral Manager is receiving for its services to the Issuer. This disparity in fee income creates potential conflicts of interest between the Collateral Manager's obligations to the Issuer and the Collateral Manager's interest in generating fee income. Furthermore, the Collateral Manager may waive, rebate or share all or a portion of its Collateral Management Fees with any Person as it may agree or as may otherwise be required by applicable law. From time to time, the Collateral Manager enters into arrangements with, or establishes private investment vehicles for, certain clients, including Related Entities, pursuant to which the Collateral Manager is compensated through a sharing of fees and remuneration earned by such clients in connection with specific investment recommendations of the

Collateral Manager. Such arrangements could result in an incentive for the Collateral Manager to favour the interests of such clients relative to the interests of the Issuer. No Noteholder will have the right to review or to receive the economic or other benefits of any such arrangement to which such Noteholder is not a party. Any such arrangements affect the incentives of the Collateral Manager in managing the Collateral Obligations and also affect the incentives of any Noteholders benefitting from such arrangements in taking actions that such Noteholders may be permitted to take under the Trust Deed and the Collateral Management and Administration Agreement, including votes concerning amendments to the Transaction Documents and the removal for "Cause" (as defined in the Collateral Management and Administration Agreement) of the Collateral Manager. Subject to compliance with the Collateral Manager's internal policies and procedures, the Collateral Manager and its Affiliates also carry on investment activities for their own accounts and for family members and friends who do not invest in the Issuer, and give advice and recommend investments or strategies to Related Entities and such advice and recommendations can differ from advice given to, or action taken with respect to investments and any other type of financial instrument recommended for or held by, the Issuer, even though their investment objectives are the same or similar.

As mentioned above, the Collateral Manager, CBAM U.S., their respective Affiliates and/or any officers and employees of such entities provide investment advisory services, among other services, that are substantially similar to and competitive with the Issuer. The operation of such competing businesses could conflict with and adversely affect the performance and operation of the Issuer and the Collateral Obligations by, among other things, impacting the value and availability of investment opportunities available to the Issuer. The Collateral Manager, CBAM U.S., their Affiliates and/or officers and employees of such entities will not be restricted in their ability to expand their business, services offering, operations, or in the types of investments which they may make. The Collateral Manager, CBAM U.S., their respective Affiliates and/or any officers and employees of such entities have economic interests in, or other relationships with, issuers in whose obligations or credit exposures the Issuer could invest. In particular, such Persons may invest, or may have already invested, in other financial instruments that are senior or junior to, or *pari passu* with, certain obligations or financial instruments of the same issuer that are held by the Issuer (*e.g.,* another account advised by the Collateral Manager acquires senior debt while the Issuer acquires subordinated debt) or in which partners, security holders, officers, directors, agents or employees of such Persons serve on boards of directors or otherwise have ongoing relationships. Accordingly, investment by the Issuer in such obligations or instruments could also benefit the Collateral Manager, CBAM U.S., their respective Affiliates and/or any officers and employees of such entities or other clients of the Collateral Manager or CBAM U.S. Each of such ownership and other relationships and business operations could result in restrictions imposed by law or internal policies on the investment activities by the Collateral Manager for the Issuer and otherwise create conflicts of interest for the Issuer. In such instances, the Collateral Manager, CBAM U.S., their respective Affiliates and/or any officers and employees of such entities could in their discretion make investment recommendations and decisions that are the same as or different from those made with respect to the Issuer's investments. In connection with any such activities described above, the Collateral Manager, CBAM U.S., their respective Affiliates and/or any officers and employees of such entities may hold, purchase, sell, trade or take other related actions in investments of a type that are suitable to be included as Collateral Obligations. The Collateral Manager, CBAM U.S., their respective Affiliates and/or any officers and employees of such entities will not be required to offer such investments to the Issuer or provide notice of such activities to the Issuer.

The Collateral Manager, CBAM U.S. and/or certain of their respective Affiliates serve as a general partner, adviser, officer, director, sponsor or manager of partnerships or companies organised to issue collateralised bond or loan obligations secured by non-investment grade bank loans. In such instances the Collateral Manager, CBAM U.S. and/or their respective Affiliates could give advice or take action with respect to such investments which differs from the advice given or the timing or nature of any action taken with respect to the investments of the Issuer. As a result of such advice or actions, the prices and availability of other financial investments in which the Issuer invests or may seek to invest, and the performance of the Issuer, may be adversely affected.

The Collateral Manager, CBAM U.S., their respective Affiliates and/or their Related Entities have invested and expect to continue to invest in debt obligations that would also be appropriate as Collateral Obligations and purchase or sell such obligations and other financial instruments for or on behalf of themselves and their Related Entities without purchasing or selling such obligations and other financial instruments for the Issuer and may purchase or sell other financial instruments for the Issuer without purchasing or selling such other financial instruments for themselves or their Related Entities. Accordingly, the performance of Related Entities and other clients of the Collateral Manager and the

Issuer will differ. Neither the Collateral Manager nor any Affiliate has any duty, in making or maintaining such investments, to act in a way that is favourable to the Issuer or to offer any such opportunity to the Issuer. The investment policies, fee arrangements and other circumstances applicable to such other parties may vary from those applicable to the Issuer. The Collateral Manager, CBAM U.S., their respective Affiliates and/or their Related Entities are not restricted from forming additional investment funds, from entering into other investment advisory relationships or from engaging in other business activities, even though such activities will be in competition with the Collateral Manager's responsibility to manage the Collateral Obligations and/or involve substantial time and resources of certain partners, officers or employees of the Collateral Manager. These activities could be viewed as creating a conflict of interest in that the time and effort of the principals of the Collateral Manager, CBAM U.S. or their respective Affiliates and any officers and employees of such entities will not be devoted exclusively to the business of the Collateral Manager, CBAM U.S. or their Affiliates, but will be allocated between the business of the Collateral Manager and the services provided to their other clients. Further, such other activities could generate higher fees, which also gives rise to conflicts of interest.

Unless prohibited by applicable law, the Trust Deed, the Collateral Management and Administration Agreement or certain documentation with respect to other clients of the Collateral Manager, the Collateral Manager may make investments that result in the payment of fees or remuneration other than management or incentive compensation for its advisory services to the Issuer, any Affiliate or Related Entity of the Collateral Manager or CBAM U.S. or to any other client in which the Collateral Manager, CBAM U.S. or any Affiliate or Related Entity of the Collateral Manager or CBAM U.S. has a pecuniary interest. The Collateral Manager, in such instances, may allocate the commitment portion and the syndicate portion of any such transaction to different clients, in accordance with its applicable internal policies and procedures (as such policies and procedures may change from time to time in the sole discretion of the Collateral Manager, the "**Internal Policies**"), which Internal Policies are deemed, in the judgment of the Collateral Manager, to be fair and equitable in the aggregate over time. Subject to applicable law, the Trust Deed and the Collateral Management and Administration Agreement, the Collateral Manager, CBAM U.S., their Affiliates or Related Entities may retain some or all fees, consideration or compensation, including fees relating to arranger, syndication, agency, origination, sourcing, structuring, collateral management, advisory, commitment, facility, float or other services in connection with investments made on behalf of any client of the Collateral Manager and its other clients (including the Issuer) may not receive any benefit in connection with such fees. Except as required by the Transaction Documents, such fees or remuneration generally are in addition to and do not reduce or offset the fees paid in connection with the Collateral Manager's advisory services under the Collateral Management and Administration Agreement. The receipt of such fees by the Collateral Manager, CBAM U.S. or any of their respective Affiliates or Related Entities could potentially create an incentive to make investments that give rise to additional compensation in connection with transactions unrelated to the transaction contemplated hereunder and under the Trust Deed.

The Collateral Manager, CBAM U.S., their respective Affiliates and/or Related Entities are engaged in loan origination, loan syndication, asset financing and loan servicing businesses and receive a fee in connection with such activities. Subject to the terms of the Collateral Management and Administration Agreement, the Collateral Manager is not prohibited from acquiring such loans on behalf of the Issuer. The Issuer should not expect to participate in the fees or compensation received by the Collateral Manager, CBAM U.S., their respective Affiliates and/or Related Entities in connection with such businesses. The Collateral Manager, CBAM U.S., their respective Affiliates and/or Related Entities also have or could establish relationships with companies whose debt obligations or other financial instruments are included in the Assets and could, now or in the future, own or seek to acquire such obligations or other financial instruments issued by issuers of certain debt obligations and other financial instruments included in the Assets, and the holders or beneficial owners of such debt obligations and other financial instruments may have interests different from or adverse to the investments that are Collateral Obligations. The Collateral Manager, CBAM U.S. and/or any of their respective Affiliates organise and manage one or more entities with objectives similar to or different from those of the Issuer. The Collateral Manager, CBAM U.S. and/or any of their Affiliates will also provide other advisory services for a customary fee to other entities, and neither the Noteholders nor the Issuer will have any right to such fees. Some clients (including Related Entities) and investors and prospective clients and investors request and receive, in the sole discretion of the Collateral Manager, more specific and detailed portfolio information concerning a given portfolio or the strategy and specific investments with respect to such a portfolio, than is routinely provided to other clients in general or specifically with respect to the same portfolio. The Collateral Manager provides such information in its sole discretion, subject to applicable law and the terms and conditions of any engagements that the Collateral Manager enters into after the Issue Date with other clients and the Collateral Manager will have no obligation or commitment to provide the same or similar information to all clients, including the Issuer for the benefit of the Noteholders. As such, there can be no assurance that the quality, amount nor the frequency of delivery of any such information furnished to any clients or investors (or prospective clients or investors) by or on behalf of the Collateral Manager, CBAM U.S. or any of their respective Affiliates will be the same or similar among its clients, including the Issuer for the benefit of the Noteholders. Similarly, the Collateral Manager has no obligation to provide written commentary, research or other communications or analysis to any client regardless of whether any such information may be provided to other clients. In connection with the foregoing activities, the Collateral Manager and/or any Affiliate from time to time may come into possession of material nonpublic information ("**Inside Information**") that could restrict by law, internal policies or otherwise, the Collateral Manager from effecting transactions or taking other actions that otherwise might have been initiated on behalf of the Issuer.

Notwithstanding the foregoing, the Collateral Manager will generally make its investment decisions on behalf of the Issuer based on public information. In an effort to avoid restrictions for the Issuer and the Collateral Manager's, CBAM U.S.'s and their respective Affiliates' other clients, the Collateral Manager generally elects not to obtain access to Inside Information concerning any issuer or obligor of the Issuer's investments. As a result, in such instances, the Collateral Manager does not possess all of the information relating to an issuer or obligor that other investors in securities or obligations of such issuers or obligors could have, and consequently the Collateral Manager will from time to time take actions or refrain from taking actions on behalf of the Issuer that it would not take or refrain from taking were it in possession of such Inside Information known to other market participants. As a result, the Issuer's performance could be adversely affected. Because the actions taken by the Collateral Manager on behalf of its other clients conflict with the interests of the Issuer, the Collateral Manager, in order to manage such conflicts, could elect to abstain from making an investment or taking an action which in some cases could be to the benefit of or the detriment of the Issuer.

Furthermore, the Collateral Manager's ability to advise the Issuer to buy obligations for inclusion in the Portfolio or sell obligations which are part of the Portfolio will be restricted by limitations contained in the Collateral Management and Administration Agreement and the Trust Deed and due to other activity undertaken by the Collateral Manager on behalf of other clients. Accordingly, during certain periods or in certain specified circumstances, the Issuer will be unable to buy or sell obligations or to take other actions that the Collateral Manager might consider in the best economic interests of the Portfolio. The Collateral Manager, CBAM U.S, and/or any of their respective Affiliates or Related Entities will engage in other business and furnish investment management and advisory services to others, which may include, without limitation, serving as collateral manager or investment manager for, investing in, lending to, or being Affiliated with, other entities organised to issue collateralised bond or debt obligations secured by securities such as the Notes and other trusts and pooled investment vehicles that acquire interests in, provide financing to, or otherwise deal with obligations issued by, issuers that would be suitable investments for the Issuer. The Collateral Manager will be free, in its sole discretion, to make recommendations to others or effect transactions on behalf of itself or others that may be the same as or different from those effected on behalf of the Issuer, and the Collateral Manager, CBAM U.S., their respective Affiliates and Related Entities that have furnished (and expect to continue to furnish) investment management and advisory services to others who have investment policies similar to those followed by the Collateral Manager with respect to the Issuer and who may own obligations which are the same type as the Collateral Obligations. For example, the Collateral Manager may purchase an asset for the Issuer while simultaneously selling the same or related asset for another client, an Affiliate or a Related Entity.

Any such separately managed accounts or funds advised by the Collateral Manager, CBAM U.S. and/or their respective Affiliates could require the Collateral Manager, CBAM U.S. and/or their respective Affiliates to apply a different valuation methodology in valuing specific investments than the valuation methodology set forth in the Transaction Documents for the Issuer. As a result of such different methodology, the value of certain investments held in such separately managed accounts or funds managed by the Collateral Manager will differ from the value assigned under the Transaction Documents to the same investments held by the Issuer.

To the extent permitted under applicable law, the Collateral Manager expects to, on behalf of the Issuer and subject to compliance with the applicable provisions of the Collateral Management and

Administration Agreement, for liquidity, trade allocation or other reasons, purchase debt obligations and other financial instruments from, sell debt obligations and other financial instruments to, or enter into any client cross-transaction with any of its clients, partners, members or their employees and their Affiliates, and any investment vehicles, funds, accounts or similar entities advised by the Collateral Manager and/or its Affiliates (collectively, the "**Related Entities**") in order to further the investment programs of certain accounts or funds managed by the Collateral Manager, or for other reasons consistent with the investment and operating guidelines of such funds or accounts. In addition, with the prior authorisation of the Issuer, which can be revoked at any time, the Collateral Manager may enter into agency cross-transactions where it or any of its Affiliates acts as broker for the Issuer and for the other party to the transaction, to the extent permitted under applicable law and subject to compliance with the applicable provisions of the Collateral Management and Administration Agreement, in which case any such Affiliate may receive commissions from, and have a potentially conflicting division of loyalties and responsibilities regarding, both parties to the transaction. To the extent that a cross-transaction may be viewed as a principal transaction due to the Collateral Manager's, CBAM U.S.'s or or any respective Affiliate's ownership interest in another account advised by it or any of its Affiliates, the Collateral Manager will seek to comply with the requirements of the Investment Advisers Act, as applicable.

The Issuer could acquire from time to time Collateral Obligations selected by the Collateral Manager from one or more other collateralised debt obligation or similar transactions for which the Collateral Manager or one of its Affiliates serves as collateral manager or investment manager. Such transactions in some circumstances could be deemed principal transactions governed by the Investment Advisers Act. Any such principal transactions will be effected in accordance with the terms of the Trust Deed and the Collateral Management and Administration Agreement, subject to applicable law, including, where applicable, a requirement that the Issuer provide consent prior to settlement of the transaction. By its investment in the Notes, each investor will be deemed to have consented to this procedure.

The Collateral Manager is expected to purchase a minority (by principal amount) of each tranche of Notes on the Issue Date (including, but not limited to the case of the Retention Holder holding and retaining the Retention Notes pursuant to the Risk Retention Letter for the purposes of the EU Retention Requirements) and it is expected that the Collateral Manager and one or more Affiliates of the Collateral Manager will purchase 100% of the Class C Notes, the Class D Notes, the Class E Notes and the Subordinated Notes. The Collateral Manager and certain of its Affiliates and Related Entities may purchase additional Notes at any time on or after the Issue Date, subject to the applicable restrictions set forth in the Trust Deed. Any Notes owned by the Collateral Manager or any of its Affiliates or Related Entities may be sold by such party or parties to related and unrelated parties at any time after the Issue Date, subject to the terms of the Trust Deed. Although the Collateral Manager, its Affiliates and Related Entities may at times be Noteholders, the interests and incentives thereof will not necessarily be aligned with the interests of the other Noteholders, including holders of the same Class or Classes.

Any Notes held by or on behalf of the Collateral Manager 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. Any CM Voting Notes held by or on behalf of any Collateral Manager Related Person other than the Collateral Manager shall have voting rights with respect to, and shall be counted for the purposes of determining a quorum and the results of voting on any, CM Removal Resolution or CM Replacement Resolution.

In the event that any Originated Asset (as defined in "*The Retention Holder and EU Retention and Transparency Requirements*" below) fails to meet the Eligibility Criteria within 15 Business Days of the date upon which the Issuer (or the Collateral Manager on its behalf) entered into a binding commitment to acquire such Collateral Obligation, the Issuer shall have the right to require the Collateral Manager to purchase from it the relevant Originated Asset for the same purchase price as the Issuer committed to purchase and settle such Originated Asset, in accordance with the terms summarised in "*The Retention Holder and EU Retention and Transparency Requirements – Origination of Collateral Obligations*" below. The Noteholders, by their acquisition of the Notes, will be deemed to have consented to the foregoing.

The Collateral Manager, CBAM U.S. and/or their respective Affiliates could make recommendations and effect transactions on behalf of its Related Entities which differ from those effected with respect to the Issuer and the Portfolio. The Collateral Manager will often be seeking simultaneously to purchase or sell investments for the Issuer, itself and similar entities or other investment accounts for which it serves as investment manager (including Related Entities) and the Collateral Manager will have the discretion to apportion such purchases or sales among such entities. Related Entities are expected to hold (at the recommendation or direction of the Collateral Manager) some of the same investments as the Issuer. Related Entities and other clients of the Collateral Manager are likely to acquire any such investments on terms more or less favourable than the terms on which the Issuer acquired such investments. As such, the Collateral Manager cannot assure equal treatment or investment results across its investment clients. When the Collateral Manager determines that it would be appropriate for the Issuer and one or more Related Entities to participate in an investment opportunity or sell an investment, the Collateral Manager will seek to execute orders for all of the participating investment accounts, including the Issuer and its own account, consistent with its Internal Policies.

The Collateral Manager advises, or will advise, multiple clients with similar investment strategies. If an investment opportunity would be appropriate for more than one such client, the Collateral Manager will determine in its sole discretion which clients will participate in the investment opportunity and to what extent. This results in a client receiving no allocation of a particular investment or receiving an allocation of an investment which is less than it would otherwise have received if the Collateral Manager did not have multiple clients. Where the Collateral Manager recommends an investment opportunity to both the Issuer and another client, which client could be Affiliated with the Collateral Manager, conflicts can arise, including but not limited to conflicts related to the allocation of disposition opportunities and conflicts related to voting or other actions *vis-à-vis* obligors (including a situation where an Affiliated client has no incentive to vote in the same manner as the Issuer or has an incentive to vote against the Issuer with respect to an investment opportunity recommended by the Collateral Manager). The Collateral Manager has adopted policies and procedures designed to allocate investment opportunities to clients in a manner it deems to be fair and equitable taken as a whole (including, a complete opt-out of an allocation) over time, consistent with the client's investment strategy, guidelines and objectives. Accordingly, the Collateral Manager will weigh factors it deems relevant when determining which client portfolios will receive particular investment allocations and to what extent. Such factors include, among others, investment objectives, target returns/yields, risk tolerance, investment guidelines and metrics, limitations and restrictions, market conditions, internal investment policies, expected duration of the investment, maturity constraints, cash positions or needs, existing and target issuer and industry exposures, issue size, tax gains/losses and any other factor deemed relevant by the Collateral Manager in good faith. There is no assurance that any or all of these factors will be considered when making allocation decisions or that each factor will be weighed equally. As such, there is no assurance that the Issuer will hold the same investments or the same amount of an investment as the other clients of the Collateral Manager. The Collateral Manager's policy affords it substantial discretion in allocating investment opportunities and such discretion will affect performance. Certain clients may not participate in the gains or losses realised by other clients with similar investment objectives and there is no assurance that all client portfolios will hold the same positions or will perform similarly, even when clients share the same investment strategy and/or investment objective.

In certain circumstances, when allocating orders, the Collateral Manager's focus on constructing fully invested portfolios results in (i) certain investment preference being given to new clients, (ii) allocating certain investments to accounts or vehicles and certain other actions in connection with the EU Retention Requirements, (iii) allocating one or more investments to CLO warehouse vehicles or other proprietary or client accounts that maintain such investments temporarily in anticipation of contributing such investment(s) to a newly organised CLO or other pooled investment vehicle and/or (iv) making such investments available to certain clients who have or are expected to have a substantial amount of cash to invest/ramp up. In other circumstances, additional preferential consideration will be given to clients, including the Related Entities, responsible for sourcing or identifying a particular investment opportunity or group of investment opportunities. Clients that receive such consideration relative to other clients include those where the Collateral Manager, CBAM U.S., their Related Entities, existing investors, prospects, or principals and employees of the Collateral Manager, CBAM U.S. and/or their Related Entities and other Affiliated parties may have a financial interest, which interest could be substantial. These clients can include those whose investments have been seeded by the Collateral Manager or its Related Entities, or accounts that are or have been used to satisfy the EU Retention Requirements or that maintain warehoused assets. Allocations to certain such client accounts and to those accounts with performance-based fees or compensation or higher fee rates will result in an increased economic benefit to the Collateral Manager, CBAM U.S. and their Related Entities. To the extent that a client does not participate in an allocation or a bunched order, but seeks to purchase the investment at a later time, this client could receive a better or worse execution or not be able to execute at all.

As set forth above, *pro rata* allocation of investment opportunities should not be expected. Further, because each allocation decision is determined based on the facts and circumstances existing at the time of allocation, the Collateral Manager does not subscribe to a single methodology to make its allocations. There can be no assurance that any particular investment opportunity will be allocated in a particular manner and further, the Collateral Manager may employ allocation methodologies which differ from, or are inconsistent with, previously used methodologies. Investment opportunities that are presented to the Related Entities (other than the Collateral Manager) or their officers, directors, employees or agents, do not fall within the Collateral Manager's allocation policies and procedures to the extent they are not presented directly to the Collateral Manager.

The Collateral Manager, CBAM U.S. and/or their Related Entities, from time to time, acquire, hold, or sell for their own accounts, investments which are also appropriate for clients. The Collateral Manager is not required to offer these investment opportunities to its clients or share with or inform them of such opportunities before the Collateral Manager, CBAM U.S. or their Related Entities make such investments. Further, there is the possibility that the Collateral Manager, CBAM U.S. or their Related Entities will invest in opportunities that the Collateral Manager declined to recommend for client investment, including the Issuer. Accordingly, there will be instances where all or substantially all of an investment opportunity will be allocated to the Collateral Manager, CBAM U.S. or their Related Entities but not to unaffiliated clients, including the Issuer. This results in the potential for an increased economic benefit to the Collateral Manager, CBAM U.S. or their Related Entities.

If the Collateral Manager determines to purchase or sell the same security or obligation for more than one of the accounts it advises, the Collateral Manager may, but is not obligated to, aggregate orders placed simultaneously in an effort to seek best execution and reduce transaction costs to the extent permitted by applicable law. There can be no assurance that such aggregation will reduce costs or result in best execution.

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

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

The Collateral Manager will be permitted to discuss the composition and performance of the portfolio of Collateral Obligations and other Assets with CBAM U.S., Related Entities, Affiliates, Noteholders, potential Noteholders and other stakeholders in the transaction, including actual or potential clients or investors, which may influence the Collateral Manager's performance of its duties under the Collateral Management and Administration Agreement, and the Collateral Manager will be permitted to use the Issuer's track-record and investment performance in its marketing materials and disclosures in connection with its investment management business. There can be no assurance that any such discussions will not influence the Collateral Manager's decisions. Further, such discussions will not be shared with the Noteholders.

Other present and future activities of the Collateral Manager, CBAM U.S. and/or their respective Affiliates may give rise to additional conflicts of interest.

Rating Agencies

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

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

Various potential and actual conflicts of interest may arise as a result of the investment banking, commercial banking, asset management, financing and financial advisory services and products provided by JPMorgan Chase & Co. and its Affiliates (including the Placement Agent, JPMorgan Chase Bank, National Association ("**JPMCB**") and its Affiliates) (together, the "**J.P. Morgan Companies**") to the Issuer, the Trustee, the Collateral Manager, the issuers of the Collateral Obligations and other assets comprised in the Portfolio, as well as in connection with the investment, trading and brokerage activities of the J.P. Morgan Companies. The following briefly summarises some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

J.P. Morgan Securities plc will serve as Placement Agent to the Issuer and will be paid fees and commissions for such service by the Issuer from the proceeds of the issuance of the Notes. If Notes are placed by the Placement Agent with investors at prices that differ from the issue price paid by the Placement Agent for the Notes, this may impact the amount of such net fee paid to the Placement Agent by the Issuer. One or more J.P. Morgan Companies and one or more accounts or funds managed by a J.P. Morgan Company may from time to time hold Notes (the "**J.P. Morgan Holders**"). Without limitation to the foregoing, J.P. Morgan Holders may purchase certain unsold Notes and, in each case, such purchase may be at a price which may be higher or lower than the prices at which such Notes were sold to other investors. No J.P. Morgan Holder will be required to retain any Notes acquired by it and a J.P. Morgan Holder may realise a gain in the secondary market by selling Notes purchased by it. J.P. Morgan Holders will be able to influence the voting of Classes of Notes which they hold, and thereby have an effect on certain aspects of the transaction generally. To the extent that one or more J.P. Morgan Holders hold sufficient Notes of the Controlling Class to exercise Ordinary Resolutions or Extraordinary Resolutions (as applicable), they will be able to exercise their influence to determine whether the Notes are accelerated during the occurrence and continuance of certain Events of Default and what remedies should be taken against the Issuer or the Collateral Obligations. The interests of the J.P. Morgan Holders may not coincide with those of the other Noteholders at all times. Any J.P. Morgan Holder in its capacity as a Noteholder may act in its own commercial interest and need not consider whether its actions will have an adverse effect on the Issuer or the other holders. The J.P. Morgan Holders will have no responsibility for or obligation in respect of the Issuer and will have no obligation to own Notes on or after the Issue Date, or to retain Notes for any length of time. An Affiliate of the Placement Agent was also a lender to the Issuer in connection with the Warehouse Facility prior to the Issue Date. See further 4.3 "*Acquisition of Collateral Obligations Prior to the Issue Date*".

The J.P. Morgan Companies will not be limited in their activities relating to buying, holding or selling Notes or obligations constituting, or which may constitute, part of the Collateral Obligations. Without limitation of the foregoing, at any time, one or more J.P. Morgan Companies may have a long or short position in, or enter into a hedge or derivative position relating to, any obligation constituting part of the Collateral Obligations or any Class of Notes.

Prior to the Issue Date, JPMCB has provided the Warehouse Facility to the Issuer as described under 4.3 "*Acquisition of Collateral Obligations Prior to the Issue Date*". Upon the occurrence of the Issue Date, the Warehouse Facility will terminate and JPMCB will be paid in full from the issuance proceeds received by the Issuer for the Notes. As a lender and administrative agent in connection with the Warehouse Facility, JPMCB has the right to approve all Collateral Obligations which are selected and acquired under the Warehouse Facility (on behalf of the Issuer) and, in certain circumstances, JPMCB has the right to require or approve sales of Collateral Obligations by the Issuer. JPMCB will exercise those rights solely for its own benefit as a lender, solely for its own benefit in such capacity and in a manner that protects its rights and interests as a creditor of the Issuer. No J.P. Morgan Company has done, and no J.P. Morgan Company will do, any analysis of the Collateral Obligations acquired or sold by the Issuer for the benefit of, or in a manner designed to further the interests of, any Noteholder.

The J.P. Morgan Companies are significant participants in the leveraged loan and high yield bond markets. The Issuer has purchased and sold prior to the Issue Date, and it is likely that the Issuer will purchase or sell after the Issue Date, Collateral Obligations from, to or through one or more of the J.P. Morgan Companies (and such purchases or sales may relate to a significant portion of the Collateral Obligations and may be at prices that differ from the market values of the relevant Collateral Obligations at the time of purchase) and will also have purchased or sold, or will purchase or sell (as applicable) Collateral Obligations with respect to which a J.P. Morgan Company acted as underwriter, arranger, lender or administrative agent or in a similar capacity as further described below (and such Collateral Obligations may constitute a significant portion of the Portfolio).

Certain Eligible Investments may be issued, managed or underwritten by one or more of the J.P. Morgan Companies. One or more of the J.P. Morgan Companies may provide investment banking, commercial banking, asset management, financing and financial advisory services and products to the Collateral Manager, its Affiliates, and funds managed by the Collateral Manager and its Affiliates, and purchase, hold and sell, both for their respective accounts or for the account of their respective clients, on a principal or agency basis, loans, securities, and other obligations and financial instruments of the Collateral Manager, its Affiliates, and funds managed by the Collateral Manager and its Affiliates.

As a result of such transactions or arrangements, one or more of the J.P. Morgan Companies may have interests adverse to those of the Issuer and the Noteholders. The J.P. Morgan Companies will not be restricted in their performance of any such services or in the types of debt or equity investments, which they may make. In conducting the foregoing activities, the J.P. Morgan Companies will be acting for their own account or the account of their customers and will have no obligation to act in the interest of the Issuer.

One or more of the J.P. Morgan Companies may:

- have placed or underwritten, or acted as a financial arranger, structuring agent or advisor in connection with the original issuance of, or may act as a broker or dealer with respect to, certain of the Collateral Obligations;

- act as trustee, facility agent, paying agent and in other capacities in connection with certain of the Collateral Obligations or other classes of securities issued by an issuer of a Collateral Obligation or an Affiliate thereof;

- be a counterparty to issuers of certain of the Collateral Obligations under swap or other derivative agreements;

- provide finance under the Warehouse Facility in respect of certain assets;

- be a Hedge Counterparty under a Hedge Agreement with the Issuer;

- sell Collateral Obligations to the Issuer, including Collateral Obligations in respect of which the J.P. Morgan Companies act as underwriter, arranger, lender, obligor or administrative agent;

- be a Selling Institution with respect to a Participation;

- lend to certain of the issuers of Collateral Obligations or their respective Affiliates or receive guarantees from the issuers of those Collateral Obligations or their respective Affiliates;

- provide other investment banking, asset management, commercial banking, financing or financial advisory services to the issuers of Collateral Obligations or their respective Affiliates; or

- have an equity interest, which may be a substantial equity interest, in certain Obligors of the Collateral Obligations or their respective Affiliates.

When acting as a trustee, facility agent, paying agent or in other service capacities with respect to a Collateral Obligation, the J.P. Morgan Companies will be entitled to fees and expenses senior in priority to payments to such Collateral Obligation. When acting as a trustee for other classes of securities issued by the issuer of a Collateral Obligation or an Affiliate thereof, the J.P. Morgan Companies will owe fiduciary duties to the holders of such other classes of securities, which classes of securities may have differing interests from the holders of the class of securities of which the Collateral Obligation is a part, and may take actions that are adverse to the holders (including the Issuer) of the class of securities of which the Collateral Obligation is a part. As a counterparty under swaps and other derivative agreements (including without limitation, under a Hedge Agreement), the J.P. Morgan Companies might take actions adverse to the interests of the Issuer, including, but not limited to, demanding collateralisation of its exposure under such agreements (if provided for thereunder) or terminating such swaps or agreements in accordance with the terms thereof. In making and administering loans and other obligations, the J.P. Morgan Companies might take actions including, but not limited to, restructuring a loan, foreclosing on or exercising other remedies with respect to a loan, requiring additional collateral or other credit enhancement, charging significant fees and interest, placing the Obligor in bankruptcy or demanding payment on a loan guarantee or under other credit enhancement. The Issuer's purchase, holding and sale of Collateral Obligations may enhance the profitability or value of investments made by the J.P. Morgan Companies in the issuers thereof. As a result of all such transactions or arrangements between the J.P. Morgan Companies and issuers of Collateral Obligations or their respective Affiliates, the J.P. Morgan Companies may have interests that are contrary to the interests of the Issuer and the Noteholders. Further, additional J.P. Morgan Companies may subsequently become Hedge Counterparties. The interests of such entities as a Hedge Counterparty may not coincide with those of Noteholders at all times. Such entities, in their capacities as Hedge Counterparties, may act in their own commercial interest and need not consider whether their actions will have an adverse effect on the Issuer or the Noteholders.

As part of their regular business, the J.P. Morgan Companies may also provide investment banking, commercial banking, asset management, financing and financial advisory services and products to, and purchase, hold and sell, both for their respective accounts or for the account of their respective clients, on a principal or agency basis, loans, securities, and other obligations and financial instruments and engage in private equity investment activities. The J.P. Morgan Companies will not be restricted in their performance of any such services or in the types of debt or equity investments, which they may make. In conducting the foregoing activities, the J.P. Morgan Companies will be acting for their own account or the account of their customers and will have no obligation to act in the interest of the Issuer.

The J.P. Morgan Companies may, by virtue of the relationships described above or otherwise, at the date hereof or at any time hereafter, be in possession of information regarding certain of the issuers of Collateral Obligations and their respective Affiliates, that is or may be material in the context of the Notes and that is or may not be known to the general public. None of the J.P. Morgan Companies has any obligation, and the offering of the Notes will not create any obligation on their part, to disclose to any purchaser of the Notes any such relationship or information, whether or not confidential.

6. INVESTMENT COMPANY ACT

The Issuer has not registered with the United States Securities and Exchange Commission (the "**SEC**") as an investment company pursuant to the Investment Company Act, in reliance on an 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.

No opinion or no-action position has been, nor will be requested of the SEC with respect to the status of the Issuer as an investment company under the Investment Company Act.

If the SEC or a court of competent jurisdiction were to find that the Issuer is required, but in violation of the Investment Company Act had failed, to register as an investment company, possible consequences include, but are not limited to, the following: (i) the SEC could apply to a district court to enjoin the violation; (ii) investors in the Issuer could sue the Issuer and seek recovery of any damages caused by the violation; and (iii) any contract to which the Issuer is party 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 determines that any holder of an interest in a Rule 144A Note is a Non-Permitted Holder, the Issuer shall require the sale of the relevant Notes subject to and in accordance with the Conditions. See 3.28 "*Forced Transfer*".

7. RISKS RELATING TO THE ISSUER UNDER IRISH LAW

7.1 Lack of Operating History

The Issuer is a recently incorporated designated activity company with limited liability under Irish law that has no prior operating history or revenues upon which may be used to evaluate its likely performance and the performance of the Notes.

7.2 Preferred Creditors under Irish Law and Floating Charges

If the Issuer becomes subject to an insolvency proceeding and the Issuer has obligations to creditors that are treated under Irish law as creditors that are senior relative to the Noteholders and other Secured Parties, the Noteholders (and other Secured Parties) may suffer losses as a result of their subordinated status during such insolvency proceedings. In particular, under Irish law, upon an insolvency of an Irish company, such as the Issuer, when applying the proceeds of assets subject to fixed security which 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 (which may include any borrowings made by an examiner to fund the company's requirements for the duration of his appointment) which have been approved by the relevant Irish courts. See 7.3 "*Examinership*".

The holder of a fixed security over the book debts of an Irish tax resident company (which 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 which the holder received in payment of debts due to it by the company.

Where the holder of the security has given notice to the Irish Revenue Commissioners of the creation of the security within 21 calendar days of its creation or, where the fixed charge has been transferred, on or before 31 January 2020 or within 21 days of the date of transfer of the fixed charge (whichever is the later), 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 which 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 person creating the charge does not have liberty to deal with the assets which 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 and/or the Irish Security Agreement 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 monies 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 over the relevant charged assets 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 even if crystallised prior to the commencement of wind-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.

7.3 **Examinership**

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

The Issuer, the Directors, 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 this appointment and, in certain circumstances, can avoid a negative pledge given by the company prior to this appointment. Furthermore, the examiner may sell assets, the subject of a fixed charge. However, if such power is exercised the examiner must account to the holders of the fixed charge for the amount realised and discharge the amount due to the holders of the fixed charge out of the proceeds of the 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 relevant Irish court 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 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 included a writing down to the value of amounts due by the Issuer to the Noteholders. The fact that the Issuer is a special purpose vehicle and that all of its liabilities should be of a limited recourse nature means that it is unlikely that an examiner would be appointed to the Issuer.

However, if for any reason, an examiner were appointed while any amounts due by the Issuer under the Notes were unpaid, the primary risks to the Noteholders are as follows:

(a) the potential for a compromise or scheme of arrangement being approved involving the writing down or rescheduling of the debt due by the Issuer to the Noteholders as secured by the Trust Deed and/or the Irish Security Agreement;

(b) the Trustee, acting for and on behalf of the Secured Parties, would not be able to enforce rights against the Issuer during the period of examinership;

(c) 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

(d) if 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 monies and liabilities which from time to time are or may become due, owing or payable by the Issuer to each of the Secured Parties under the Notes or the Transaction Documents.

7.4 **Irish Taxation Position of the Issuer**

Interest payments on the Notes may be subject to Irish withholding tax if there is a change in Irish tax law or if the various exemption conditions set forth under the section of this Offering Circular titled "*Tax Considerations – Irish Taxation – Taxation of Noteholders – Withholding Tax*" are not fulfilled. The Issuer is not obligated to gross up or otherwise compensate Noteholders for withholding taxes incurred. This may, therefore, affect the return which Noteholders received on the Notes.

Changes in Irish tax laws may adversely impact the Issuer's business and the value of the Noteholders' investment.

The Issuer is treated as a securitisation vehicle which is taxed pursuant to Section 110 of the Taxes Consolidation Act 1997 ("**TCA**"). There is no guarantee that the tax treatment of an Irish securitisation company will not change in the future. The tax deductibility of the Issuer's interest costs will depend on the applicability of Section 110 TCA and the current revenue practice in relation to that matter. If these rules change this may have an impact on the return for Noteholders.

Ireland's Finance Act 2019 introduced some measures which may qualify the extent to which interest payable in respect of results-dependent securities (such as the Subordinated Notes) may be deducted for Irish tax purposes. The measures provide that in many cases interest paid to persons which both hold more than 20.0 per cent. of any results-dependent securities issued by the Issuer (or the interest payable in respect of them) and exercise "significant influence" over the Issuer may only be deducted for Irish tax purposes to the extent it is paid to a person that is resident in Ireland or is subject to tax in a member state of the European Union (other than Ireland) or a jurisdiction with which Ireland has a double tax treaty. The term "significant influence" is defined as meaning an ability to participate in the financial and operating decisions of the Issuer. The changes to Ireland's tax legislation came into force as of 1 January 2020. It remains to be seen how the measures will be applied in practice and, as a result, it is not clear who could be considered to exercise "significant influence" over the Issuer.

If the Irish tax authorities impose net income, profits or similar tax upon the Issuer or its representative of any amount in excess of €1,000 for the relevant year a Note Tax Event will occur. If Issuer was unable to cure such Note Tax Event 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 Ordinary 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 Payment.

7.5 **No Regulation of the Issuer any Irish Regulatory Authority**

The Issuer is not required to be licensed or authorised under any current securities, commodities, insurance or banking laws of its jurisdiction of incorporation. In particular, the Issuer is not and will not be licensed or authorised by the Central Bank of Ireland as a result of issuing the Notes. Any investment in the Notes does not have the status of a bank deposit and is not within the scope of the deposit protection scheme operated by the Central Bank of Ireland.

TERMS AND CONDITIONS OF THE NOTES

The following are the terms and conditions of each of the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Subordinated Notes, substantially in the form in which they will be endorsed on such Notes if issued in definitive certificated form, which will be incorporated by reference into the Global Certificates of each Class representing the Notes (other than the Subordinated Notes), subject to the provisions of such Global Certificates, some of which will modify the effect of these terms and Conditions of the Notes. See "Form of the Notes – Amendments to Terms and Conditions".

The issue of €210,000,000 Class A Senior Secured Floating Rate Notes due 2031 (the "**Class A Notes**"), €23,400,000 Class B-1 Senior Secured Floating Rate Notes due 2031 (the "**Class B-1 Notes**"), €12,000,000 Class B-2 Senior Secured Fixed Rate Notes due 2031 (the "**Class B-2 Notes**" and, together with the Class B-1 Notes, the "**Class B Notes**"), €35,500,000 Class C Deferrable Mezzanine Floating Rate Notes due 2031 (the "**Class C Notes**"), €17,300,000 Class D Deferrable Mezzanine Floating Rate Notes due 2031 (the "**Class D Notes**"), €12,400,000 Class E Deferrable Junior Floating Rate Notes due 2031 (the "**Class E Notes**", together with the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the "**Rated Notes**") and €37,200,000 Subordinated Notes due 2031 (the "**Subordinated Notes**") (the Rated Notes and the Subordinated Notes, together the "**Notes**") of Vendome Funding CLO 2020-1 DAC (the "**Issuer**") was authorised by resolution of the board of Directors of the Issuer dated on or about 3 July 2020. The Notes are constituted, secured by, subject to and have the benefit of a trust deed (together with any other security document entered into in respect of the Notes, the "**Trust Deed**") dated on or about 7 July 2020, as amended, varied or substituted from time to time, between (amongst others) the Issuer and U.S. Bank Trustees Limited in its capacity as trustee for the Noteholders and security trustee for the Secured Parties (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed).

These terms and conditions of the Notes, as amended, varied or substituted from time to time (the "**Conditions of the Notes**" include summaries of, and are subject to, the detailed provisions of the Trust Deed (which includes the forms of the certificates representing the Notes) and the other Transaction Documents. The following agreements have been entered into in relation to the Notes: (a) an agency agreement to be dated on or about 7 July 2020, as amended, varied or substituted from time to time, (the "**Agency Agreement**") between, amongst others, the Issuer, Elavon Financial Services DAC, as registrar and transfer agent (respectively, the "**Registrar**" and "**Transfer Agent**" which terms shall include any successor or substitute registrar or transfer agent, and together, the "**Transfer Agents**" and each a "**Transfer Agent**"), Elavon Financial Services DAC, as principal paying agent, account bank, and custodian (respectively, the "**Principal Paying Agent**", "**Account Bank**" and "**Custodian**", which terms shall include any successor or substitute principal paying agent, account bank or custodian, respectively, appointed pursuant to the terms of the Agency Agreement), U.S. Bank Global Corporate Trust Limited, as collateral administrator, calculation agent and information agent (the "**Collateral Administrator**", "**Calculation Agent**" and "**Information Agent**" which terms shall include any successor or substitute collateral administrator, calculation agent or information agent, respectively, appointed pursuant to the terms of the Collateral Management and Administration Agreement or the Agency Agreement, as applicable) and the Trustee; (b) a Collateral Management and Administration Agreement dated on or about 7 July 2020, as amended, varied or substituted from time to time, (the "**Collateral Management and Administration Agreement**") between CBAM CLO Management Europe, LLC as collateral manager in respect of the Portfolio (the "**Collateral Manager**", which term shall include any successor or substitute collateral manager appointed pursuant to the terms of the Collateral Management and Administration Agreement), the Issuer, the Custodian, the Collateral Administrator, the Information Agent and the Trustee; (c) a corporate services agreement dated 1 November 2019, as amended, varied or substituted from time to time, (the "**Corporate Services Agreement**") between the Issuer and the Corporate Services Provider, (d) an Irish security agreement dated on or about 7 July 2020, as amended, varied or substituted from time to time, (the "**Irish Security Agreement**") between the Issuer, the Trustee, the Account Bank, the Custodian and the Principal Paying Agent and (e) a placement agency agreement to be dated on or about 7 July 2020, (the "**Placement Agency Agreement**") between the Issuer and J.P. Morgan Securities plc (or an affiliate thereof) as Placement Agent (the "**Placement Agent**"). Copies of the Trust Deed, the Agency Agreement and the Collateral Management and Administration Agreement are available for inspection during usual business hours at the principal office of the Issuer (presently at 4th Floor, Garryard House, 25/26 Earlsfort Terrace, 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 Transaction Documents applicable to them.

1. Definitions

"**Acceleration Notice**" shall have the meaning ascribed to it in Condition 10(b) (*Acceleration*).

"**Accounts**" means the Principal Account, the Custody Account, the Interest Account, the Unused Proceeds Account, the Payment Account, the Expense Reserve Account, the First Period Reserve Account, the Collateral Enhancement Account, each Counterparty Downgrade Collateral Account, the Contribution Account, the Interest Smoothing Account, each Hedge Termination Account, each Asset Swap Account, the Unfunded Revolver Reserve Account, the Collection Account, the Principal Reduction Reserve Account and any other account designated as such pursuant to the Agency Agreement.

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

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

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

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

(c) in relation to a Deferring Security, the lesser of: (i) its Fitch Collateral Value; and (ii) its S&P Collateral Value and in relation to a Defaulted Obligation, the lesser of: (i) its Fitch Collateral Value; and (ii) its S&P Collateral Value, provided that in the case of a Defaulted Obligation, the value determined under this paragraph (c) of a Defaulted Obligation that has been a Defaulted Obligation for more than three years after the date on which it became a Defaulted Obligation and continues to be a Defaulted Obligation on such date shall be zero; plus

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

(e) the Excess CCC Adjustment Amount;

provided further that:

(i) with respect to any Collateral Obligation that would otherwise fall into more than one of paragraphs (c) to (e) above it shall, for the purposes of this definition, be attributed to that paragraph (c) to (e) which results in the lowest Adjusted Collateral Principal Amount on any date of determination; and

(ii) in respect of paragraphs (b) to (e) above, any non-Euro amounts received will be converted into Euro at the Applicable Exchange Rate.

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

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

(i) the Agents pursuant to the Agency Agreement and, in the case of the Collateral Administrator and the Information Agent, the Collateral Management and Administration Agreement, including by way of indemnity; and

(ii) Euronext Dublin, or such other stock exchange or exchanges upon which any of the Notes are listed from time to time;

(b) on a *pro-rata* and *pari passu* basis, to:

(i) any Rating Agency which may from time to time be requested to assign:

(A) a rating to each of the Rated Notes; or

(B) a confidential credit estimate to any of the Collateral Obligations, for fees and expenses (including surveillance fees) in connection with any such rating or confidential credit estimate including, in each case, the ongoing monitoring thereof and any other amounts due and payable to any Rating Agency under the terms of the Issuer's engagement with such Rating Agency;

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

(iii) on a pro-rata basis to each Reporting Delegate pursuant to any Reporting Delegation Agreement;

(iv) the Collateral Manager pursuant to the Collateral Management and Administration Agreement (including the indemnities, costs and expenses provided for therein), but excluding any Collateral Management Fees, any amount in respect of any Collateral Manager Advance or any VAT payable thereon;

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

(vi) on a *pro-rata* basis to any other Person in respect of any other fees or expenses contemplated in the Conditions of the Notes and in the Transaction Documents (other than the Collateral Management and Administration Agreement) or any other documents (other than the Collateral Management and Administration Agreement) delivered pursuant to or in connection with the issue and sale of the Notes, including, without limitation, an amount up to €10,000 per annum in respect of fees and expenses incurred by the Issuer (in its sole and absolute discretion) in assisting in the preparation, provision or validation of data for purposes of Noteholder tax jurisdictions (including information reasonably available to the Issuer that a U.S. holder reasonably requests to satisfy filing requirements under the passive foreign investment company rules (including as necessary to make a qualified electing fund election) or controlled foreign corporation rules);

(vii) to the Placement Agent pursuant to the Placement Agency Agreement in respect of any indemnity payable to it thereunder;

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

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

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

(xi) to the Corporate Services Provider pursuant to the Corporate Services Agreement; and

(xii) to the payment of any amounts necessary to ensure the orderly dissolution of the Issuer;

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

(i) on a *pro-rata* basis to any other Person (including the Collateral Manager) in connection with satisfying the requirements of EMIR (excluding any requirement under EMIR to post margin to either any central clearing counterparty, or to any Hedge Counterparty, as applicable), CRA3, the Securitisation Regulation or the Dodd-Frank Act, in each case as applicable to the Issuer only;

(ii) on a *pro-rata* basis to any Person (including the Collateral Manager and any third party appointed by the Issuer to assist with the Issuer's reporting obligations pursuant to the Securitisation Regulation) in connection with satisfying the EU Retention and Transparency Requirements, in each case as applicable to the Issuer only, including any costs or fees related to additional due diligence or reporting requirements;

(iii) costs of complying with FATCA and the CRS;

(iv) any pecuniary sanctions levied on the Issuer arising under Article 32 of the Securitisation Regulation or Regulation 24 of the Irish STS Regulations in relation to a failure by the Issuer to meet the requirements of Article 7 of the Securitisation Regulation; and

(v) reasonable fees, costs and expenses of the Issuer and Collateral Manager including reasonable attorneys' fees, in each case in relation to 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);

(d) on a *pro-rata* basis, any Refinancing Costs (to the extent not already provided for above and to the extent not already paid as Trustee Fees and Expenses); and

(e) on a *pro-rata* basis, payment of any indemnities payable to any Person as contemplated in these Conditions or the Transaction Documents and not already paid pursuant to paragraphs (a) or (b) above,

provided that:

(i) the Collateral Manager may direct the payment of any Rating Agency fees set out in (b)(i) above other than in the order required by paragraph (b) above if the Collateral Manager or Issuer has been advised by a Rating Agency that non-payment of its fees will immediately result in the withdrawal of any ratings on any Class of Rated Notes,

provided further in each case that:

I. if such amounts are paid under the Priorities of Payment on a Payment Date, amounts payable under paragraph (a) above have been paid in priority on such date; and

II. if such amounts are to be paid other than on a Payment Date, amounts payable under paragraph (a) on the Payment Date immediately following such date are provided for in full at the time of such payment; and

(ii) the Collateral Manager may direct payment other than in the order required by paragraph (b) if, in its reasonable judgment, it determines a payment other than in the order required by paragraph (b) above is required to ensure the delivery of certain accounting services and reports,

provided further in each case that:

I. if such amounts are paid under the Priorities of Payment on a Payment Date, amounts payable under paragraph (a) above have been paid in priority on such date; and

II. if such amounts are to be paid other than on a Payment Date, amounts payable under paragraph (a) on the Payment Date immediately following such date are provided for in full at the time of such payment.

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

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

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

(i) of such Person;

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

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

For the purposes of this definition:

(a) control of a Person shall mean the power, direct or indirect:

(i) to vote more than 50 per cent. of the securities having ordinary voting power for the election of directors of such Person; or

(ii) to direct or cause the direction of the management and policies of such Person whether by contract or otherwise;

(b) a Person will not be deemed to be an Affiliate of the Issuer solely by virtue of the fact that it acts in any capacity for the Issuer; and

(c) Obligors in respect of Collateral Obligations will be deemed not to be Affiliates if they have distinct corporate family ratings.

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

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

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

(i) (A) the Collateral Quality Tests (other than the S&P CDO Monitor Test) and the calculation or designation of any amount of Excess Par Collateral Obligations and (B) determining whether an Event of Default has occurred in accordance with Condition 10(a)(iv) (*Collateral Obligations*), the Principal Balance of each Defaulted Obligation shall be zero; and

(ii) the Portfolio Profile Tests, the Principal Balance of each Defaulted Obligation shall be the lower of its Fitch Collateral Value and its S&P Collateral Value; and

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

"**Aggregate Funded Spread**" has the meaning given to it in the Collateral Management and Administration Agreement.

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

"**AIFM**" means an EEA manager of an alternative investment fund for the purposes of AIFMD.

"**AIFMD**"" means European Union Commission Delegated Regulation (EU) No 231/2013 (the "**AIFM Regulation**") 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 implemented or delegated regulation, technical standards and guidance related thereto as may be amended, replaced or supplemented from time to time.

"**Annual Obligations**" means Collateral Obligations which, at the date of measurement, pay interest less frequently than semi-annually.

"**Applicable Exchange Rate**" means, in relation to any Asset Swap Obligation, the exchange rate set forth in the relevant Asset Swap Transaction, or otherwise, the Spot Rate.

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

"**Appointee**" means any manager, agent, delegate or other person appointed by the Trustee under the terms of the Trust Deed or the Irish Security Agreement to discharge any of its functions or to advise it in relation thereto.

"**Asset Swap 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.

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

"**Asset Swap Counterparty**" means any financial institution with which the Issuer enters into an Asset Swap Agreement, or any permitted assignee or successor thereof, under the terms of the related Asset Swap Agreement and, in each case, which satisfies, at the time of entry into the Asset Swap Agreement, the applicable Rating Requirement (or whose obligations are guaranteed by a guarantor which satisfies the applicable Rating Requirement) and provided always that such financial institution has the regulatory capacity as a matter of Irish law to enter into derivatives transactions with Irish residents.

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

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

"**Asset Swap Obligation**" means any Collateral Obligation which is not denominated or drawn in EUR and which is the subject of an Asset Swap Transaction.

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

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

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

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

"**Asset Swap Transaction**" means each asset swap transaction entered into under an Asset Swap Agreement for the sole purpose described in the definition of Asset Swap Agreement.

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

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

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

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

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

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

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

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

provided that if a default as to payment of principal and/or interest has occurred and is continuing (disregarding any grace periods provided for pursuant to the terms thereof) in respect of any Eligible Investment or any obligation of the obligor thereunder which is senior or equal in right of payment to such Eligible Investment such Eligible Investment shall have a value equal to the lesser of its Fitch Collateral Value and its S&P Collateral Value (determined as if such Eligible Investment were a Collateral Obligation), provided further that, any balance which is denominated in a currency other than Euro shall be converted into Euro at the Applicable Exchange Rate.

"**Benefit Plan Investor**" means:

(a) an employee benefit plan (as defined in Section 3(3) of ERISA) that is 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.

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

"**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, Dublin 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 Excess**" means as of any date of determination the amount equal to the greater of:

(a) for so long as Fitch assigns a rating in respect of an Outstanding Class of Rated Notes, the excess of the Principal Balance of all Fitch CCC Obligations over an amount equal to 7.5 per cent. of the Aggregate Collateral Balance; and

(b) the excess of the Principal Balance of all S&P CCC Obligations over an amount equal to 7.5 per cent. of the Aggregate Collateral Balance (calculated for this purpose on the basis that the Principal Balance of each Defaulted Obligation is its S&P Collateral Value),

provided that, in determining which of the Fitch CCC Obligations or S&P CCC Obligations, as applicable, shall be included under part (a) or (b) above, the Fitch CCC Obligations or S&P CCC Obligations, as applicable, with the lowest Market Value (assuming that such Market Value is expressed as a percentage of the Principal Balance of such Collateral Obligations as of such Determination Date) shall be deemed to constitute the CCC Excess.

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

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

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

"**Class A Floating Rate of Interest**" has the meaning given thereto in Condition 6(e)(i) (*Floating Rate of Interest*).

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

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

"**Class A/B Interest Coverage Ratio**" means, as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date following the Effective Date, the ratio (expressed as a percentage) obtained by dividing:

(a) the Interest Coverage Amount; by

(b) the sum of the scheduled interest payments due on the Class A Notes and the Class B Notes on the following Payment Date.

For the purposes of calculating the Class A/B Interest Coverage Ratio, the expected interest income on Collateral Obligations, Eligible Investments and the Accounts (to the extent applicable) and the expected interest payable on the Class A Notes and the Class B Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

"**Class A/B Interest Coverage Test**" means the test which will apply as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date following the Effective Date and which will be satisfied on such Measurement Date if the Class A/B Interest Coverage Ratio is at least equal to 120.00 per cent.

"**Class A/B Par Value Ratio**" means, as of any Measurement Date on and after the Effective Date, the ratio (expressed as a percentage) obtained by dividing:

(a) the amount equal to the Adjusted Collateral Principal Amount; by

(b) the sum of the Principal Amount Outstanding of each of the Class A Notes and the Class B Notes.

"**Class A/B Par Value Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and which will be satisfied on such Measurement Date if the Class A/B Par Value Ratio is at least equal to 133.62 per cent.

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

"**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 Floating Rate of Interest**" has the meaning given thereto in Condition 6(e)(i) (*Floating Rate of Interest*.

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

"**Class B-2 Fixed Rate**" has the meaning given thereto in Condition 6(f) (*Interest on the Fixed Rate Notes*).

"**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 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 Floating Rate of Interest**" has the meaning given thereto in Condition 6(e)(i) (*Floating Rate of Interest*).

"**Class C Interest Coverage Ratio**" means, as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date following the Effective Date, the ratio (expressed as a percentage) obtained by dividing:

(a) the Interest Coverage Amount; by

(b) the sum of the scheduled interest payments due on the Class A Notes, the Class B Notes and the Class C Notes on the following Payment Date (excluding Deferred Interest but including any interest on Deferred Interest that has been capitalised).

For the purposes of calculating the Class C Interest Coverage Ratio, the expected interest income on Collateral Obligations, Eligible Investments and the Accounts (to the extent applicable) and the expected interest payable on the Class A Notes, the Class B Notes and the Class C Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

"**Class C 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 following the Effective Date and which will be satisfied on such Measurement Date if the Class C Interest Coverage Ratio is at least equal to 110.0 per cent.

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

"**Class C Par Value Ratio**" means, as of any Measurement Date on and after the Effective Date, the ratio (expressed as a percentage) obtained by dividing:

(a) the amount equal to the Adjusted Collateral Principal Amount; by

(b) the sum of the Principal Amount Outstanding of each of the Class A 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 117.40 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 Floating Rate of Interest**" has the meaning given thereto in Condition 6(e)(i) (*Floating Rate of Interest*).

"**Class D Interest Coverage Ratio**" means, as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date following the Effective Date, the ratio (expressed as a percentage) obtained by dividing:

(a) the Interest Coverage Amount; by

(b) the sum of the scheduled interest payments due on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes on the following Payment Date (excluding Deferred Interest but including any interest on Deferred Interest that has been capitalised).

For the purposes of calculating the Class D Interest Coverage Ratio, the expected interest income on Collateral Obligations, Eligible Investments and the Accounts (to the extent applicable) and the expected interest payable on the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

"**Class D 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 following the Effective Date and which will be satisfied on such Measurement Date if the Class D Interest Coverage Ratio is at least equal to 105.00 per cent.

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

"**Class D Par Value Ratio**" means, as of any Measurement Date on and after the Effective Date, the ratio (expressed as a percentage) obtained by dividing:

(a) the amount equal to the Adjusted Collateral Principal Amount; by

(b) the sum of the Principal Amount Outstanding of each of the Class A Notes, the Class B Notes, Class C Notes and the Class D Notes.

"**Class D Par Value Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and which will be satisfied on such Measurement Date if the Class D Par Value Ratio is at least equal to 111.37 per cent.

"**Class E Floating Rate of Interest**" has the meaning given thereto in Condition 6(e)(i) (*Floating Rate of Interest*).

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

"**Class E Par Value Ratio**" means, as of any Measurement Date on and after the Effective Date, the ratio (expressed as a percentage) obtained by dividing:

(a) the amount equal to the Adjusted Collateral Principal Amount; by

(b) the sum of the Principal Amount Outstanding of each of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

"**Class E Par Value Test**" means the test which will apply as of any Measurement Date on and after the expiry of the Reinvestment Period and which will be satisfied on such Measurement Date if the Class E Par Value Ratio is at least equal to 107.69 per cent.

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

(a) the Class A Notes;

(b) the Class B-1 Notes;

(c) the Class B-2 Notes;

(d) the Class C Notes;

(e) the Class D Notes;

(f) the Class E Notes; and

(g) the Subordinated Notes,

and "**Class of Noteholders**" and "**Class**" shall be construed accordingly, *provided that*:

(i) although (a) the Class A CM Voting Notes, Class A CM Non-Voting Exchangeable Notes and the Class A CM Non-Voting Notes are in the same Class, (b) the Class B-1 CM Voting Notes, Class B-1 CM Non-Voting Exchangeable Notes and the Class B-1 CM Non-Voting Notes are in the same Class, (c) the Class B-2 CM Voting Notes, Class B-2 CM Non-Voting Exchangeable Notes and the Class B-2 CM Non-Voting Notes are in the same Class, (d) the Class C CM Voting Notes, Class C CM Non-Voting Exchangeable Notes and the Class C CM Non-Voting Notes are in the same Class, and (e) the Class D CM Voting Notes, Class D CM Non-Voting Exchangeable Notes and the Class D CM Non-Voting Notes are in the same Class, in each case they shall not be treated as a single Class in respect of any vote or determination of quorum under the Trust Deed in connection with any CM Removal Resolution or CM Replacement Resolution and, instead, the CM Voting Notes shall be treated as the relevant Class solely for such purpose;

(ii) for the purposes of determining voting rights attributable to the Notes and the applicable quorum at any meeting of the Noteholders pursuant to Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*), subject to paragraph (i) above, the Class B-1 Notes and the Class B-2 Notes shall together be deemed to constitute a single Class in respect of any voting rights specifically granted to them including as the Controlling Class; and

(iii) for the purposes of determining the Retention Notes, the Class B-1 Notes and the Class B-2 Notes shall together be deemed to constitute a single Class.

"**Clearing Systems**" means Euroclear and Clearstream, Luxembourg.

"**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 the CM Voting Notes 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 the CM Voting Notes 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 Removal Resolution**" means any Resolution, vote, written direction or consent of the Noteholders in relation to the removal of the Collateral Manager in accordance with the Collateral Management and Administration Agreement.

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

"**CM Voting Notes**" means Notes which carry a right to vote, in respect of and be counted for the purposes of determining a quorum and the result of voting on a CM Removal Resolution or a CM Replacement Resolution and all other matters as to which Noteholders are entitled to vote.

"**Code**" means the United States Internal Revenue Code of 1986, as amended from time to time.

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

"**Collateral Acquisition Agreements**" means each of the agreements entered into by the Issuer (or the Collateral Manager on the Issuer's behalf) in relation to the purchase by the Issuer of Collateral Obligations from time to time.

"**Collateral Obligation**" means any debt obligation or debt security purchased by or on behalf of the Issuer from time to time (or, if the context so requires, to be purchased by or on behalf of the Issuer) and which satisfies the Eligibility Criteria. References to Collateral Obligations shall include Non-Euro Obligations, but shall not include Collateral Enhancement Obligations, Eligible Investments or Exchanged Equity Securities. Obligations which are to constitute Collateral Obligations in respect of which the Issuer has entered into a binding commitment to purchase but which have not yet settled shall be included as Collateral Obligations in the calculation of the Portfolio Profile Tests, Collateral Quality Tests, Reinvestment Overcollateralisation Test and Coverage Tests at any time as if such purchase had been completed. Collateral 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 Obligations in the calculation of the Portfolio Profile Tests, the Collateral Quality Tests, Reinvestment Overcollateralisation Test and Coverage Tests at any time as if such sale had been completed. The failure of any obligation to satisfy the Eligibility Criteria at any time after the Issuer or the Collateral Manager on behalf of the Issuer has entered into a binding agreement to purchase it, shall not cause such obligation to cease to constitute a Collateral Obligation unless it is an Issue Date Collateral Obligation which does not satisfy the Eligibility Criteria on the Issue Date. A Collateral Obligation which has been restructured (whether effected by way of an amendment to the terms of such Collateral Obligation (including but not limited to an extension of its maturity) or by way of substitution of new obligations and/or change of Obligor) shall only constitute a Collateral Obligation 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 during the Reinvestment Period, the amount of Interest Proceeds retained in the Collateral Enhancement Account on the Payment Date in accordance with the Interest Proceeds Priority of Payments, at the sole discretion of the Collateral Manager.

"**Collateral Enhancement Obligation**" means any warrant or equity security, excluding Exchanged Equity Securities, but including without limitation, warrants relating to Mezzanine Obligations and any equity security received upon conversion or exchange of, or exercise of an option under, or otherwise in respect of a Collateral Obligation; or any warrant or equity security purchased as part of a unit with a Collateral Obligation (but in all cases, excluding, for the avoidance of doubt, the Collateral Obligation), in each case, the acquisition of which will not result in the imposition of any present or future, actual or contingent liabilities or obligations on the Issuer other than those which may arise at its option.

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

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

"**Collateral Manager Advance**" has the meaning given to it in Condition 3(k) (*Collateral Manager Advances*).

"**Collateral Manager Related Person**" means the Collateral Manager or its Affiliates, any director, officer or employee of such entities or any fund or account for which the Collateral Manager or its Affiliates exercises discretionary voting authority on behalf of such fund or account in respect of the Notes.

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

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

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

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

(iii) the Fitch Minimum Weighted Average Spread Test;

(b) so long as any Rated Notes rated by S&P are Outstanding (from the Effective Date and until the expiry of the Reinvestment Period only) the S&P CDO Monitor Test; and

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

each as defined in the Collateral Management and Administration Agreement.

"**Collateral Tax Event**" means at any time, as a result of the introduction of a new, or any change in, any tax statute, treaty, regulation, rule, ruling, practice, market practice procedure or judicial decision or interpretation (whether proposed, temporary or final), or as a result of the application of FATCA, interest payments due from the Obligors of any Collateral Obligations (or from Selling Institutions in the case of Participations) in relation to any Due Period becoming properly subject to the imposition of withholding tax (other than where such withholding tax is compensated for by a "gross up" provision in the terms of the Collateral 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 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 Obligations in relation to such Due Period.

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

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

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

"**Companies Act 2014**" means the Companies Act 2014 (as amended) of Ireland.

"**Competent Authorities**" has the meaning given to it in the Securitisation Regulation.

"**Conditional Sale Agreement**" means a conditional sale agreement dated 16 June 2020 between the Issuer as seller and the Collateral Manager as purchaser in respect of certain Collateral Obligations designated as Originated Assets.

"**Conditions**" means these terms and conditions of the Notes, as set out in the Trust Deed as amended, varied or substituted from time to time.

"**Constitution**" means the constitution of the Issuer comprising the memorandum and articles of association of the Issuer (as may be amended) in force from time to time.

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

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

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

"**Controlling Class**" means:

(a) the Class A Notes; or

   (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 and/or held by or on behalf of the Collateral Manager;

(b) the Class B-1 Notes and the Class B-2 Notes acting as a single Class; or

   (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 an CM Removal Resolution or an 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 and/or held by or on behalf of the Collateral Manager;

(c) the Class C Notes; or

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

(ii) prior to the redemption and payment in full of the Class A Notes, the Class B Notes and the Class C Notes and solely in connection with an CM Removal Resolution or an 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 and/or held by or on behalf of the Collateral Manager;

(d) the Class D Notes; or

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

(ii) prior to the redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes and solely in connection with an CM Removal Resolution or an 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 and/or held by or on behalf of the Collateral Manager;

(e) the Class E Notes; or

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

provided that, (i) 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 (ii) solely in connection with a CM Removal Resolution or a CM Replacement Resolution, no Notes held by or on behalf of the Collateral Manager 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.

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

"**Corporate Rescue Loan**" shall mean any interest in a loan or financing facility that is acquired directly by way of assignment which is paying principal and interest on a current basis and either:

(a) is an obligation of a debtor in possession as described in section 1107 of the United States Bankruptcy Code or a trustee (if appointment of such trustee has been ordered pursuant to section 1104 of the United States Bankruptcy Code) (a "**Debtor**") organised under the laws of the United States or any state therein, the terms of which have been approved by an order of the United States Bankruptcy Court, the United States District Court, or any other court of competent jurisdiction, the enforceability of which order is not subject to any pending contested matter or proceeding (as such terms are defined in the Federal Rules of Bankruptcy Procedure) and which order provides that:

(i) such Corporate Rescue Loan is secured by liens on the Debtor's otherwise unencumbered assets pursuant to section 364(c)(2) of the United States Bankruptcy Code;

(ii) such Corporate Rescue Loan is secured by liens of equal or senior priority on property of the Debtor's estate that is otherwise subject to a lien pursuant to section 364(d) of the United States Bankruptcy Code;

(iii) such Corporate Rescue Loan is secured by junior liens on the Debtor's encumbered assets and such Corporate Rescue Loan is fully secured based upon a current valuation or appraisal report; or

(iv) if the Corporate Rescue Loan or any portion thereof is unsecured, the repayment of such Corporate Rescue Loan retains priority over all other administrative expenses pursuant to section 364(c)(1) of the United States Bankruptcy Code; or

(b) (i) it is a credit facility or other advance made available to a company or group in a restructuring or insolvency process with main proceedings outside of the United States which constitutes the most senior secured obligations of the entity which is the borrower thereof; and

(ii) either:

(A) ranks *pari passu* in all respects with the senior unsecured debt of the borrower, provided that such facility is entitled to recover proceeds of enforcement of security shared with the other senior secured indebtedness (e.g. bond) of the Obligor and its subsidiaries in priority to all such other senior secured indebtedness; or

(B) achieves priority over other senior secured obligations of the Obligor otherwise than through the grant of security, such as pursuant to the operation of applicable insolvency legislation (including as an expense of the restructuring or insolvency process) or other applicable law.

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

(i) has 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 Obligation was made available is complete and no further restructuring or insolvency process is outstanding in respect of the relevant Obligor,

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

"**Corporate Services Provider**" means Ocorian (Ireland) Limited in its capacity as corporate services provider under the Corporate Services Agreement (which term shall include any successor or replacement corporate services provider appointed in accordance with the Corporate Services Agreement).

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

"**Counterparty Downgrade Collateral Account**" means, in respect of each Hedge Counterparty and a Hedge Agreement to which it is a party, (i) the securities account or accounts operated by the Custodian in order to hold Counterparty Downgrade Collateral (other than cash) on behalf of the Issuer (but only in respect of such Counterparty Downgrade Collateral), (ii) any cash account linked to such securities account and opened in the name of the Issuer with the Custodian for receipt of cash in connection with such Counterparty Downgrade Collateral, (iii) any other securities or cash account that the Custodian agrees to open in the name of the Issuer from time to time in order to hold such Counterparty Downgrade Collateral and (iv) the account of the Issuer with the Account Bank into which all Counterparty Downgrade Collateral (in the form of cash) is to be deposited, in each case in respect of such Hedge Counterparty and such Hedge Agreement, each such account to be named including the name of the relevant Hedge Counterparty.

"**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 and the Class E Par Value Test.

"**Cov-Lite Loan**" means a Collateral Obligation, as determined by the Collateral Manager in its reasonable commercial judgment, that is an interest in a loan, the Underlying Instruments for which do not (i) contain any financial covenants or (ii) require the borrower thereunder to comply with any Maintenance Covenant (regardless of whether compliance with one or more Incurrence Covenants is otherwise required by such Underlying Instruments), provided that, for all purposes, other than a determination of the S&P Recovery Rate, a loan described in (i) or (ii) above which either contains a cross-default or a cross-acceleration provision to, or ranks *pari passu* with, another loan of the underlying obligor that requires the underlying obligor to comply with a Maintenance Covenant and such compliance is required either (i) at all times during the life of such other obligation or (ii) only while such other obligation is funded or upon the occurrence of a particular specified event, will be deemed not to be a Cov-Lite Loan (including, in respect of (ii), at such times as the obligation is not funded or the specified event has not yet occurred).

"**CRA3**" means Regulation EC 1060/2009 on credit rating agencies as may be amended, supplemented or replaced including any implementing and/or delegated regulation, technical standards and guidance related thereto.

"**Credit Impaired Obligation**" means any Collateral Obligation that, in the Collateral Manager's reasonable commercial 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 the Credit Impaired Obligation Criteria are satisfied with respect to such Collateral Obligation; provided that, at any time during a Restricted Trading Period, a Collateral Obligation will qualify as a Credit Impaired Obligation only if:

(a) the Credit Impaired Obligation Criteria are satisfied with respect to such Collateral Obligation; or

(b) the Controlling Class acting by Ordinary Resolution votes to treat such Collateral Obligation as a Credit Impaired Obligation.

"**Credit Impaired Obligation Criteria**" means the criteria that will be met in respect of a Collateral Obligation if any of the following apply to such Collateral Obligation, as determined by the Collateral Manager in its discretion:

(a) if such Collateral Obligation is a loan obligation, or floating rate note, the price of such Collateral Obligation has changed during the period from the date on which the Issuer or the Collateral Manager acting on behalf of the Issuer entered into a binding commitment to purchase such Collateral Obligation to the proposed sale date by a percentage either at least 0.25 per cent. more negative, or at least 0.25 per cent. less positive, as the case may be, than the percentage change in the average price of the applicable Eligible Loan Index over the same period;

(b) if such Collateral Obligation is a Fixed Rate Collateral Obligation which is a bond or security, the price of such obligation has changed since the date the Issuer or the Collateral Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by a percentage either at least 1 per cent. more negative or at least 1 per cent. less positive, as the case may be, than the percentage change in the Eligible Bond Index over the same period, as determined by the Collateral Manager;

(c) the price of such Collateral Obligation has decreased by at least 1 per cent. of the price paid by the Issuer for such Collateral Obligation;

(d) if such Collateral Obligation is a loan obligation or a floating rate note, the spread over the applicable reference rate for such Collateral Obligation has been increased in accordance with the underlying Collateral 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 by:

   (i) 0.25 per cent. or more (in the case of a loan obligation with a spread (prior to such increase) less than or equal to 2 per cent.);

   (ii) 0.375 per cent. or more (in the case of a loan obligation with a spread (prior to such increase) greater than 2 per cent. but less than or equal to 4 per cent.); or

(iii) 0.5 per cent. or more (in the case of a loan obligation with a spread (prior to such increase) greater than 4 per cent.), due to a deterioration in the Obligor's financial ratios or financial results;

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

(f) it 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 either Rating Agency since it was acquired by the Issuer;

(g) 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 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 Obligation was purchased by the Issuer; or

(h) the Obligor of such Collateral Obligation since the date on which such Collateral Obligation was purchased by the Issuer has raised at least 10 per cent. of additional equity capital.

"**Credit Improved Obligation**" means any Collateral Obligation which, in the Collateral Manager's reasonable commercial judgment (which judgement will not be called into question as a result of subsequent events), has significantly improved in credit quality since it was acquired by the Issuer or the Credit Improved Obligation Criteria are satisfied with respect to such Collateral Obligation; provided that, at any time during a Restricted Trading Period, a Collateral Obligation will qualify as a Credit Improved Obligation only if:

(a) the Credit Improved Obligation Criteria are satisfied with respect to such Collateral Obligation; or

(b) the Controlling Class acting by Ordinary Resolution votes to treat such Collateral Obligation as a Credit Improved Obligation.

"**Credit Improved Obligation Criteria**" means the criteria that will be met in respect of a Collateral Obligation if any of the following apply to such Collateral Obligation, as determined by the Collateral Manager in its discretion:

(a) the Sale Proceeds (excluding Sale Proceeds that constitute Interest Proceeds) of such Collateral Obligation would be at least 101 per cent. of the purchase price paid by the Issuer at the time of its acquisition;

(b) if such Collateral 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 or Eligible Bond Index (as applicable) over the same period;

(c) if such Collateral Obligation is a Fixed Rate Collateral Obligation which is a bond or security, the price of such obligation has changed since the date the Issuer or the Collateral Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by a percentage either at least 1 per cent. more positive or at least 1 per cent. less negative than the percentage change in the Eligible Bond Index over the same period, as determined by the Collateral Manager;

(d) if such Collateral Obligation is a loan obligation, the spread over the applicable reference rate for such Collateral Obligation has been decreased in accordance with the underlying Collateral 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 by:

(i) 0.25 per cent. or more (in the case of a loan obligation with a spread (prior to such decrease) less than or equal to 2 per cent.);

(ii) 0.375 per cent. or more (in the case of a loan obligation with a spread (prior to such decrease) greater than 2 per cent. but less than or equal to 4 per cent.); or

(iii) 0.50 per cent. or more (in the case of a loan obligation with a spread (prior to such decrease) greater than 4 per cent.),

due, in each case, to an improvement in the Obligor's financial ratios or financial results;

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

(f) the Obligor of such Collateral Obligation since the date on which such Collateral Obligation was purchased by the Issuer has raised significant equity capital or has raised other capital that has improved the liquidity or credit standing of such Obligor; or

(g) it has been and remains 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 either Rating Agency since it was acquired by the Issuer.

"**CRR**" means Regulation (EU) No. 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms (as the same may be amended from time to time).

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

"**Current Pay Obligation**" means any Collateral Obligation (other than a Corporate Rescue Loan) that would otherwise be treated as a Defaulted Obligation but as to which no payments are due and payable that are unpaid and with respect to which the Collateral Manager believes, in its reasonable business judgment, that:

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

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

(c) for so long as the Rated Notes are rated by Fitch or S&P, the Collateral Obligation has a Market Value of at least 80 per cent. of its current Principal Balance,

provided, however, that to the extent the Aggregate Principal Balance of all Collateral Obligations that would otherwise be Current Pay Obligations exceeds 5 per cent. of the Aggregate Collateral Balance (for which purpose, the Principal Balance of each Defaulted Obligation shall be the lower of its Fitch Collateral Value and its S&P Collateral Value), such excess over 5 per cent. will constitute Defaulted Obligations; provided, further, that in determining which of the Collateral Obligations will be included in such excess, the Collateral Obligations (or any part of a Collateral Obligation) with the lowest Market Value (expressed as a percentage of the Principal Balance of such Collateral Obligation) will be deemed to constitute such excess.

"**Custody Account**" has the meaning given to it in the Agency Agreement.

"**Defaulted Deferring Mezzanine Obligation**" means a Mezzanine Obligation which by its contractual terms provides for the deferral of interest and is a Defaulted Obligation.

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

(a) the "Defaulting Party" (as defined in the applicable Hedge Agreement); or

(b) the sole "Affected Party" (as defined in the applicable Hedge Agreement) in respect of:

(i) any termination event, howsoever described, in each case resulting from a ratings downgrade of the Hedge Counterparty and/or its failure or inability to take any specified curative action within any specified period within the applicable Hedge Agreement; or

(ii) a termination event that is a "Tax Event Upon Merger" (as defined in the applicable Hedge Agreement).

"**Defaulted Mezzanine Excess Amounts**" means the lesser of:

(a) the greater of:

(i) zero; and

(ii) the aggregate of all amounts paid into the Principal Account in respect of each Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation, minus the sum of the principal amount of such Mezzanine Obligation outstanding immediately prior to receipt of such amounts plus any Purchased Accrued Interest relating thereto; and

(b) all deferred interest paid in respect of each such Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation, minus any Purchased Accrued Interest relating thereto.

"**Defaulted Obligation**" means a Collateral Obligation as determined by the Collateral Manager:

(a) in respect of which there has occurred and is continuing a default with respect to the payment of interest or principal, disregarding any grace periods applicable thereto provided that in the case of any Collateral Obligation in respect of which the Collateral Manager has confirmed to the Trustee in writing that, to the knowledge of the Collateral Manager, such default has resulted from non-credit related causes, such Collateral Obligation shall not constitute a "Defaulted Obligation" for the lesser of:

(i) five Business Days;

(ii) seven calendar days; or

(iii) any grace period applicable thereto,

in each case which default entitles the holders thereof, with notice or passage of time or both, to accelerate the maturity of all or a portion of the principal amount of such obligation, but only until such default has been cured;

(b) in respect of which any bankruptcy, insolvency or receivership proceeding has been initiated in connection with the Obligor of such Collateral Obligation and, to the knowledge of the Collateral Manager, such proceedings have not been stayed or dismissed (provided that a Collateral 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 has actual knowledge that the Obligor thereunder is in default as to payment of principal and/or interest on another of its obligations, save for obligations constituting trade debts which the applicable Obligor is disputing in good faith, (and such default has not been cured) but only if:

(i) both such other obligation and the Collateral Obligation are full recourse, unsecured obligations;

(ii) the security interest securing the other obligation is senior to, or *pari passu* with, the security interest securing the Collateral Obligation; and

(iii) the holders of such obligation have accelerated the maturity of all or a portion of such obligation;

(d) which has:

(i) a Fitch Rating of "CC" or below or "RD"; or

(ii) an S&P Rating of "CC" or below,

in either case, had such rating immediately prior to it being withdrawn by Fitch or S&P, as applicable;

(e) such Collateral Obligation is *pari passu* or subordinated in right of payment as to the payment of principal and/interest to another debt obligation of the same Obligor which has:

(i) a Fitch Rating of "CC" or below or had such rating immediately before such rating was withdrawn; or

(ii) an S&P Rating of "CC" or below or had such rating immediately before such rating was withdrawn,

provided that both the Collateral Obligation and such other debt obligation are full recourse obligations of the applicable issuer or secured by the same collateral;

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

(g) which would be treated as a Current Pay Obligation except that such Collateral Obligation would result in the Aggregate Collateral Balance of all Collateral Obligations (excluding any Defaulted Obligations) which constitute Current Pay Obligations exceeding 5 per cent. of the Aggregate Collateral Balance provided that in determining which Collateral Obligations which shall be included as Defaulted Obligations in the event the Aggregate Principal Balance of Current Pay Obligations would exceed 5 per cent. of the Aggregate Collateral Balance (for which purpose, the Principal Balance of each Defaulted Obligation shall be the lower of its Fitch Collateral Value and its S&P Collateral Value), the Collateral Obligations with the lowest Market Value shall constitute Defaulted Obligations;

(h) if the Obligor thereof offers holders of such Collateral Obligation a new security, obligation or package of securities or obligations that amount to a diminished financial obligation (such as preferred or common stock, or debt with a lower coupon or par amount) of such Obligor and in the reasonable business 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 (h) if such new obligation is:

(i) a Restructured Obligation; and

(ii) such Restructured Obligation does not otherwise constitute a Defaulted Obligation pursuant to any other paragraph of the definition hereof; or

(i) in respect of a Collateral Obligation that is a Participation:

(i) the Selling Institution has defaulted in respect of any of its payment obligations under the terms of such Participation;

(ii) the obligation which is the subject of such Participation would constitute a Defaulted Obligation; or

(iii) other than prior to the Effective Date, the Selling Institution has (x) a Fitch Rating of "CC" or "RD" or below or in either case had such rating immediately prior to withdrawal of its Fitch Rating or (y) an S&P Rating of "CC" or below or in either case had such rating immediately prior to withdrawal of its S&P Rating;

provided that:

(A) any Collateral Obligation shall cease to be a Defaulted Obligation on the date such obligation no longer satisfies this definition of "Defaulted Obligation";

(B) a Collateral Obligation which is a Corporate Rescue Loan shall constitute a Defaulted Obligation if such Corporate Rescue Loan satisfies this definition of "Defaulted Obligation"; provided that a Corporate Rescue Loan that satisfies only paragraph (b) and/or paragraph (h) of this definition of "Defaulted Obligation" shall not constitute a Defaulted Obligation;

(C) a Collateral Obligation which is a Current Pay Obligation shall not constitute a Defaulted Obligation (other than as provided in sub-paragraph (g) above); and

(D) a Collateral Obligation shall not constitute a "Defaulted Obligation" under paragraph (b) of the definition hereof or paragraph (c) if the Collateral Manager has notified the Rating Agencies in writing of its decision not to treat the Collateral Obligation as a Defaulted Obligation and Rating Agency Confirmation has been received in respect thereof from S&P.

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

(a) zero; and

(b) the aggregate of all amounts paid into the Principal Account in respect of such Defaulted Obligation for so long as it is a Defaulted Obligation, minus the sum of the Principal Balance of such Defaulted Obligation immediately prior to receipt of such amounts plus any Purchased Accrued Interest related thereto.

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

(a) two consecutive accrual periods; or

(b) one year,

provided that such a Deferring Security will cease to be a Deferring Security once:

(i) it ceases to defer or capitalise the payment of interest; or

(ii) all accrued and unpaid interest has been paid, or it commences to pay all current interest, in each case in cash, by the Obligor of such Collateral Obligation .

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

"**Delayed Drawdown Collateral Obligation**" means a Collateral Obligation (other than a Non-Euro Obligation) that:

(a) requires the Issuer to make one or more future advances to the borrower under the Underlying Instruments relating thereto;

(b) specifies a maximum amount that can be borrowed; and

(c) does not permit the re-borrowing of any amount previously repaid; but any such Collateral Obligation will be a Delayed Drawdown Collateral Obligation only: (i) until all commitments to make advances to the borrower expire or are terminated or reduced to zero; (ii) where the making of any advance to the borrower by or on behalf of the Issuer would not cause the Issuer to breach any law or regulation in its jurisdiction or that of the borrower and (iii) where the underlying borrower cannot transfer its rights and obligations to another entity without the Issuer's consent.

"**Determination Date**" means the last Business Day of each Due Period, or if any redemption of the Notes occurs, following the occurrence of an Event of Default, five Business Days prior to the applicable Redemption Date.

"**Directors**" means those person(s) who have been or who may be appointed as director(s) of the Issuer from time to time (including any alternate directors duly appointed in accordance with the Constitution).

"**Discount Obligation**" means any Collateral Obligation that is not a Swapped Non-Discount Obligation and that the Collateral Manager determines:

(a) in the case of any Floating Rate Collateral Obligations, is acquired by the Issuer for a purchase price of less than the lower of: (i) 80 per cent. of the Principal Balance of such Collateral Obligation and (ii) 75.0 per cent. of the price of the Eligible Loan Index as of the relevant date of determination; *provided that* such Collateral Obligation shall cease to be a Discount Obligation at such time as the Market Value of such Collateral Obligation, as determined for any period of 30 consecutive days since the acquisition by the Issuer of such Collateral Obligation equals or exceeds 90 per cent. of the Principal Balance of such Collateral Obligation; or

(b) in the case of any Fixed Rate Collateral Obligation, is acquired by the Issuer for a purchase price of less than the lower of: (i) 75 per cent. of the Principal Balance of such Collateral Obligation and (ii) 75.0 per cent. of the price of the Eligible Bond Index as of the date of determination; *provided that* such Collateral Obligation shall cease to be a Discount Obligation at such time as the Market Value of such Collateral Obligation, as determined for any period of 30 consecutive days since the acquisition by the Issuer of such Collateral Obligation, equals or exceeds 85 per cent. of the Principal Balance of such Collateral Obligation.

"**Discount Obligation Value**" means, in respect of a Collateral Obligation, the greater of (subject to a maximum of 100 per cent.):

(a) the price (expressed as a percentage of its Principal Balance and excluding accrued interest) at which it was purchased by the Issuer (or the Collateral Manager on its behalf); and

(b) the Market Value of such Collateral Obligation at the end of any period (selected by the Collateral Manager) of 17 consecutive Business Days since its acquisition by the Issuer (or the Collateral Manager on its behalf) during which the Market Value of such Discount Obligation was at least 20 per cent. (as a percentage of its Principal Balance) above the price at which it was purchased by the Issuer (or the Collateral Manager on its behalf), specified in (a) above,

provided that, if at the relevant date of determination the Aggregate Principal Balance of all Discount Obligations with a Discount Obligation Value falling within (b) above exceeds 7.5 per cent. of the greater of (A) the Target Par Amount and (B) the Aggregate Collateral Balance, the Discount Obligation Value of such Collateral Obligation shall be determined according to (a) above.

"**Distribution**" means any payment of principal or interest or any dividend or premium or other amount (including any proceeds of sale) or asset paid or delivered on or in respect of any Collateral Obligation, any Collateral Enhancement Obligation, any Eligible Investment or any Exchanged Equity Security (or under or in respect of any Hedge Agreement in respect thereof), as applicable.

"**Dodd-Frank Act**" means the Dodd-Frank Wall Street Reform and Consumer Protection Act of 21 July 2010.

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

(a) except as provided in paragraph (b) or (c) 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 a substantial portion of its revenue is derived, in each case directly or through subsidiaries (which shall be any jurisdiction and country known at the time of designation by the Collateral Manager to be the source of the largest portion of revenues, if any, of such Obligor); or

(c) at the election of the Collateral Manager, notwithstanding paragraph (a) and (b) above, the jurisdiction and the country in which, in the Collateral Manager's reasonable determination, the relevant Obligor is treated as being resident for the purposes of income taxation.

"**Due Period**" means, with respect to any Payment Date, the period commencing on and including the day immediately following the eighth Business Day prior to the preceding Payment Date (or on the Issue Date, in the case of the Due Period relating to the first Payment Date) and ending on and including the eighth Business Day prior to such Payment Date (or, in the case of the Due Period applicable to the Payment Date which is the Redemption Date of any Note, ending on and including the Business Day preceding such Payment Date).

"**EEA**" means the European Economic Area.

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

(a) the date designated for such purpose by the Collateral Manager by written notice to the Trustee, the Issuer, the Rating Agencies and the Collateral Administrator pursuant to the Collateral Management and Administration Agreement, subject to the Effective Date Determination Requirements having been satisfied; and

(b) 20 September 2020 (or, if such day is not a Business Day, the next following Business Day).

"**Effective Date Determination Requirements**" means, as at the Effective Date, (i) each of the Portfolio Profile Tests, the Collateral Quality Tests and the Coverage Tests (save for (A) the Interest Coverage Tests and (B) the Class E Par Value Test) being satisfied on such date and (ii) (I) the Aggregate Collateral Balance of the Collateral Obligations (other than any Defaulted Obligations) and (II) the lower of the (x) S&P Collateral Value and (y) Fitch Collateral Value of any Defaulted Obligations, in each case, that are held by the Issuer and that the Issuer has committed to purchase on such date, together with the amount of any proceeds from prepayments, maturities, redemptions, expected sale proceeds and the aggregate amount of all Principal Financed Accrued Interest that has not yet been received by the Issuer, if any (other than any such proceeds that have been used to purchase, or committed to purchase, additional Collateral Obligations) as at such date, equals or exceeds the Target Par Amount.

"**Effective Date Non-Model CDO Monitor Test**" means the S&P CDO Monitor Test, subject to the following analytical adjustments:

(a) for the purposes of the Weighted Average Spread, the Aggregate Funded Spread shall be calculated without giving effect to the paragraph immediately beneath paragraph (g) of the definition of "Aggregate Funded Spread" detailing the consequences of a EURIBOR floor and assuming that any Collateral Obligation subject to a EURIBOR floor bears interest at a rate equal to the stated interest rate spread for such Collateral Obligation; and

(b) for the purposes of the S&P CDO Monitor Adjusted BDR, Principal Proceeds which (i) are designated as Interest Proceeds on the Effective Date and (ii) the Collateral Manager intends to designate as Interest Proceeds up to the first Payment Date after the Effective Date shall, in each case, be excluded,

provided that such test shall only be satisfied if the Issuer (or the Collateral Manager on its behalf) has certified to S&P that:

(i) the Effective Date Determination Requirements have been satisfied and the Effective Date Report has been published;

(ii) it has run the S&P CDO Monitor Test in accordance with paragraphs (a) and (b) above and that such test is satisfied; and has provided S&P with an electronic copy of the Portfolio used to generate the passing test results and an electronic copy of an Effective Date Report.

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

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

(b) either the failure by the Collateral Manager (acting on behalf of the Issuer) to present a Rating Confirmation Plan to the Rating Agencies or Rating Agency Confirmation and KBRA Confirmation has not been obtained for the Rating Confirmation Plan that the Collateral Manager provides following request therefor from the Collateral Manager; or

(c) the Effective Date S&P Condition not being satisfied and, following a request therefor from the Collateral Manager after the Effective Date, Rating Agency Confirmation from S&P 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 and Administration Agreement.

"**Effective Date S&P Condition**" means a condition that will be satisfied if, on or after the Effective Date:

(a) the Effective Date Non-Model CDO Monitor Test is satisfied; or

(b) S&P has provided a Rating Agency Confirmation (or has been deemed to confirm) to the Issuer, the Trustee and the Collateral Manager, confirming its initial rating of each Class of Notes;

provided that the Effective Date S&P Condition will be deemed to be satisfied if S&P makes a public announcement or informs the Issuer, the Collateral Manager and the Trustee in writing (including by means of e-mail notification or a press release) that (i) it believes satisfaction of the Effective Date S&P Condition is not required or (ii) its practice is not to give such confirmation.

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

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

"**Eligible Bond Index**" means Markit iBoxx EUR High Yield Index or any other index subject to Rating Agency Confirmation and KBRA Confirmation.

"**Eligible Investments**" means any investment denominated in Euro that is one or more of the following obligations or securities (other than obligations or securities which are zero coupon obligations or securities), including, without limitation, any Eligible Investments for which the Agents, the Trustee or the Collateral Manager, any Collateral Manager Related Person, or an Affiliate of any of them provides services:

(a) direct obligations of, and obligations the timely payment of principal of and interest under which is fully and expressly guaranteed, (such guarantee to comply with the current Fitch criteria on guarantees) by, a Qualifying Country or any agency or instrumentality of a Qualifying Country, the obligations of which are fully and expressly guaranteed (such guarantee to comply with the current Fitch criteria on guarantees) by a Qualifying Country in each case satisfying the Eligible Investments Minimum Rating;

(b) direct obligations of, and obligations the timely payment of principal of and interest under which is fully and expressly guaranteed (such guarantee to comply with the relevant S&P criteria on guarantees) by, a Non-Emerging Market Country or any agency or instrumentality of a Non-Emerging Market Country, the obligations of which are fully and expressly guaranteed by a Non-Emerging Market Country which, in each case, have a rating of not less than the applicable Eligible Investment Minimum Rating (but excluding (i) General Services Administration participation certificates; (ii) U.S. Maritime Administration guaranteed Title XI financings; (iii) Financing Corp. debt obligations; (iv) Farmers Home Administration Certificates; and (v) Washington Metropolitan Area Transit Authority guaranteed transit bonds);

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

(d) subject to receipt of Rating Agency Confirmation and KBRA 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 (such guarantee to comply with the current Fitch criteria on guarantees) 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 (c) 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;

(e) 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;

(f) commercial paper or other short-term obligations having, at the time of such investment, a credit rating of not less than the applicable Eligible Investments Minimum Rating and that either are bearing interest or are sold at a discount to the face amount thereof and have a maturity of not more than ninety two days or, following the occurrence of a Frequency Switch Event, one hundred and eighty three days from their date of issuance;

(g) offshore funds investing in the money markets rated, at all times, "AAAmmf" by Fitch and "AAAm" by S&P, **provided** that any such fund issues shares, units or participations that may be lawfully acquired in Ireland; and

(h) any other investment similar to those described in paragraphs (a) to (g) above (inclusive):

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

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

and, in each case, such instrument or investment provides for payment of a pre-determined fixed amount of principal on maturity that is not subject to change (other than, subject to the below, in respect of a Principal Reduction) and either:

(a) has a Stated Maturity (giving effect to any applicable grace period) no later than the Business Day immediately preceding the next following Payment Date; or

(b) is capable of being liquidated on demand without penalty and having a remaining maturity of less than three hundred and sixty-six calendar days,

provided, *however*, that Eligible Investments shall not include:

(i) any mortgage backed security, interest only security;

(ii) any Structured Finance Security;

(iii) security subject to withholding or similar taxes (other than withholding imposed pursuant to FATCA);

(iv) security rated with an "f", "L", "p", "pi", "prelim", "(sf)" or "t" subscript assigned by Fitch, nor shall they include any security with any other qualifying subscript published and assigned by Fitch from time to time as may be applicable;

(v) security rated with an "sf", "r" or "t" subscript assigned by S&P or such other qualifying subscript published and assigned by S&P from time to time as may be applicable

(vi) any security purchased at a price in excess of 100 per cent. of par; or

(vii) any security whose repayment is subject to substantial non-credit related risk (as determined by the Collateral Manager in its discretion), and

only assets which are "qualifying assets" within the meaning of Section 110 of the TCA may constitute Eligible Investments.

An instrument or investment that the Collateral Manager determines, having made reasonable enquiries and acting in accordance with the standard of care required under the Collateral Management and Administration Agreement, may be subject to a Principal Reduction during the Due Period in which such instrument or investment is to be acquired or made, may only be acquired or made as an Eligible Investment if:

(a) the Issuer (or the Collateral Manager acting on its behalf) has made a decision to invest in such instrument or investment, having reviewed the terms relating to the applicable Principal Reduction; and

(b) the Collateral Manager in its reasonable determination anticipates that the amount standing to the credit of the Principal Reduction Reserve Account at the time of investment will be sufficient to cover any such Principal Reduction (together with all other anticipated Principal Reductions in respect of Eligible Investments for such Due Period).

"**Eligible Investments Minimum Rating**" means:

(a) for so long as any Notes rated by Fitch or KBRA are Outstanding:

(i) in the case of Eligible Investments with a Stated Maturity of more than 60 calendar days:

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

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

(C) a money market fund rating of "AAAm" from Fitch; or

(D) such other ratings as confirmed by Fitch; or

(ii) in the case of Eligible Investments with a Stated Maturity of 60 calendar days or less:

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

(B) such other ratings as confirmed by Fitch; and

(b) for so long as any Notes rated by S&P or KBRA are Outstanding:

(i) in the case of Eligible Investments with a Stated Maturity of more than 60 days:

(A) a long-term senior unsecured debt or issuer (as applicable) credit rating of at least "AA-" from S&P;

(B) a short-term senior unsecured debt or issuer credit rating of at least "A-1+" from S&P; or

(C) a money market fund rating of "AAAm" from S&P; or

(ii) in the case of Eligible Investments with a maturity of 60 days or less, a short term debt or issuer (as applicable) credit rating of at least "A-1" from S&P.

"**Eligible Loan Index**" means the S&P European Leveraged Loan Index, the Credit Suisse Western European Leveraged Loan Index (non-U.S. dollars) or any other similarly internationally recognised or comparable index selected by the Collateral Manager and notified in writing to the Trustee, the Collateral Administrator and each Rating Agency.

"**EMIR**" means the European Market Infrastructure Regulation (Regulation (EU) No 648/2012) as the same may be amended, varied or substituted from time to time, including any implementing and/or delegated regulation, technical standards and guidance related thereto.

"**Enforcement Agent**" means an agent, receiver, administrative receiver or other Appointee appointed by the Trustee to discharge certain of its functions under Condition 11 (*Enforcement*), including without limitation, the Collateral Manager or any independent investment banking firm.

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

"**EU Retention and Transparency Requirements**" means the EU Retention Requirements and the EU Transparency Requirements.

"**EU Retention Requirements**" means Article 6 of the Securitisation Regulation, including any implementing regulation, technical standards and official guidance related thereto.

"**EU Transparency Requirements**" means Article 7 of the Securitisation Regulation, including any implementing regulation, technical standards and official guidance related thereto.

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

(a) in the case of the initial Accrual Period, as determined pursuant to a straight line interpolation of the rates applicable to 3 and 6 month Euro deposits;

(b) in the case of each six month Accrual Period, as applicable to six month Euro deposits or, in the case of the period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date, if such first mentioned Payment Date falls on or about 20 April 2031, as applicable to three month Euro deposits; and

(c) at all other times, as applicable to three month Euro deposits.

"**Euro**", "**Euros**", "**euro**" and "**€**" means the lawful currency of the member states of the European Union that have adopted and retain the single currency in accordance with the Treaty establishing the European Community, as amended from time to time; *provided that* if any member state or states ceases to have such single currency as its lawful currency (such member state(s) being the "**Exiting State(s)**"), the euro shall, for the avoidance of doubt, mean for all purposes the single currency adopted and retained as the lawful currency of the remaining member states and shall not include any successor currency introduced by the Exiting State(s).

"**Euro zone**" means the region comprised of member states of the European Union that have adopted the single currency in accordance with the Treaty establishing the European Community, as amended.

"**Euroclear**" means Euroclear Bank SA/NV.

"**Euronext Dublin**" means The Irish Stock Exchange plc trading as Euronext Dublin.

"**Event of Default**" means each of the events defined as such in Condition 10(a) (*Events of Default*).

"**Excess CCC Adjustment Amount**" means, as of any date of determination, an amount equal to the excess, if any, of:

(a) the Aggregate Principal Balance of all Collateral Obligations included in the CCC Excess; over

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

"**Excess Par Amount**" means, on any Determination Date, an amount equal to the greater of (a) zero, and (b) the Aggregate Collateral Balance minus the Reinvestment Target Par Balance, provided that for the purpose of determining the Aggregate Collateral Balance, the Principal Balance of a Collateral Obligation which is a Defaulted Obligation will be the lower of its S&P Collateral Value and for so long as any Notes rated by Fitch are Outstanding, its Fitch Collateral Value.

"**Excess Par Collateral Obligation**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Exchange Act**" means the United States Securities Exchange Act of 1934, as amended.

"**Exchanged Equity Security**" means an equity security which is not a Collateral Enhancement Obligation and which is delivered to the Issuer upon acceptance of an Offer in respect of a Defaulted Obligation or received by the Issuer as a result of restructuring of the terms in effect as of the later of (a) the Issue Date and (b) the date of issuance of the relevant Collateral Obligation.

"**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 Code or any associated regulations or other official guidance;

(b) any agreement pursuant to the implementation of paragraph (a) above with the IRS, the U.S. government or any governmental or taxation authority in any other jurisdiction; or

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

"**First-Lien Last-Out Loan**" means a loan obligation or Participation in a loan obligation that: (a) by its terms becomes subordinate in right of payment to any other obligation of the Obligor of the loan solely upon the occurrence of a default or event of default by the Obligor of the loan and (b) is secured by a valid perfected first priority security interest or lien in, to or on specified collateral securing the Obligor's obligations under the loan. For the avoidance of doubt, a First-Lien Last-Out Loan shall be treated in all cases as if it is a Second Lien Loan.

"**First Period Reserve Account**" means the account described as such in the name of the Issuer with the Account Bank.

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

"**Fitch CCC Obligation**" means all Collateral Obligations, excluding Defaulted Obligations, 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 (1) as of any Measurement Date during the first 30 days on which the obligation is a Defaulted Obligation or Deferring Security or (2) 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 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 and Administration Agreement.

"**Fitch Minimum Weighted Average Recovery Rate Test**" has the meaning given to it in the Collateral Management and Administration Agreement.

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

"**Fitch Recovery Rate**" means in respect of any Collateral Obligation, the Fitch recovery rate determined in accordance with the Collateral Management and Administration Agreement.

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

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

"**Fixed Rate Notes**" means the Class B-2 Notes.

"**Floating Rate Collateral Obligation**" means any Collateral Obligation that bears a floating rate of interest.

"**Floating Rate Notes**" means the Class A Notes, the Class B-1 Notes, the Class C Notes, the Class D Notes and the Class E Notes.

"**Floating Rate of Interest**" has the meaning given thereto in Condition 6(e)(i) (*Floating Rate of Interest*).

"**Form Approved Asset Swap**" means an Asset Swap Transaction, the documentation for and structure of which conforms (save for the amount and timing of periodic payments, the name and financial aspects of the related Collateral Obligation, the notional amount, the effective date, the termination date and other related and/or immaterial changes) to a form approved by each Rating Agency or for which Rating Agency Confirmation and KBRA Confirmation has been received by the Issuer and in respect of which none of the Rating Agencies has notified the Issuer or the Collateral Manager that such approval has been withdrawn prior to entering into such Asset Swap Transaction.

"**Form Approved Hedge Agreement**" means either a Form Approved Asset Swap or a Form Approved Interest Rate Hedge.

"**Form Approved Interest Rate Hedge**" means an Interest Rate Hedge Transaction, the documentation for and structure of which conforms (save for the amount and timing of periodic payments, the applicable floating rate index, the notional amount, the effective date, the termination date and other related and/or immaterial changes) to a form approved by each Rating Agency or for which Rating Agency Confirmation and KBRA Confirmation has been received by the Issuer and in respect of which none of the Rating Agencies has notified the Issuer or the Collateral Manager that such approval has been withdrawn prior to entering into such Interest Rate Hedge Transaction.

"**Frequency Switch Event**" shall occur if, on any Frequency Switch Measurement Date, for so long as any Class A Notes or Class B Notes remain Outstanding:

(a) the Collateral Manager declares in its sole discretion that a Frequency Switch Event has occurred and the sum of:

(i) the amount determined pursuant to paragraph (b)(ii)(A) below (provided that scheduled and projected principal payments that become due to be paid in the circumstances described therein shall be deemed to be included in addition to scheduled and projected interest payments); and

(ii) the aggregate of scheduled and projected interest payments (and any commitment fees in respect of Revolving Obligations or Delayed Drawdown Collateral Obligations) which will be accrued but not yet paid as at the end of the immediately following Due Period in respect of each Collateral Obligation that has become a Semi-Annual Obligation within the period described in paragraph (b)(i) below (which, in the case of each such Non-Euro Obligation shall be converted into Euro at the Applicable Exchange Rate), but excluding:

(A) such payments on Defaulted Obligations (other than Current Pay Obligations) and Deferring Securities; and

(B) any such payments as to which the Issuer or the Collateral Manager has actual knowledge that such payment will not be made when due,

is equal to or greater than the amount determined pursuant to paragraph (b)(ii)(B) below; or

(b) the following conditions are satisfied:

(i) the Aggregate Principal Balance (determined in accordance with the definition thereof, provided that the Principal Balance of each Defaulted Obligation and each Deferring Security shall be excluded) of all Collateral Obligations which have become Semi-Annual Obligations in the Due Period ending on such Frequency Switch Measurement Date as a result of the change in the frequency of interest payment on such Collateral Obligations, is equal to or greater than 20 per cent. of the Aggregate Collateral Balance (the Aggregate Collateral Balance being determined in accordance with the definition thereof, provided that the Principal Balance of each Defaulted Obligation shall be excluded); and

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

(A) the sum of:

(1) the aggregate of scheduled and projected interest payments (and any commitment fees in respect of any Revolving Obligations or Delayed Drawdown Collateral Obligations) which will be due to be paid on each Collateral Obligation during the immediately following Due Period (which, in the case of each such Non-Euro Obligation shall be converted into Euro at the Applicable Exchange Rate) but excluding:

(I) such payments on Defaulted Obligations (other than Current Pay Obligations) and Deferring Securities; and

(II) any such payments as to which the Issuer or the Collateral Manager has actual knowledge that such payment will not be made when due;

(III) any such payments which will be paid into the Interest Smoothing Account at the end of the immediately following Due Period; and

(2) the Balance standing to the credit of the Interest Smoothing Account on the Business Day following such Frequency Switch Measurement Date (on the assumption that no Frequency Switch Event shall have occurred on such Frequency Switch Measurement Date and the Collateral Manager has credited the applicable Interest Smoothing Amount to the Interest Smoothing Account from the Interest Account on the Business Day following such Frequency Switch Measurement Date pursuant to Condition 3(j)(xiii) (*Interest Smoothing Account*));

by

(B) the sum of the scheduled Interest Amounts which will fall due on the Class A Notes and the Class B Notes on the second Payment Date following such Frequency Switch Measurement Date and all amounts which the Collateral Manager in its commercially reasonable judgment determines will fall due and payable pursuant to paragraphs (A) to (F) of Condition 3(c)(i) (*Application of Interest Proceeds*) on such Payment Date,

is less than 120 per cent.; and

(iii) the sum of:

(A) the amount determined pursuant to paragraph (b)(ii)(A) above (provided that scheduled and projected principal payments that become due to be paid in the circumstances described therein shall be deemed to be included in addition to scheduled and projected interest payments); and

(B) the aggregate of scheduled and projected interest payments (and any commitment fees in respect of Revolving Obligations or Delayed Drawdown Collateral Obligations) which will be accrued but not yet paid as at the end of the immediately following Due Period in respect of each Collateral Obligation that has become a Semi-Annual Obligation within the period described in paragraph (b)(i) above (which, in the case of each such Non-Euro Obligation shall be converted into Euro at the Applicable Exchange Rate), but excluding:

(1) such payments on Defaulted Obligations (other than Current Pay Obligations) and Deferring Securities; and

(2) any such payments as to which the Issuer or the Collateral Manager has actual knowledge that such payment will not be made when due,

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

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

(x) in respect of each Floating Rate Collateral Obligation, projected interest payable on such Floating Rate Collateral Obligation on each future payment date thereunder during the immediately following Due Period shall be determined based on the applicable base rate and applicable margin pursuant to the relevant Underlying Instrument as determined as at such Frequency Switch Measurement Date;

(y) the frequency of interest payments on each Collateral Obligation shall not change following such Frequency Switch Measurement Date; and

(z) EURIBOR for the purposes of calculating Interest Amounts in respect of the Class A Notes and the Class B Notes at all times following such Frequency Switch Measurement Date shall be equal to EURIBOR as determined as at such Frequency Switch Measurement Date.

"**Frequency Switch Measurement Date**" means each Determination Date from (and including) the Determination Date immediately preceding the second Payment Date, provided that following the occurrence of a Frequency Switch Event, no further Frequency Switch Measurement Date shall occur.

"**Funded Amount**" means, with respect to any Revolving Obligation or Delayed Drawdown Collateral Obligation at any time, the aggregate principal amount of advances or other extensions of credit to the extent funded thereunder by the Issuer that are outstanding at such time.

"**Global Certificate**" means, together, the permanent global certificates representing the Regulation S Notes (other than the Subordinated Notes) and the permanent global certificates representing the Rule 144A Notes (other than the Subordinated Notes).

"**Global Exchange Market**" means the Global Exchange Market of Euronext Dublin.

"**Hedge Agreement**" means any Interest Rate Hedge Agreement or any Asset Swap Agreement, as applicable.

"**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 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 or Interest Rate Hedge Transactions.

"**Hedge Termination Payment**" means any Interest Rate Hedge Termination Payment or Asset Swap Termination Payment, as applicable.

"**Hedge Termination Receipt**" means any Interest Rate Hedge Termination Receipt or Asset Swap Termination Receipt, as applicable.

"**Hedge Transaction**" means any Interest Rate Hedge Transaction or Asset Swap Transaction, as applicable, and "**Hedge Transactions**" means any of them.

"**High Yield Bond**" means a debt security which, on acquisition by the Issuer, is either rated below investment grade by at least one internationally recognised credit rating agency (provided that, if such debt security is, at any time following acquisition by the Issuer, no longer rated by at least one internationally recognised credit rating agency as below investment grade it will not, as a result of such change in rating, fall outside this definition) or which is a high yielding debt security, in each case as determined by the 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 and which is not a Secured Senior Bond.

"**Incentive Collateral Management Fee**" means the fee payable to the Collateral Manager pursuant to the Collateral Management and Administration Agreement in an amount (exclusive of any applicable VAT), as determined by the Collateral Administrator, equal to the amount specified at paragraph (BB) of the Interest Proceeds Priority of Payments, paragraph (R) of the Principal Proceeds Priority of Payments and paragraph (X) of the Post-Acceleration Priority of Payments 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 the threshold which will have been reached on the relevant Payment Date if the Subordinated Notes Outstanding have received an IRR of at least 12 per cent. on the Principal Amount Outstanding of the Subordinated Notes as of the first day of the Due Period preceding such Payment Date (after giving effect to all payments in respect of the Subordinated Notes to be made on such Payment Date).

"**Incurrence Covenant**" means a covenant by any Obligor to comply with one or more financial covenants only upon the occurrence of certain actions of the Obligor, including a debt issuance, dividend payment, share purchase, merger, acquisition or divestiture.

"**Independent Director**" means a duly appointed member of the board of Directors of the Issuer who was not, at the time of such appointment, or at any time in the preceding five years:

(a) a direct or indirect legal or beneficial owner of any Secured Party or any of its Affiliates (excluding *de minimis* ownership interests);

(b) a creditor, supplier, employee, officer, director, family member, manager or contractor of any Secured Party or its Affiliates; and

(c) a Person who controls (whether directly, indirectly, or otherwise) any Secured Party or its Affiliates.

"**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.

"**Insolvency Regulation**") means Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast).

"**Interest Account**" means an account described as such in the name of the Issuer with the Account Bank into which Interest Proceeds are to be paid.

"**Interest Amount**" means:

(a) in the case of the Rated 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*); and

(b) in the case of the Subordinated Notes, the amount calculated by the Collateral Administrator in accordance with Condition 6(g) (*Proceeds in respect of Subordinated Notes*).

"**Interest Coverage Amount**" means, on any particular Measurement Date (without double counting), the sum of:

(a) the Balance standing to the credit of the Interest Account; plus

(b) the scheduled interest payments (and any commitment fees due but not yet received in respect of any Revolving Obligations or Delayed Drawdown Collateral Obligations) due but not yet received (in each case regardless of whether the applicable due date has yet occurred) in the Due Period in which such Measurement Date occurs on the Collateral Obligations excluding:

    (i) accrued and unpaid interest on Defaulted Obligations (excluding Current Pay Obligations) unless such amounts constitute Defaulted Obligation Excess Amounts (in which case such Defaulted Obligation Excess Amounts shall not form part of the exclusion in this paragraph (b)(i)));

    (ii) interest on any Collateral Obligation to the extent that such Collateral Obligation does not provide for the scheduled payment of interest in cash;

    (iii) any amounts, to the extent that such amounts if not paid, will not give rise to a default under the relevant Collateral Obligation;

(iv) any amounts expected to be withheld at source or otherwise deducted in respect of taxes;

(v) interest on any Deferring Security;

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

(vii) any Purchased Accrued Interest,

provided that, in respect of a Non-Euro Obligation this paragraph (b) shall be deemed to refer to the related Scheduled Periodic Asset Swap Counterparty Payment, subject to the exclusions set out above; *minus*

(c) the amounts payable pursuant to paragraphs 3(c)(i)(A)to (F) of the Interest Proceeds Priority of Payments on the following Payment Date; *minus*

(d) any of the above amounts that would be payable into the Interest Smoothing Account on the Business Day after the Determination Date at the end of the Due Period in which such Measurement Date falls; *plus*

(e) any amounts that would be payable from the Expense Reserve Account, the Interest Smoothing Account and/or the First Period Reserve Account to the Interest Account in the Due Period relating to such Measurement Date (without double counting any such amounts which have been already transferred to the Interest Account); *plus*

(f) any Scheduled Periodic Interest Rate Hedge Counterparty Payments payable to the Issuer under any Hedge Transaction but to the extent not already included in accordance with paragraph (a) above; *minus*

(g) any interest in respect of a PIK Security that has been deferred (but only to the extent such amount has not already been excluded in accordance with paragraphs (b)(ii) or (iii) above).

For the purposes of calculating any Interest Coverage Amount, the expected or scheduled interest income on Floating Rate Collateral 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 and the Class D Interest Coverage Ratio. For the purposes of calculating an Interest Coverage Ratio, the expected interest income on Collateral Obligations, Eligible Investments and the Accounts (to the extent applicable) and the expected interest payable on the relevant Rated Notes will be calculated using the then current interest rates applicable thereto.

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

"**Interest Determination Date**" means the second Business Day prior to the commencement of each Accrual Period. For the avoidance of doubt, in respect of the Issue Date, the Calculation Agent will determine the offered rate pursuant to a straight line interpolation of the rates applicable to 3 and 6 months EURIBOR on the Issue Date but such offered rate shall be calculated as of the second Business Day prior to the Issue Date.

"**Interest Proceeds**" means all amounts paid or payable into the Interest Account from time to time and, with respect to any Payment Date, means any Interest Proceeds received or receivable by the Issuer during the related Due Period to be disbursed pursuant to the Interest Proceeds Priority of Payments on such Payment Date, together with any other amounts to be disbursed out of the Payment Account as Interest Proceeds on such Payment Date pursuant to Condition 3(i) (*Accounts*).

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

"**Interest Rate Hedge Agreement**" has the meaning given thereto in the definition of Interest Rate Hedge Transaction.

"**Interest Rate Hedge Counterparty**" means each financial institution with which the Issuer enters into an Interest Rate Hedge Transaction or any permitted assignee or successor thereto under the terms of the related Interest Rate Hedge Transaction and in each case which satisfies the applicable Rating Requirement (taking into account any guarantor thereof), and provided always such financial institution has the regulatory capacity, as a matter of Irish law, to enter into derivatives transactions with Irish residents.

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

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

"**Interest Rate Hedge Termination Payment**" means the amount payable to an Interest Rate Hedge Counterparty by the Issuer upon termination or modification of an Interest Rate Hedge Transaction pursuant to the relevant Interest Rate Hedge Agreement excluding, for purposes other than payment by the Issuer, any due and unpaid scheduled amounts payable thereunder.

"**Interest Rate Hedge Termination Receipt**" means the amount payable by an Interest Rate Hedge Counterparty to the Issuer upon termination of an Interest Rate Hedge Transaction pursuant to the relevant Interest Rate Hedge Agreement, excluding, for purposes other than payment to the applicable Account to which the Issuer shall credit such amounts, the portion thereof representing any due and unpaid scheduled amounts payable thereunder.

"**Interest Rate Hedge Transaction**" means each interest rate protection transaction, which may be an interest rate swap transaction, an interest rate cap, an interest rate floor transaction, or an asset specific interest rate swap, in each case, entered into under an 1992 ISDA Master Agreement (Multicurrency-Cross Border) or 2002 ISDA Master Agreement (or such other ISDA *pro forma* master agreement as may be published by ISDA from time to time) (together with the schedule relating thereto, the applicable confirmation including any guarantee thereof and any credit support annex entered into pursuant to the terms thereof, and each as amended or supplemented from time to time, an "**Interest Rate Hedge Agreement**"), which is entered into between the Issuer and an Interest Rate Hedge Counterparty for the sole purpose described within this definition.

"**Interest Smoothing Account**" means the account described as such in the name of the Issuer with the Account Bank to which the Issuer will procure amounts are deposited in accordance with Condition 3(j)(xiii) (*Interest Smoothing Account*).

"**Interest Smoothing Amount**" means, in respect of each Determination Date on or following the occurrence of a Frequency Switch Event, zero and, in respect of each other Determination Date and for so long as any Rated Notes are Outstanding, an amount equal to the product of:

(a) 0.5; multiplied by

(b) an amount equal to:

   (i) the sum of all payments of interest received during the related Due Period in respect of each Semi-Annual Obligation; minus

   (ii) the sum of all payments of interest scheduled to be received during the immediately following Due Period in respect of each Semi-Annual Obligation (excluding, for the avoidance of doubt, any of the amounts set out under limb (b)(i) to and including (b)(vii) of the Interest Coverage Amount definition),

provided that (x) such amount may not be less than zero and (y) following redemption in full of the Rated Notes or if the Aggregate Principal Balance of the Semi-Annual Obligations is less than or equal to 5 per cent. of the Aggregate Collateral Balance (and for the purpose of determining the Aggregate Collateral Balance, the Principal

Balance of all Defaulted Obligations shall be the lower of their Fitch Collateral Value and their S&P Collateral Value), such amount shall be deemed to be zero.

"**Intermediary Obligation**" means an interest in relation to a loan which is structured to be acquired indirectly by lenders therein at or prior to primary syndication thereof, including pursuant to a collateralised deposit or guarantee, a participation or other arrangement which has the same commercial effect and in each case, in respect of any obligation of the lender to a "fronting bank" in respect of non-payment by the Obligor, is 100 per cent. collateralised by such lenders.

"**Intex**" means Intex Solutions, Inc.

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

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

"**Irish Excluded Assets**" means all assets, property or rights deriving from the Issuer Irish Account and the Corporate Services Agreement.

"**Irish Security Agreement**" means an Irish law governed security agreement dated on or about the Issue Date (as the same may be amended, restated and/or supplemented from time to time) between, amongst others, the Issuer and the Trustee.

"**Irish STS Regulations**" means the European Union (General Framework for Securitisation and Specific Framework for Simple, Transparent and Standardised Securitisation) Regulations 2018 of Ireland (as may be amended from time to time).

"**IRR**" means the internal rate of return calculated using the "**XIRR**" function in Microsoft Excel® or any equivalent function in another software package that would result in a net present value of zero, assuming:

(a) the issue price of the Subordinated Notes on the Issue Date will be 100 per cent. and will be the initial cash flow and additionally:

 (i) the issue price of any Subordinated Notes issued after the Issue Date; and

 (ii) all distributions to the Subordinated Notes on the current and each preceding Payment Date,

 as subsequent cash flows (including the Redemption Date, if applicable);

(b) the initial date for the calculation as the Issue Date; and

(c) the number of days to each subsequent Payment Date from the Issue Date calculated on the basis of the actual number of days in an Accrual Period divided by 365.

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

"**Issue Date**" means 7 July 2020 (or such other date as may shortly follow such date as may be agreed between the Issuer and the Placement Agent and is notified to the Noteholders in accordance with Condition 16 (*Notices*) and Euronext Dublin).

"**Issue Date Collateral Obligation**" means an obligation for which the Issuer (or the Collateral Manager, acting on behalf of the Issuer) has either purchased or entered into a binding commitment to purchase on or prior to the Issue Date.

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

"**Issuer Profit Amount**"" means the payment on each Payment Date prior to the occurrence of a Frequency Switch Event, of €250 and, on each Payment Date following the occurrence of a Frequency Switch Event, of €500, subject always to an aggregate maximum amount of €1,000 per annum, representing the profit to be retained by the Issuer.

"**KBRA**" means Kroll Bond Rating Agency Europe Limited and any successor or successors thereto.

"**KBRA Confirmation**" means, with respect to any specified action, determination or appointment, receipt by the Issuer and/or the Trustee of written confirmation (or such other confirmation as KBRA is willing to provide from time to time, which may take the form of a bulletin, press release, e-mail or other written communication) by KBRA 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 KBRA; *provided that* KBRA Confirmation for a particular action will only be required to the extent KBRA rate a Class of Notes affected by such action. Notwithstanding anything to the contrary in any Transaction Document and these Conditions, no KBRA Confirmation shall be required from KBRA in respect of any action, determination or appointment if: (a) KBRA has declined a request from the Trustee, the Collateral Manager or the Issuer to review the effect of such action, determination or appointment; or (b) KBRA announces (publicly or otherwise) or confirms to the Trustee, the Collateral Manager or the Issuer that KBRA Confirmation is not required, or that its practice is to not give such confirmations for such type of action, determination or appointment; or (c) KBRA has ceased to engage in the business of providing ratings or has made a public statement in writing to the effect that it will no longer review events or circumstances of the type requiring a KBRA Confirmation under any Transaction Document or these Conditions for purposes of evaluating whether to confirm the then-current ratings (or initial ratings) of obligations rated by KBRA, *provided that* if such confirmation has been requested (in writing or by e-mail) from KBRA at least three separate times during a 15 Business Day period and it has either not made any response to such requests or has not indicated in response to any such request that it will consider the application, such confirmation shall be deemed to have been received (provided that any such request must have been made to a representative of KBRA reasonably believed by the person making such request to have the requisite authority to consider and respond (affirmatively or negatively) to such request).

"**Maintenance Covenant**" means a covenant by any Obligor to comply with one or more financial covenants during each reporting period, whether or not such Obligor has taken any specified action.

"**Mandatory Redemption**" means a redemption of the Notes pursuant to and in accordance with Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*).

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

"**Market Value**" means in respect of any Collateral Obligation, on any date of determination and as provided by the Collateral Manager to the Collateral Administrator:

(a) the bid price determined by an independent recognised pricing service; or

(b) if such independent recognised pricing service is not available, the mean of the bid prices (in the case of any High Yield Bond, Secured Senior Bond or PIK Security, excluding accrued interest) determined by three independent broker-dealers active in the trading of such Collateral Obligations; or

(c) if three such broker-dealer prices are not available, the lower of the bid side prices (in the case of any High Yield Bond, Secured Senior Bond or PIK Security, excluding accrued interest) determined by two such broker-dealers; or

(d) if two such broker-dealer prices are not available, the bid side price (in the case of any High Yield Bond, Secured Senior Bond or PIK Security, excluding accrued interest) determined by one independent broker-dealer (unless, in each case, the fair market value thereof determined by the Collateral Manager pursuant to paragraph (e) hereafter would be lower); or

(e) if the determinations of such broker-dealers or independent recognised pricing service are not available, then the lower of:

  (i) the higher of:

    (A) the lower of:

      (1) the Fitch Recovery Rate of such Collateral Obligation; and

(2) the S&P Recovery Rate of such Collateral Obligation; and

(B) 70 per cent. of such Collateral Obligation's Principal Balance; and

(ii) the fair market value thereof determined by the Collateral Manager on a best efforts basis in a manner consistent with reasonable and customary market practice, in each case, as notified to the Collateral Administrator on the date of determination thereof, provided however that if the Collateral Manager is not a registered investment adviser under the Investment Advisers Act, the Market Value of any such asset may only be determined in accordance with this paragraph (e)(ii)for a maximum of thirty Business Days, following which time if the Market Value cannot be ascertained by a third party, then the Market Value shall be deemed to be zero,

and for the purposes of this definition:

(a) accrued interest shall be excluded; and

(b) "independent" shall mean that each pricing service and broker-dealer:

(i) from whom a bid price is sought is independent from each of the other pricing service and broker-dealers from whom a bid price is sought; and

(ii) is not an Affiliate of the Collateral Manager.

"**Maturity Date**" means 20 July 2031, provided that if the Maturity 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).

"**Measurement Date**" means:

(a) the Effective Date;

(b) for the purposes of determining satisfaction of the Reinvestment Criteria, any Business Day after the Effective Date on which such criteria are required to be determined, which determination shall be made:

(i) *firstly*, by reference immediately prior to receipt of any Principal Proceeds which are to be reinvested without taking such Principal Proceeds into account; and

(ii) *secondly*, taking into account on a projected basis, the proposed sale of Collateral Obligations and reinvestment of the Principal Proceeds thereof in Substitute Collateral Obligations;

(c) the date of acquisition of any additional Collateral Obligation following the Effective Date;

(d) each Determination Date;

(e) the date as at which any Report is prepared; and

(f) following the Effective Date, with reasonable (and not less than five Business Days') notice, any Business Day requested by any Rating Agency then rating any Class of Notes Outstanding.

"**Mezzanine Obligation**" means a mezzanine loan obligation or other comparable debt obligation, including any such loan obligation with attached warrants and any such obligation which is evidenced by an issue of notes (other than High Yield Bonds), as determined by the Collateral Manager in its reasonable business judgment, or a Participation therein.

"**Minimum Denomination**" means:

(a) in the case of the Regulation S Notes of each Class, €100,000; and

(b) in the case of the Rule 144A Notes of each Class, €250,000.

"Monthly Report" means the monthly report defined as such in the Collateral Management and Administration Agreement which is prepared by the Collateral Administrator (in consultation with the Collateral Manager) on behalf of the Issuer on such dates as are set forth in the Collateral Management and Administration Agreement and is made available via a website currently located at https://pivot.usbank.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Trustee, the Placement Agent, each Hedge Counterparty and the Collateral Manager and as notified by the Issuer (with reasonable assistance, if the Issuer so requires, from the Collateral Manager) to each Rating Agency and the Noteholders from time to time) (or by such other method of dissemination as is required or permitted by the Securitisation Regulation, the Irish STS Regulations or the relevant Competent Authority (as instructed by the Issuer (or the Collateral Manager on its behalf) and as agreed with the Collateral Administrator)) to any person who certifies to the Collateral Administrator (such certification to be substantially in the form set out the Collateral Management and Administration Agreement or such form as may be agreed between the Issuer, the Collateral Manager and the Collateral Administrator from time to time) (such certification may be given electronically and upon which certificate the Collateral Administrator shall be entitled to rely absolutely and without enquiry or liability) that it is: (i) the Issuer, (ii) the Trustee, (iii) the Placement Agent, (iv) a Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, (v) the Collateral Manager, (vi) a Rating Agency, (vii) a Noteholder, (viii) a Competent Authority or (ix) a potential investor in the Notes. For the avoidance of doubt, the Collateral Administrator is irrevocably authorised to disclose and/or grant access to any such reports to Intex and Bloomberg LP.

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

"**New Risk Retention Rule**" means any future credit risk retention law, rule or regulation in the U.S. for the type of transaction contemplated herein.

"**Non-Call Period**" means the period from and including the Issue Date up to, but excluding, 7 July 2021 provided that if such 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).

"**Non-Eligible Issue Date Collateral Obligation**" has the meaning given thereto in the Collateral Management and Administration Agreement.

"**Non-Euro Obligation**" means any Collateral Obligation, or part thereof, as applicable, denominated in a currency other than Euro.

"**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 including any Interest Amounts due and payable (on a *pro-rata* basis) at the applicable Redemption Price in whole or in part until the Class A Notes have been fully redeemed;

(b) *secondly*, to the redemption of the Class B Notes including any Interest Amounts due and payable (on a *pro-rata* basis) at the applicable Redemption Price in whole or in part until the Class B Notes have been fully redeemed;

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

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

(e) *fifthly*, to the redemption of the Class E Notes including any Interest Amounts due and payable and any Deferred Interest thereon (on a *pro-rata* basis) at the applicable Redemption Price in whole or in part until the Class E Notes have been fully redeemed, provided that, for the purposes of any redemption of the Notes in accordance with the Note Payment Sequence following any breach of Coverage Tests, the Note Payment Sequence shall terminate immediately after the paragraph above that refers to the Class of Notes to which such Coverage Test relates or as soon as the relevant Coverage Test has been remedied, if earlier.

"**Note Purchase Agreement**" means each purchase agreement (excluding the Retention Note Purchase Agreement) between the Issuer and an Affiliate of the Retention Holder in respect of certain Notes dated on or about the Issue Date.

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

(a) the introduction of a new, or any change in, any 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 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; or

  (iii) by reason of the failure by the relevant Noteholder to comply with any applicable procedures required to establish non-residence or other similar claim for exemption from such tax or to provide information concerning nationality, residency or connection with Ireland or other applicable tax authority;

(b) Irish, French or U.S. federal, state or local tax authorities impose net income, profits or similar tax upon the Issuer or its representative of any amount in excess of €1,000 for the relevant year (other than any U.S. federal, state or local income or franchise tax imposed solely with respect to an equity security or "United States real property interest" (as defined for U.S. federal income tax purposes) received in an Offer, so long as the Issuer disposes of such equity security or United States real property interest within 30 Business Days after receipt); or

(c) the Issuer becomes subject to Irish VAT in respect of any Collateral Management Fees.

"**Noteholders**" means the several persons in whose name the Notes are registered from time to time in accordance with and subject to their terms and the terms of the Trust Deed, and "holder" (in respect of the Notes) shall be construed accordingly.

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

"**Offer**" means, with respect to any Collateral Obligation:

(a) any offer by the Obligor under such obligation or by any other Person made to all of the creditors of such Obligor in relation to such obligation to purchase or otherwise acquire such obligation (other than pursuant to any redemption in accordance with the terms of the related Underlying Instruments) or to convert or exchange such obligation into or for cash, securities or any other type of consideration; 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.

"**Offering Circular**" means the offering circular of Vendome Funding CLO 2020-1 DAC in relation to the initial issuance of the Notes.

"**Ongoing Expense Excess Amount**" means, on any Payment Date, an amount equal to the excess, if any, of:

(a) the Senior Expenses Cap; over

(b) the sum of (without duplication):

(i) all amounts paid pursuant to paragraphs (B) and (C) of Condition 3(c)(i) (*Application of Interest Proceeds*) on such Payment Date; plus

(ii) all Trustee Fees and Expenses and Administrative Expenses paid during the related Due Period.

"**Ongoing Expense Reserve Amount**" means, in respect of any Payment Date, an amount equal to the lesser of:

(a) the Ongoing Expense Reserve Ceiling; and

(b) the Ongoing Expense Excess Amount, each as at such Payment Date.

"**Ongoing Expense Reserve Ceiling**" means, on any Payment Date, the excess, if any, of €250,000 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.

"**Originated Assets**" means Collateral Obligations (i) which the Retention Holder has undertaken to acquire from the Issuer pursuant to the Conditional Sale Agreement in the event that any such Collateral Obligation becomes a Defaulted Obligation during the relevant Seasoning Period for such Collateral Obligation, and (ii) which the Retention Holder or its related entities were directly or indirectly involved in the original agreement which created such Collateral Obligations.

"**Originator Requirement**" means the requirement which will be satisfied if, on the Issue Date:

(a) the Aggregate Principal Balance of all Originated Assets that have been originated by the Retention Holder; divided by

(b) the Target Par Amount,

is greater than or equal to 5.0 per cent.

"**Other Plan Law**" means any federal, state, local or non-U.S. law or regulation that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code.

"**Outstanding**" has the meaning given to it in the Trust Deed.

"**Par Value Ratio**" means the Class A/B Par Value Ratio, Class C Par Value Ratio, the Class D Par Value Ratio or the Class E Par Value Ratio (as applicable).

"**Par Value Test**" means the Class A/B Par Value Test, Class C Par Value Test, the Class D Par Value Test or the Class E Par Value Test.

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

"**Partial Redemption Interest Proceeds**" means as of any Partial Redemption Date, Interest Proceeds in an amount equal to (x) the lesser of (a) the amount of accrued interest on the Class or Classes of Rated Notes being refinanced or redeemed and (b) the amount the Collateral Manager reasonably determines would have been available for distribution under the Interest Proceeds Priority of Payments for the payment of accrued interest on the Class or Classes of Rated Notes being refinanced or redeemed on the next subsequent Payment Date (or in the case of a Partial Redemption Date that is occurring on a Payment Date, on such date) if such Notes had not been refinanced or redeemed plus (y) (a) if the Partial Redemption Date is not otherwise a Payment Date, the amount the Collateral Manager reasonably determines would have been available for distribution under the Interest Proceeds Priority of Payments for the payment of Trustee Fees and Expenses and Administrative Expenses on the next following Payment Date or (b) if the Partial Redemption Date would otherwise be a Payment Date, the amount that will be available for distribution under the Interest Proceeds Priority of Payments for the payment of Trustee Fees and Expenses and Administrative Expenses on such Payment Date.

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

"**Participation**" means an interest in a Collateral Obligation taken indirectly by the Issuer by way of participation from a Selling Institution which shall include, for the purposes of the Bivariate Risk Table set forth in the Collateral Management and Administration Agreement, Intermediary Obligations.

"**Participation Agreement**" means an agreement between the Issuer and a Selling Institution in relation to the purchase by the Issuer of a Participation.

"**Payment Account**" means the account described as such in the name of the Issuer held with the Account Bank to which amounts shall be transferred by the Account Bank on the instructions of the Collateral Administrator on the Business Day prior to each Payment Date out of certain of the other Accounts in accordance with Condition 3(i) (*Accounts*) and out of which the amounts required to be paid on each Payment Date pursuant to the Priorities of Payment shall be paid.

"**Payment Date**" means:

(a) 20 January, 20 April, 20 July and 20 October at any time prior to the occurrence of a Frequency Switch Event; and

(b) 20 January and 20 July (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either January or July) or 20 April and 20 October (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either April or October), following the occurrence of a Frequency Switch Event,

in each case, in each year commencing on 20 October 2020 up to and including the Maturity Date and any Redemption Date, provided that if any Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day that is a Business Day (unless it would thereby fall in the following month, in which case it shall be brought forward to the immediately preceding Business Day).

"**Payment Date Report**" means the payment date report defined as such in the Collateral Management and Administration Agreement which is prepared by the Collateral Administrator (in consultation with the Collateral Manager) on behalf of the Issuer on such dates as are set forth in the Collateral Management and Administration Agreement and made available via a secured website currently located at https://pivot.usbank.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Trustee, the Placement Agent, each Hedge Counterparty and the Collateral Manager and as notified by the Issuer (with reasonable assistance, if the Issuer so requires, from the Collateral Manager) to each Rating Agency and the Noteholders from time to time) (or by such other method of dissemination as is required or permitted by the Securitisation Regulation, the Irish STS Regulations or the relevant Competent Authority (as instructed by the Issuer (or the Collateral Manager on its behalf) and as agreed with the Collateral Administrator)) to any person who certifies to the Collateral Administrator (such certification to be substantially in the form set out in the Collateral Management and Administration Agreement or such other form as may be agreed between the Issuer, the Collateral Manager and the Collateral Administrator from time to time) (such certification may be given electronically and upon which certificate the Collateral Administrator shall be entitled to rely absolutely and without enquiry or liability) that it is: (i) the Issuer, (ii) the Trustee, (iii) the Placement Agent, (iv) a Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, (v) the Collateral Manager, (vi) a Rating Agency, (vii) a Noteholder, (viii) a Competent Authority or (ix) a potential investor in the Notes, not later than the Business Day preceding the related Payment Date. For the avoidance of doubt, the Collateral Administrator is irrevocably authorised to disclose and/or grant access to any such reports to Intex and Bloomberg LP.

"**Permitted Use**" means, with respect to:

(a) any Contribution received into the Contribution Account;

(b) the proceeds from the issue of additional Subordinated Notes in accordance with Condition 17 (*Additional Issuances*);

(c) any amount deposited in the Collateral Enhancement Account; or

(d) each Reinvestment Amount,

any of the following uses:

(a) the transfer of the applicable portion of such amount to the Interest Account for application as Interest Proceeds;

(b) the transfer of the applicable portion of such amount to the Principal Account for application as Principal Proceeds;

(c) the repurchase of Rated Notes of any Class through a tender offer, in the open market, or in privately negotiated transaction(s) in accordance with Condition 7(k) (*Purchase*) (in each case, subject to applicable law);

(d) subject to the limitations in the Transaction Documents with respect to Margin Stock, the purchase of one or more Collateral Enhancement Obligations, in each case subject to the limitations set forth in the Transaction Documents;

(e) for deposit into the Expense Reserve Account to pay for the costs of a Refinancing; or

(f) for deposit into the Principal Reduction Reserve Account, to make provision for anticipated Principal Reductions in respect of Eligible Investments held by the Issuer.

"**Person**" means an individual, corporation (including a business trust), partnership, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated association or government or any agency or political subdivision thereof.

"**PIK Security**" means any Collateral Obligation which is a security, the terms of which permit the deferral of the payment of interest thereon, including without limitation by way of capitalising interest thereon provided that, for the avoidance of doubt, Mezzanine Obligations shall not constitute PIK Securities.

"**Portfolio**" means the Collateral Obligations, Collateral Enhancement Obligations, Exchanged Equity Securities, Eligible Investments and other similar obligations or securities held by or on behalf of the Issuer from time to time.

"**Portfolio Profile Tests**" means the Portfolio Profile Tests each as defined in the Collateral Management and Administration Agreement.

"**Post-Acceleration Priority of Payments**" means the priority of payments set out in Condition 11 (*Enforcement*).

"**Presentation Date**" means a day which (subject to Condition 12 (*Prescription*)):

(a) is a Business Day;

(b) is or falls after the relevant due date or, if the due date is not or was not a Business Day in the place of presentation, is or falls after the next following Business Day which is a Business Day in the place of presentation; and

(c) is a Business Day in which the account specified by the payee is open.

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

"**Principal Amount Outstanding**" means in relation to any Class of Notes and at any time, the aggregate principal amount outstanding under such Class of Notes at that time, including, in the case of the Class C Notes, the Class D Notes and the Class E Notes, Deferred Interest which has been capitalised pursuant to Condition 6(c) (*Deferral of Interest*) save that Deferred Interest shall not be included for the purposes of determining voting rights or the right to give directions or instructions attributable to the Class C Notes, the Class D Notes and the Class E Notes, as applicable, and the applicable quorum at any meeting of the Noteholders pursuant to Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*).

"**Principal Balance**" means, (i) with respect to any Collateral Enhancement Obligation or Exchanged Equity Security, zero, (ii) with respect to cash, the amount of such cash, provided that if such cash amount is in a currency other than Euro, it will be converted into Euro at the Applicable Exchange Rate and (iii) with respect to any Collateral Obligation or Eligible Investment, as of any date of determination, the outstanding principal amount thereof (excluding any interest capitalised pursuant to the terms of such instrument other than, with respect to a Mezzanine Obligation and a PIK Security, any such interest capitalised pursuant to the terms thereof which is paid for on the date of acquisition of such Mezzanine Obligation or PIK Security), provided however that:

(a) the Principal Balance of any Revolving Obligation and Delayed Drawdown Collateral Obligation as of any date of determination, shall be the outstanding principal amount of such Revolving Obligation or Delayed Drawdown Collateral Obligation, plus any undrawn commitments that have not been irrevocably cancelled with respect to such Revolving Obligation or Delayed Drawdown Collateral Obligation;

(b) the Principal Balance of any Asset Swap Obligation shall be the Euro notional amount of the Asset Swap Transaction entered into in respect thereof;

(c) the Principal Balance of a Non-Euro Obligation which is not an Asset Swap Obligation shall be the outstanding principal amount thereof multiplied by the Applicable Exchange Rate;

(d) for the purposes of the Collateral Quality Tests (other than the S&P CDO Monitor Test), the Principal Balance of any Defaulted Obligation shall be zero;

(e) for the purposes of the Portfolio Profile Tests, the Principal Balance of any Defaulted Obligation shall be the lower of its Fitch Collateral Value and its S&P Collateral Value;

(f) in respect of a Collateral Obligation:

    (i) the S&P Rating of which has been determined pursuant to paragraph (e)(ii) of the definition of S&P Rating for a consecutive period of 90 days during which S&P has not provided a credit estimate in respect of such Collateral Obligation; and

    (ii) that has not had a public rating by S&P withdrawn or suspended within six months prior to the date of application for a credit estimate in respect of such Collateral Obligation, following the earlier of

        (A) S&P notifying the Collateral Manager that no credit estimate will be provided for such Collateral Obligation after the expiry of the 90-day period during which S&P has not provided a credit estimate; and

        (B) the expiry of a period of six months during which the S&P Rating of such Collateral Obligation has been continuously determined in accordance with paragraph (e)(ii) of the S&P Rating definition without a credit estimate having been assigned to it during such period,

    the Principal Balance of such Collateral Obligation shall be zero, unless S&P has agreed to extend such period, and until an S&P Rating can be determined in respect of such Collateral Obligation pursuant to paragraphs (a), (b) or (e)(i) of the definition of S&P Rating, a credit estimate being assigned by S&P in respect of such Collateral Obligation or such other treatment being applied to such Collateral Obligation as may be advised by S&P;

(g) the Principal Balance of any Corporate Rescue Loan in respect of which:

(i) so long as Fitch is rating any of the Notes:

(A) (x) a Fitch Rating is available and/or (y) a credit estimate is available or assigned by Fitch, shall be the outstanding principal amount thereof; and

(B) (x) no Fitch Rating is available and (y) no credit estimate assigned to it by Fitch:

(1) up to the date that falls 90 days after the date the Issuer entered into a binding commitment to acquire such Corporate Rescue Loan, shall be the outstanding principal amount thereof; and

(2) following the expiry of such 90-day period unless and until a Fitch Rating or credit estimate is available or assigned by Fitch, shall be the Fitch Collateral Value thereof; and

(ii) so long as S&P is rating any of the Notes:

(A) such S&P Rating and/or credit estimate is below "CCC-", shall be the S&P Collateral Value thereof; and

(B) such S&P Rating and/or credit estimate is at or above "CCC-", shall be the outstanding principal amount thereof,

provided that if more than one of the above paragraphs applies the Principal Balance of such Corporate Rescue Loan shall be determined based on the paragraph that would result in the lowest Principal Balance;

(h) for the purposes of the S&P CDO Monitor Test and the Par Value Tests, the Principal Balance of any Collateral Obligations with Stated Maturities beyond the Maturity Date (disregarding any principal amount thereof the repayment date of which is on or prior to the Maturity Date) in excess of 5 per cent. of the Aggregate Collateral Balance (as determined by the Collateral Manager and for which purpose, the Principal Balance of each Defaulted Obligation will be its S&P Collateral Value (determined on the assumption of an 'Initial Rated Note Rating' of "B")) shall be reduced by a percentage, not to exceed 100 per cent., equal to (x) 110 per cent. raised to an exponent equal to the number of whole years by which the Stated Maturity of such Collateral Obligation exceeds the Maturity Date minus (y) 100 per cent;

(i) in respect of a Restructured Obligation that is tendered at an amount which is less than its outstanding principal amount, the Principal Balance of such Restructured Obligation shall be the relevant tendered value so long as the tender option is still available and

(j) for the purposes of determining the Aggregate Principal Balance for determining satisfaction of the Originator Requirement, the Principal Balance of any Collateral Obligation shall be its Principal Balance (converted, in relation to any Non-Euro Obligation, into Euro at the Applicable Exchange Rate) in each case without any adjustments for purchase price or the application of any haircuts or other adjustments.

"**Principal Financed Accrued Interest**" means, with respect to (i) any Collateral Obligation owned or purchased by the Issuer on or prior to the Issue Date, an amount of Interest Proceeds directed by the Collateral Manager to be deposited directly into the Principal Account as Principal Proceeds up to an amount set forth in a written certificate of the Collateral Manager to be delivered to the Collateral Administrator (with a copy to the Placement Agent) and (ii) any Collateral Obligation purchased after the Issue Date, the amount of Principal Proceeds, if any, applied towards the purchase of accrued interest on such Collateral Obligation.

"**Principal Proceeds**" means all amounts paid or payable into the Principal Account from time to time and, with respect to any Payment Date, means Principal Proceeds received or receivable by the Issuer during the related Due Period and any other amounts to be disbursed as Principal Proceeds on such Payment Date pursuant to Condition 3(c)(ii) (*Application of Principal Proceeds*) or Condition 11(b) (*Enforcement*).

"**Principal Proceeds Priority of Payments**" means the priority of payments in respect of Principal Proceeds set out in Condition 3(c)(ii) (*Application of Principal Proceeds*).

"**Principal Reduction**" means, in respect of any Eligible Investment, a reduction of the principal amount thereof effected in accordance with the terms of its underlying instruments for the purposes of compensating the obligor thereunder for chargeable interest incurred by it in respect of negative deposit rates applicable to it as a result of having issued such Eligible Investment and whilst such Eligible Investment remains outstanding.

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

"**Priorities of Payment**" means:

(a) save for:

(i) in connection with any optional redemption of the Notes in whole but not in part pursuant to Condition 7(b) (*Optional Redemption*);

(ii) in connection with a redemption in whole pursuant to Condition 7(g) (*Redemption following Note Tax Event*); or

(iii) following the delivery (whether actual or deemed) of an Acceleration Notice which has not subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*),

in the case of Interest Proceeds, the Interest Proceeds Priority of Payments and in the case of Principal Proceeds, the Principal Proceeds Priority of Payments;

(b) if any optional redemption of the Notes in whole but not in part pursuant to Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*) occurs or following the delivery (whether actual or deemed) of an Acceleration Notice which has not subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*), the Post-Acceleration Priority of Payments; and

(c) in connection with any optional redemption of the Notes in part but not in whole pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*) and the Refinancing Proceeds and Partial Redemption Interest Proceeds in relation thereto, the Partial Redemption Priority of Payments.

"**Purchased Accrued Interest**" means, with respect to any Due Period, all payments of interest and proceeds of sale received during such Due Period in relation to any Collateral Obligation, in each case, to the extent that such amounts represent accrued and/or capitalised interest in respect of such Collateral Obligation (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.

"**QIB**" means a Person who is a "**qualified institutional buyer**" as defined in Rule 144A.

"**QIB/QP**" means a Person who is both a QIB and a QP.

"**Qualified Purchaser**" and "**QP**" mean a Person who is a qualified purchaser as defined in section 2(a)(51)(A) of the Investment Company Act.

"**Qualifying Country**" means each of Austria, Belgium, Bermuda, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Liechtenstein, Luxembourg, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, the United States or the United Kingdom having a foreign currency issuer credit rating, at the time of acquisition of the relevant Eligible Investment, of at least "BBB" 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 way of Rating Agency Confirmation and KBRA Confirmation.

"**Rated Notes**" means the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

"**Rating Agencies**" means Fitch, KBRA and S&P, provided that if at any time Fitch, KBRA and/or S&P ceases to provide rating services, "Rating Agencies" shall mean any other nationally recognised investment rating agency or rating agencies (as applicable) selected by the Issuer (a "**Replacement Rating Agency**") and "**Rating Agency**" means any such rating agency. If at any time a Rating Agency is replaced by a Replacement Rating Agency, references to rating categories of the original Rating Agency in these Conditions, the Trust Deed and the Collateral Management and Administration Agreement shall be deemed instead to be references to the equivalent categories of the relevant Replacement Rating Agency as of the most recent date on which such other rating agency published ratings for the type of security in respect of which such Replacement Rating Agency is used and all references herein to "Rating Agencies" shall be construed accordingly. Any rating agency shall cease to be a Rating Agency if, at any time, it ceases to assign a rating in respect of any Class of Rated Notes.

"**Rating Agency Confirmation**" means, with respect to any specified action, determination or appointment, receipt by the Issuer and/or the Trustee of written confirmation (which may take the form of a bulletin, press release, e-mail or other written communication) by each Rating Agency (other than KBRA) 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 (i) such Rating Agency has declined a request from the Trustee, the Collateral Manager or the Issuer to review the effect of such action, determination or appointment or (ii) if such Rating Agency announces (publicly or otherwise) or confirms to the Trustee, the Collateral Manager or the Issuer that Rating Agency Confirmation from such Rating Agency is not required, or that its practice is to not give such confirmations for such type of action, determination or appointment or (iii) such Rating Agency has ceased to engage in the business of providing ratings or has made a public statement to the effect that it will no longer review events or circumstances of the type requiring a Rating Agency Confirmation under any Transaction Document or these Conditions for purposes of evaluating whether to confirm the then current rating (or initial ratings) of obligations rated by such Rating Agency.

"**Rating Confirmation Plan**" means a plan provided by the Collateral Manager (acting on behalf of the Issuer) to the Rating Agencies setting forth the intended timing and manner of acquisition of additional Collateral Obligations and/or any other intended action for the purposes of obtaining confirmation of the Initial Ratings, as further described and as defined in the Collateral Management and Administration Agreement.

"**Rating Requirement**" means:

(a) in the case of the Account Bank:

(i) a long-term issuer credit rating of at least "A" by Fitch or a short-term issuer credit rating of at least "F1" by Fitch; and

(ii) a long term issuer credit rating of at least "A" by S&P and a short-term issuer credit rating of at least "A-1" by S&P or, if it does not have such short-term rating, a long term issuer credit rating of at least "A+" by S&P;

(b) in the case of the Custodian:

(i) a long-term issuer credit rating of at least "A" by Fitch or a short-term issuer credit rating of at least "F1" by Fitch; and

(ii) a long-term issuer credit rating of at least "A" by S&P and a short-term issuer credit rating of at least "A-1" by S&P or, if it does not have such short-term rating, a long term issuer credit rating of at least "A+" by S&P;

(c) in the case of any Hedge Counterparty, the ratings requirement(s) as set out in the relevant Hedge Agreement; and

(d) in the case of a Selling Institution, a counterparty which (i) satisfies the ratings set out in the Bivariate Risk Table and (ii) has a long-term issuer credit rating of at least "A" by Fitch, *provided th*at in each case:

(a) if any of the requirements are not satisfied by any of the parties referred to herein, Rating Agency Confirmation from the relevant Rating Agency and KBRA Confirmation is received in respect of such party; and

(b) such other rating or ratings will be applicable as may be agreed by any Rating Agency as would maintain the then-current rating of the Rated Notes.

"**Receiver**" means a receiver, administrative receiver, trustee, administrator, custodian, conservator, liquidator, examiner, curator or other similar official (whether appointed pursuant to the terms of the Trust Deed, pursuant to any statute, by a court or otherwise).

"**Record Date**" means the fifteenth day before the relevant due date for payment of principal and interest in respect of such Note.

"**Redemption Date**" means each date specified for a redemption of the Notes of a Class pursuant to Condition 7 (*Redemption and Purchase*) or, if such day is not a Business Day, the next following Business Day or the date on which the Notes of such Class are accelerated pursuant to Condition 10 (*Events of Default*).

"**Redemption Determination Date**" has the meaning given thereto in Condition 7(b)(vi) (*Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only*).

"**Redemption Notice**" means a redemption notice in the form available from any of the Transfer Agents which has been duly completed by a Noteholder and which specifies, amongst other things, the applicable Redemption Date.

"**Redemption Price**" means, when used with respect to:

(a) any Subordinated Note, such Subordinated Note's pro-rata share (calculated in accordance with paragraph (BB) of the Interest Proceeds Priority of Payments, paragraph (R) of the Principal Proceeds Priority of Payments, paragraph (X) of the Post-Acceleration Priority of Payments (as applicable)) of the aggregate proceeds of liquidation of the Collateral, or realisation of the security thereover in such circumstances, remaining following application thereof in accordance with the Priorities of Payment; and

(b) any Rated Note (i) 100 per cent. of the Principal Amount Outstanding thereof (if any), (including, in respect of the Class C Notes, the Class D Notes and the Class E Notes, any Deferred Interest); and (ii) any accrued but unpaid interest thereon to the relevant date of redemption.

"**Redemption Threshold Amount**" means the aggregate of all amounts which would be due and payable on redemption of the Rated Notes on the scheduled Redemption Date (to the extent such amounts are ascertainable by the Collateral Administrator or have been provided to the Collateral Administrator by the Issuer or any Secured Party not taking into account for this purpose any reduction in the Issuer's payment obligations pursuant to the Conditions of the Notes or any other Transaction Documents as a result of any limited recourse provisions) pursuant to Condition 11(b) (*Enforcement*) which rank in priority to payments in respect of the Subordinated Notes in accordance with the applicable Priorities of Payment.

"**Reference Banks**" has the meaning given thereto in Condition 6(e)(i)(B) (*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 (including any Trustee Fees and Expenses and Administrative Expenses relating thereto), provided that such fees, costs, charges and expenses have been incurred as a direct result of a Refinancing, as determined by the Collateral Manager.

"**Refinancing Proceeds**" means the cash proceeds from a Refinancing.

"**Register**" means the register of holders of the legal title to the Notes kept by the Registrar pursuant to the terms of the Agency Agreement.

"**Regulation S**" means Regulation S under the Securities Act.

"**Regulation S Notes**" means the Notes offered for sale to non-U.S. Persons outside of the United States in reliance on Regulation S.

"**Reinvesting Noteholder**" means each Subordinated Noteholder that elects to make a Reinvestment Amount and whose Reinvestment Amount is accepted, in each case, in accordance with Condition 3(c)(iii) (*Reinvestment Amounts – Requests to Reinvest*).

"**Reinvestment Amount**" means a designation of Interest Proceeds or Principal Proceeds which a Subordinated Noteholder designates as a Reinvestment Amount pursuant to Condition 3(c)(iii) (*Reinvestment Amounts*).

"**Reinvestment Amount Payment Instruction**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Reinvestment Amount Payment Request**" has the meaning given to it in Condition 3(c)(iv) (*Reinvestment Amounts – Payment*).

"**Reinvestment Criteria**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Reinvestment Instruction**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Reinvestment Overcollateralisation Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and during the Reinvestment Period which will be satisfied on such Measurement Date if the Class E Par Value Ratio is at least equal to 108.69 per cent.

"**Reinvestment Period**" means the period from and including the Issue Date up to and including the earliest of:

(a) the end of the Due Period preceding the Payment Date falling on 20 July 2021 or, if such day is not a Business Day, the immediately following Business Day;

(b) the date of the acceleration of the Notes pursuant to Condition 10(b) (*Acceleration*) (provided the related Acceleration Notice (actual or deemed) (if any) has not been rescinded or annulled in accordance with Condition 10(c) (*Curing of Default*)); and

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

"**Reinvestment Request**" has the meaning given to it in Condition 3(c)(iii) (*Reinvestment Amounts*).

"**Reinvestment Target Par Balance**" means as of any date of determination:

(a) the Target Par Amount; minus

(b) the amount of any reduction in the Principal Amount Outstanding (excluding repayment of any Deferred Interest which has been capitalised pursuant to Condition 6(c) (*Deferral of Interest*)) of the Notes; plus

(c) the Principal Amount Outstanding of any additional Rated Notes issued pursuant to Condition 17 (*Additional Issuances*), or, if greater, the aggregate amount of Principal Proceeds that result from the issuance of such additional Rated Notes.

"**Relevant Declaration**" has the meaning given to it in the Trust Deed.

"**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 and Administration Agreement upon termination of an existing Asset Swap Transaction on substantially the same terms as such terminated Asset Swap Transaction, that preserves for the Issuer the economic effect of the terminated Asset Swap Transaction, subject to such amendments thereto as may be agreed by the 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 and Administration Agreement upon termination of an existing Interest Rate Hedge Transaction on substantially the same terms as such terminated Interest Rate Hedge Transaction, that preserves for the Issuer the economic effect of the terminated Interest Rate Hedge Transaction, subject to such amendments thereto as may be agreed by the 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 derivatives transaction reporting obligations of the Issuer.

"**Reporting Delegation Agreement**" means an agreement for the delegation by the Issuer of certain derivatives transaction reporting obligations to one or more Reporting Delegates.

"**Resolution**" means any Ordinary Resolution or Extraordinary Resolution (including any Written Resolution or Electronic Resolution), as the context may require.

"**Restricted Trading Period**" means any period during which the Class A Notes or the Class B Notes are Outstanding and (a) the Fitch rating of the Class A Notes or the Class B Notes is withdrawn (and not reinstated or upgraded) or, in the case of the Class A Notes, is one or more sub categories below its rating on the Issue Date or, in the case of the Class B Notes is two or more sub categories below its rating on the Issue Date, or (b) the S&P rating of the Class A Notes or the Class B Notes is withdrawn (and not reinstated or upgraded) or, in the case of the Class A Notes, is one or more sub categories below its rating on the Issue Date or, in the case of the Class B Notes, is two or more sub categories below its rating on the Issue Date; provided that:

(a) in either case such period will not be a Restricted Trading Period if so determined by the Issuer with the consent of the Controlling Class acting by Ordinary Resolution;

(b) in either case such period will not be a Restricted Trading Period if the downgrade or withdrawal of such rating is as a result of either (1) regulatory change or (2) a change in the relevant Rating Agency's structured finance rating criteria;

(c) in either case, such period will not be a Restricted Trading Period if the sum of: (1) the Aggregate Principal Balance of all Collateral Obligations (excluding the Collateral Obligation being sold but including, without duplication, any related reinvestment and the anticipated cash proceeds, if any, of such sale), and (2) amounts standing to the credit of the Principal Account and the Unused Proceeds Account (to the extent such amounts have not and will not be designated as Interest Proceeds to be credited to the Interest Account and including Eligible Investments therein but save for any interest accrued on Eligible Investments) is equal to or greater than the Restricted Trading Period Par Balance; and

(d) no Restricted Trading Period shall restrict any sale of a Collateral Obligation entered into by the Issuer at a time when a Restricted Trading Period is not in effect, regardless of whether such sale has settled.

"**Restricted Trading Period Par Balance**" means, as of any date of determination, an amount equal to (a) a linear interpolation between the amount specified in the table below corresponding to the number of complete calendar years following the Issue Date that have occurred as at such date of determination and the amount specified in the table below corresponding to the next complete calendar year following such date of determination, *minus* (b) the aggregate amount of any reduction in the Principal Amount Outstanding of the Notes, *plus* (c) the aggregate amount of all Principal Proceeds received by the Issuer following the issuance of any additional Notes pursuant to these Conditions provided that the amount to be added pursuant to this paragraph (c) shall not be less than the aggregate Principal Amount Outstanding of such additional Notes issued.

Number of complete calendar years following Issue Date	Amount specified in paragraph (a) above
0	350,000,000.00
1	347,870,833.33
2	345,754,619.10
3	343,651,278.50
4	341,555,005.70
5	339,477,212.75
6	337,412,059.70
7	335,359,469.67
8	333,313,776.91
9	331,286,118.10
10	329,270,794.21
11	327,267,730.22
12	325,271,397.06

"**Restructured Obligation**" means a Collateral Obligation which has been restructured (whether effected by way of an amendment to the terms of such Collateral Obligation (including but not limited to an extension of its maturity) or by way of substitution of new obligations and/or change of Obligor) and which satisfies the Restructured Obligation Criteria as at its applicable Restructuring Date.

"**Restructured Obligation Criteria**" means the restructured obligation criteria specified in the Collateral Management and Administration Agreement which are required to be satisfied in respect of each Restructured Obligation at the applicable Restructuring Date.

"**Restructuring Date**" means the date a restructuring of a Collateral Obligation becomes binding on the holders thereof provided that if an obligation satisfies the Restructured Obligation Criteria at a later date, such later date shall be deemed to be the Restructuring Date for the purposes of determining whether such obligation shall constitute a Restructured Obligation.

"**Retention**" has the meaning given to it in the Risk Retention Letter.

"**Retention Event**" means an event which occurs if at any time the Retention Holder transfers the Retention or otherwise sells, hedges or otherwise mitigates its credit risk under or associated with the Retention or the underlying portfolio of Collateral Obligations, except that no Retention Event shall occur in respect of a transfer:

(a) that is permitted under the Risk Retention Letter; and

(b) (i) that is permitted under the EU Retention Requirements; and

(ii) which would not cause the transaction or the Collateral Manager to cease to be compliant with the EU Retention Requirements.

"**Retention Holder**" means CBAM CLO Management Europe, LLC in its capacity as retention holder in accordance with the Risk Retention Letter or any permitted transferee in accordance with the Risk Retention Letter and the other Transaction Documents.

"**Retention Note Purchase Agreement**" means the purchase agreement in respect of the Retention Notes between the Issuer and the Retention Holder dated on or about the Issue Date.

"**Retention Notes**" has the meaning given to it in the Risk Retention Letter.

"**Revolving Obligation**" means any Collateral Obligation (other than a Delayed Drawdown Collateral Obligation or a Non-Euro Obligation) that is a loan (including, without limitation, revolving loans, funded and unfunded portions of revolving credit lines and letter of credit facilities, unfunded commitments under specific facilities and other similar loans and investments) that pursuant to the terms of its Underlying Instruments may require one or more future advances to be made to the borrower by the Issuer; but any such Collateral Obligation will be a Revolving Obligation only until all commitments to make advances to the borrower expire or are terminated or reduced to zero.

"**Risk Retention Letter**" means the letter entered into on the Issue Date between the Issuer, the Retention Holder, the Trustee, the Collateral Administrator (in the case of the Collateral Administrator, solely in connection with the Retention Holder's covenants made in favour of the Collateral Administrator as set out therein) and J.P. Morgan Securities plc in its capacity as Placement Agent.

"**Rule 144A**" means Rule 144A under the Securities Act.

"**Rule 144A Notes**" means Notes offered for sale within the United States or to U.S. Persons in reliance on Rule 144A.

"**Rule 17g-5**" means Rule 17g-5 under the Exchange Act.

"**S&P**" means S&P Global Ratings Europe Limited and any successor or successors thereto.

"**S&P CCC Obligations**" means all Collateral Obligations, excluding Defaulted Obligations, with an S&P Rating of "CCC+" or lower.

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

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

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

"**S&P Collateral Value**" means for each Defaulted Obligation and Deferring Security as at the applicable Measurement Date, the lower of:

(a) its prevailing Market Value; and

(b) the relevant S&P Recovery Rate (determined on the assumption of an 'Initial Rated Note Rating' of "AAA",

in each case, multiplied by its Principal Balance.

"**S&P Issuer Credit Rating**" means in respect of a Collateral Obligation, a publicly available issuer credit rating by S&P in respect of the Obligor thereof.

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

"**S&P Recovery Rate**" means in respect of any Collateral Obligation and each Class of Rated Notes, the S&P recovery rate determined in accordance with the Collateral Management and Administration Agreement or as advised by S&P.

"**Sale Proceeds**" means:

(a) all proceeds received upon the sale of any Collateral Obligation (save for any Asset Swap Obligation) excluding any sale proceeds representing accrued interest designated as Interest Proceeds, by the Collateral Manager provided that no such designation may be made in respect of:

    (i) Purchased Accrued Interest;

    (ii) any interest received in respect of any Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation other than Defaulted Mezzanine Excess Amounts;

    (iii) proceeds that represent deferred interest accrued in respect of any PIK Security; or

    (iv) proceeds representing accrued interest received in respect of any Defaulted Obligation;

unless and until:

(i) such amounts represent Defaulted Obligation Excess Amounts; and

(ii) any Purchased Accrued Interest in relation to such Defaulted Obligation has been paid, together with all proceeds received upon the sale of any Collateral Enhancement Obligation or Exchanged Equity Security;

(b) in the case of any Asset Swap Obligation, all amounts in Euro (or other currencies if applicable) payable to the Issuer by the applicable Asset Swap Counterparty in exchange for payment by the Issuer of the sale proceeds of any Collateral Obligation as described in paragraph (a) above but amended to apply to such Asset Swap Obligation, under the related Asset Swap Transaction (after netting against any Asset Swap Termination Payment (determined without regard to the exclusions of unpaid amounts and Asset Swap Issuer Principal Exchange Amounts set forth in the definition thereof) payable by the Issuer in such circumstances); and

(c) in the case of any Collateral Enhancement Obligation, all proceeds and any fees received upon the sale of such Collateral Enhancement Obligation,

in each case net of any amounts expended by or payable by the Issuer or the Collateral Administrator (on behalf of the Issuer) in connection with sale, disposition or termination of such Collateral 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 Obligation (other than an Asset Swap Obligation which is the subject of an Asset Swap Transaction), scheduled principal repayments received by the Issuer (including scheduled amortisation, instalment or sinking fund payments);

(b) in the case of an Asset Swap Obligation which is the subject of an Asset Swap Transaction, the scheduled final and interim payments in the nature of principal payable to the Issuer by the applicable Asset Swap Counterparty under the related Asset Swap Transaction; and

(c) in the case of any Hedge Agreements, any Hedge Replacement Receipts and Hedge Termination Payments transferred from the Hedge Termination Account into the Principal Account.

"**Seasoning Period**" means 15 Business Days from the date when the Issuer (or the Collateral Manager on its behalf) entered into a binding commitment to acquire a Collateral Obligation subject to the Conditional Sale Agreement.

"**Second Lien Loan**" means (i) an obligation (other than a Secured Senior Loan) with a junior contractual claim on tangible or intangible property (which property is subject to a prior lien (other than customary permitted liens, such as, but not limited to, any tax liens)) to secure payment of a debt or the fulfilment of a contractual obligation; or (ii) a First-Lien Last-Out Loan.

"**Secured Party**" means each of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Subordinated Noteholders, the Reinvesting Noteholders (if any), the Placement Agent, the Collateral Manager, the Trustee, any Appointee, any Receiver, the Agents, each Reporting Delegate, each Hedge Counterparty and the Corporate Services Provider and "**Secured Parties**" means any two or more of them as the context so requires.

"**Secured Senior Bond**" means a Collateral Obligation that is a senior secured debt security in the form of, or represented by, a bond, note, certificated debt security or other debt security (that is not a Secured Senior Loan) as determined by the Collateral Manager in its reasonable business judgment, or a Participation therein, provided that:

(a) it is secured (such security being valid and perfected security):

   (i) by assets of the Obligor thereof if and to the extent that the provision of security over assets is permissible under applicable law (save in the case of assets where the failure to take such security is consistent with reasonable secured lending practices); and otherwise

   (ii) by at least 80 per cent. of the equity interests in the shares of an entity owning, either directly or indirectly, such assets; and

(b) no other obligation of the Obligor has any higher priority security interest in such assets or shares referred to in paragraph (a) above provided that a revolving loan of the Obligor that, pursuant to its terms, may require one or more future advances to be made to the borrower may have a higher priority security interest in such assets or shares if an enforcement in respect of such loan occurs, provided such loan represents no more than 20 per cent. of the Obligor’s senior debt.

"**Secured Senior Loan**" means a Collateral Obligation (which may be a Revolving Obligation or a Delayed Drawdown Collateral Obligation) that is a secured senior loan obligation as determined by the Collateral Manager in its reasonable business judgment or a Participation therein, provided that:

(a) it is secured (such security being valid and perfected security):

   (i) by assets of the Obligor thereof if and to the extent that the provision of security over assets is permissible under applicable law (save in the case of assets where the failure to take such security is consistent with reasonable secured lending practices); and otherwise

   (ii) by at least 80 per cent. of the equity interests in the shares of an entity owning, either directly or indirectly, such assets; and

(b) no other obligation of the Obligor has any higher priority security interest in such assets or shares referred to in paragraph (a) above provided that a revolving loan of the Obligor that, pursuant to its terms, may require one or more future advances to be made to the borrower may have a higher priority security interest in such assets or shares if an enforcement in respect of such loan occurs, provided such loan represents no more than 20 per cent. of the Obligor’s senior debt.

"**Securities Act**" means the United States Securities Act of 1933, as amended.

"**Securitisation Regulation**" means Regulation 2017/2402 relating to a European framework for simple, transparent and standardised securitisation, including (i) any implementing regulation, technical standards and official guidance related thereto (including, in respect of Ireland, the Irish STS Regulations) and (ii) applicable laws, regulations, rules, guidance or other applicable implementing measures of the Financial Conduct Authority or other relevant UK regulator (or their successor) relating to the application of the Securitisation Regulation regime in the UK, to the extent the UK is the applicable jurisdiction and which come into effect on or after the date on which the transition period agreed between the EU and the UK in relation to the UK's departure from the EU ends, in each case as amended, varied or substituted from time to time.

"**Selling Institution**" means an institution from whom:

(a) a Participation is taken and satisfies the applicable Rating Requirement; or

(b) an Assignment is acquired.

"**Semi-Annual Obligations**" means Collateral Obligations which, at the relevant date of measurement, pay interest less frequently than quarterly 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 accordance with the Priorities of Payment in respect of the immediately preceding Due Period pursuant to the Collateral Management and Administration Agreement in an amount (exclusive of any applicable VAT), as determined by the Collateral Administrator, equal to 0.15 per cent. *per annum* (calculated on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the Aggregate Collateral Balance as at the beginning of such Due Period.

"**Senior Expenses Cap**" means, in respect of each Payment Date the sum of:

(a) €300,000 per annum (pro-rated for the Due Period for the first Payment Date on the basis of a 360 day year and the actual number of days elapsed in such Due Period, and thereafter on the basis of a 360 day year comprised of twelve 30-day months with each anniversary of the first Payment Date being the start of such 360 day year); and

(b) 0.0250 per cent. per annum (pro-rated for the Due Period for the first Payment Date on the basis of a 360 day year and the actual number of days elapsed in such Due Period, and thereafter on the basis of a 360 day year and the actual number of days elapsed in such Due Period, with each anniversary of the first Payment Date being the start of each 360 day year) of the Aggregate Collateral Balance as at the Determination Date immediately preceding the Payment Date in respect of such Due Period,

provided however that if the aggregate amount (x) of Trustee Fees and Expenses and Administrative Expenses paid pursuant to items (B) and (C)(1) of Condition 3(c)(i) (*Application of Interest Proceeds*) on each of the three immediately preceding Payment Dates (or, if a Frequency Switch Event has occurred, the immediately preceding Payment Date) and during each related Due Period, (including the Due Period relating to the current Payment Date) and (y) paid to the Principal Reduction Reserve Account pursuant to paragraph (C)(2) of the Interest Proceeds Priority of Payments on each of the three immediately preceding Payment Dates (or, if a Frequency Switch Event has occurred, the immediately preceding Payment Date) is less than the stated Senior Expenses Cap, 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, and (ii) the Senior Expenses Cap in respect of the Payment Date immediately following a Partial Redemption Date shall be reduced (subject to a minimum value of zero) by the amount distributed as Trustee Fees and Expenses and Administrative Expenses on such Partial Redemption Date pursuant to Condition 3(l) (*Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial Redemption Date*).

"**Senior Loan**" means a collateral obligation that is a Secured Senior Loan, an Unsecured Senior Obligation that is a loan (and not a High Yield Bond) or a Second Lien Loan.

"**Similar Law**" means any federal, state, local or non-U.S. law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or 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 substantially similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code.

"**Special Redemption**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Special Redemption Amount**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Special Redemption Date**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Spot Rate**" means with respect to any conversion of any currency into Euro or, as the case may be, of Euro into any other relevant currency, the relevant spot rate of exchange quoted by the Collateral Administrator on the date of calculation.

"**Stated Maturity**" means, with respect to any Collateral 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.

"**Subordinated Collateral Management Fee**" means the fee payable to the Collateral Manager in arrear on each Payment Date in accordance with the Priorities of Payment in respect of the immediately preceding Due Period pursuant to the Collateral Management and Administration Agreement in an amount (exclusive of any applicable VAT), as determined by the Collateral Administrator, equal to 0.35 per cent. *per annum* (calculated on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the Aggregate Collateral Balance as at the beginning of such Due Period.

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

"**Substitute Collateral Obligation**" means a Collateral Obligation purchased in substitution for a previously held Collateral Obligation pursuant to the terms of the Collateral Management and Administration Agreement and which satisfies both the Eligibility Criteria and the Reinvestment Criteria.

"**Swap Tax Credits**" means any credit, allowance, set-off or repayment received by the Issuer in respect of tax from the tax authorities of any jurisdiction relating to any deduction or withholding giving rise to an increased payment by the Hedge Counterparty to the Issuer or a reduced payment from the Issuer to the Hedge Counterparty.

"**Swapped Non-Discount Obligation**" means any Collateral Obligation that would otherwise be considered a Discount Obligation, but that is purchased with the Sale Proceeds of a Collateral Obligation that was not a Discount Obligation at the time of its purchase and will not be considered a Discount Obligation so long as such purchased Collateral Obligation:

(a) is purchased or committed to be purchased within thirty calendar days of such sale;

(b) is purchased at a price (as a percentage of par) equal to or greater than the sale price of the sold Collateral Obligation; and

(c) is purchased at a price not less than the lower of (i) 50 per cent. of the Principal Balance thereof and (ii) the average price of an Eligible Loan Index or Eligible Bond Index (as applicable),

provided that:

(a) to the extent the Aggregate Principal Balance of Swapped Non-Discount Obligations exceeds 7.5 per cent. of the Aggregate Collateral Balance, such excess will not constitute Swapped Non-Discount Obligations (and, for the avoidance of doubt, will instead constitute Discount Obligations);

(b) to the extent the 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 per cent. of the Target Par Amount, such excess will not constitute Swapped Non-Discount Obligations (and, for the avoidance of doubt, will instead constitute Discount Obligations); and

(c) such Collateral Obligation will cease to be a Discount Obligation or a Swapped Non-Discount Obligation at such time as the Market Value (expressed as a percentage of par) for such Collateral Obligation on each calendar day during any period of thirty consecutive calendar days since the acquisition of such Collateral Obligation equals or exceeds:

    (i) for a Floating Rate Collateral Obligation, 90 per cent.; or

    (ii) for all other Collateral Obligations, 85 per cent.;

and *provided further that*, for the purpose of determining which Collateral Obligations qualify as Swapped Non-Discount Obligations, if the Aggregate Principal Balance of Swapped Non-Discount Obligations exceeds 7.5 per cent. of the Aggregate Collateral Balance, the Collateral Obligations (or any part thereof) constituting Swapped Non-Discount Obligations shall be in the order such assets were acquired by the Issuer (or the Collateral Manager on its behalf).

"**TARGET2**" means the Trans-European Automated Real-time Gross Settlement Express Transfer system (or, if such system ceases to be operative, such other system (if any) determined by the Trustee to be a suitable replacement).

"**Target Par Amount**" means €350,000,000.

"**TCA**" means the Taxes Consolidation Act 1997, as amended, of Ireland.

"**Third Party Indemnity Receipts**" has the meaning given thereto in Condition 3(j)(x) (*Expense Reserve Account*).

"**Trading Gains**" means, in respect of any Collateral Obligation which is repaid, prepaid, redeemed or sold, any excess (if any) of the Principal Proceeds or Sale Proceeds received in respect thereof over the greater of (a) the principal balance of such Collateral Obligation and (b) the product of the purchase price (expressed as a percentage) and the Principal Balance thereof, in each case net of (A) any expenses incurred in connection with any repayment, prepayment, redemption or sale thereof, and (B) in the case of a sale of such Collateral Obligation, any interest accrued but not paid thereon which has not been capitalised as principal and included in the sale price thereof.

"**Transaction Documents**" means the Trust Deed (including these Conditions), the Agency Agreement, the Placement Agency Agreement, the Retention Note Purchase Agreement, each Note Purchase Agreement, the Collateral Management and Administration Agreement, the Irish Security Agreement, any Hedge Agreements, the Risk Retention Letter, the Conditional Sale Agreement, the Warehouse Termination Agreement, 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 fees and expenses (including, without limitation, legal and other professional fees) and all other amounts payable to the Trustee or any Receiver or other Appointee pursuant to the Trust Deed or any other Transaction Document from time to time plus any applicable VAT thereon payable under the Trust Deed or any other Transaction Document, including indemnity payments and any fees, costs, charges and expenses (including, without limitation, legal and other professional fees) properly incurred by the Trustee in respect of any Refinancing.

"**UCITS Directive**" means Directive 2009/65/EC on Undertakings for Collective Investment in Transferable Securities (as amended from time to time) including any implementing and/or delegated regulations, technical standards and guidance related thereto.

"**Underlying Instrument**" means the agreements or instruments pursuant to which a Collateral Obligation has been issued or created and each other agreement that governs the terms of, or secures the obligations represented by, such Collateral Obligation or under which the holders or creditors under such Collateral Obligation are the beneficiaries.

"**Unfunded Amount**" means, with respect to any Revolving Obligation or Delayed Drawdown Collateral Obligation, the excess, if any, of:

(a) the Commitment Amount under such Revolving Obligation or Delayed Drawdown Collateral Obligation, as the case may be, at such time; over

(b) the Funded Amount thereof at such time.

"**Unfunded Revolver Reserve Account**" means the account of the Issuer established and maintained with the Account Bank 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 Obligations and Revolving Obligations.

"**Unscheduled Principal Proceeds**" means:

(a) with respect to any Collateral Obligation (other than an Asset Swap Obligation), principal proceeds received by the Issuer prior to the Stated Maturity thereof as a result of optional redemptions, prepayments (including any acceleration) or Offers (excluding any premiums or make whole amounts in excess of the principal amount of such Collateral Obligation); and

(b) in the case of any Asset Swap Obligation, the Asset Swap Counterparty Principal Exchange Amount payable in respect of the amounts referred to in paragraph (a) above pursuant to the related Asset Swap Transaction, together with:

  (i) any related Asset Swap Termination Receipts but less any related Asset Swap Termination Payments (to the extent any are payable and in each case determined without regard to the exclusions of unpaid amounts and Asset Swap Counterparty Principal Exchange Amounts or (as applicable) Asset Swap Issuer Principal Exchange Amounts set forth in the definitions thereof) and only to the extent not required for application towards the cost of entry into a Replacement Asset Swap Transaction; and

  (ii) any related Asset Swap Replacement Receipts but only to the extent not required for application towards any related Asset Swap Termination Payments.

"**Unsecured Senior Obligation**" means a Collateral Obligation that:

(a) is an obligation senior to any unsecured, subordinated obligation of the Obligor as determined by the Collateral Manager in its reasonable business judgment; and

(b) is not secured by:

  (i) assets of the Obligor or guarantor thereof if and to the extent that the granting of security over assets is permissible under applicable law; or

  (ii) at least 80 per cent. of the equity interests in the shares of an entity owning such assets.

"**Unused Proceeds Account**" means an account in the name of the Issuer with the Account Bank into which the Issuer will procure amounts are deposited in accordance with Condition 3(j)(iii) (*Unused Proceeds Account*).

"**U.S. Person**" means a U.S. person as such term is defined under Regulation S.

"**U.S. Retention Regulations**" means the U.S. Risk Retention Rules together with any New Risk Retention Rule.

"**U.S. Risk Retention Rules**" means the final rules implementing the credit risk retention requirements of Section 941 of the Dodd-Frank Act, as amended from time to time.

"**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.

"**Volcker Rule**" means Section 13 of the U.S. Bank Holding Company Act of 1956, as amended (12 U.S.C. §1851) and the regulations implementing the Volcker Rule issued by the Board of Governors of the Federal Reserve System.

"**Warehouse Facility**" means the warehouse financing facility entered into by the Issuer prior to the Issue Date to, *inter alia*, finance the acquisition of Collateral Obligations prior to the Issue Date.

"**Warehouse Termination Agreement**" means the termination agreement dated on or about the Issue Date relating to the termination of the Warehouse Facility.

"**Weighted Average Spread**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Written Resolution**" means any Resolution of the Noteholders in writing, as described in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and as further described in, and as defined in, the Trust Deed.

2. Form and Denomination, Title, Transfer and Exchange

(a) Form and Denomination

The Notes of each Class will be issued in definitive, certificated, fully registered form, without interest coupons, talons and principal receipts attached, in the applicable Minimum Denomination and integral multiples of any Authorised Integral Amount in excess thereof. A Definitive Certificate will be issued to each Noteholder in respect of its registered holding of Notes. Each Definitive Certificate will be numbered serially with an identifying number which will be recorded in the Register which the Issuer shall procure to be kept by the Registrar.

(b) Title to the Registered Notes

Title to the Notes passes upon registration of transfers in the Register in accordance with the provisions of the Agency Agreement and the Trust Deed. Notes will be transferable only on the books of the Issuer and its agents. The registered holder of any Note will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the holder.

(c) Transfer

One or more Notes may be transferred in whole or in part in nominal amounts of the applicable Authorised Denomination only upon the surrender, at the specified office of the Registrar or any Transfer Agent, of the Definitive Certificate representing such Note(s) to be transferred, with the form of transfer endorsed on such Definitive Certificate duly completed and executed and together with such other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Notes represented by one Definitive Certificate, a new Definitive Certificate will be issued to the transferee in respect of the part transferred and a further new Definitive Certificate in respect of the balance of the holding not transferred will be issued to the transferor. The Issuer shall procure that at all times the Register is kept and maintained outside the United Kingdom and that no copy of the Register is created, kept or maintained within the United Kingdom.

(d) Delivery of New Certificates

Each new Definitive Certificate to be issued pursuant to Condition 2(c) (*Transfer*) will be available for delivery within five Business Days of receipt of such form of transfer or of surrender of an existing certificate upon partial redemption. Delivery of new Definitive Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar, as the case may be, to whom delivery or surrender shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the form of transfer or otherwise in writing, shall be sent by pre-paid first class post, at the risk of the holder entitled to the new Definitive Certificate, to such address as may be so specified. In this Condition 2(d) (*Delivery of New Certificates*), "**Business Day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified offices of the Transfer Agent and the Registrar.

(e) Transfer Free of Charge

Transfer of Notes and Definitive Certificates representing such Notes in accordance with these Conditions on registration or transfer will be effected without charge to the Noteholders by or on behalf of the Issuer, the Registrar or the Transfer Agent, but upon payment (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require in respect thereof) of any tax or other governmental charges which may be imposed in relation to it.

(f) Closed Periods

No Noteholder may require the transfer of a Note to be registered:

(i) during the period of fifteen calendar days ending on the due date for redemption (in full) of that Note; or

(ii) during the period of seven calendar days ending on (and including) any Record Date.

(g) Regulations Concerning Transfer and Registration

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning the transfer of Notes scheduled to the Trust Deed, including without limitation, that a transfer of Notes in breach of certain of such regulations will result in such transfer being void *ab initio*. The regulations may be changed by the Issuer in any manner which is reasonably required by the Issuer (after consultation with the Trustee) to reflect changes in legal or regulatory requirements or in any other manner which, in the opinion of the Issuer (after consultation with the Trustee and subject to not less than sixty calendar days' notice of any such change having been given to the Noteholders in accordance with Condition 16 (*Notices*)), is not prejudicial to the interests of the holders of the relevant Class of Notes. A copy of the current regulations may be inspected at the offices of any Transfer Agent during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for the term of the Notes and will be sent by the Registrar to any Noteholder who so requests.

(h) Forced Transfer of Rule 144A Notes

If the Issuer determines at any time that any holder of an interest in a Rule 144A Note (1) is a U.S. Person and (2) is not a QIB/QP (any such person, a "**Non-Permitted Holder**"), the Issuer shall promptly after determination that such person is a Non-Permitted Holder by the Issuer, 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 calendar days of the date of such notice. If such Non-Permitted Holder fails to effect the transfer of its Rule 144A Notes within such 30 calendar day period, (a) the Issuer shall cause such Rule 144A Notes to be transferred in a sale to a person or entity that certifies to the Issuer and the Transfer Agent, in connection with such transfer, that such person or entity either is not a U.S. Person or is a QIB/QP and (b) pending such transfer, no further payments will be made in respect of such beneficial interest. The Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the Rule 144A Notes and selling such Rule 144A Notes to the highest such bidder. However, the Issuer may select a purchaser by any other means determined by it in its sole discretion. Each Noteholder and each other person in the chain of title to the Non-Permitted Holder by its acceptance of an interest in the Rule 144A Notes agrees to cooperate with the Issuer to effect such transfers. The proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to the selling Noteholder. The terms and conditions of any sale hereunder shall be determined in the sole discretion of the Issuer, subject to the transfer restrictions set out herein, and none of the Issuer, the Trustee or the Registrar shall be liable to any person having an interest in the Notes sold as a result of any such sale or the exercise of such discretion. The Issuer 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. In the event the Noteholder fails to provide such information or documentation for the purposes of FATCA, or to the extent that its ownership of the Notes would otherwise cause the Issuer to be subject to tax under FATCA, (A) the Issuer and its agents are authorised to withhold amounts otherwise distributable to the Noteholder as compensation for any taxes to which the Issuer is subject under FATCA as a result of such failure or the Noteholder's ownership of Notes, and (B) to the extent necessary to avoid an adverse effect on the Issuer as a result of such failure or the Noteholder's ownership of Notes, the Issuer will have the right to compel the Noteholder to sell its Notes, and, if the Noteholder does not sell its Notes within 10 Business Days after notice from the Issuer or any agent of the Issuer, the Issuer will have the right to sell such Notes at a public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account any costs, charges, and any taxes incurred by the Issuer in connection with such sale) to the Noteholder as payment in full for such Notes. The Issuer may assign each such Note, or procure that each such Note is assigned, a separate ISIN in the Issuer's sole discretion. For the avoidance of doubt, the Issuer shall have the right to sell a beneficial owner's interest in a Note in its entirety notwithstanding that the sale of a portion of such an interest would enable the Issuer to comply 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, Similar Law or other ERISA representation that is subsequently shown to be false or misleading, or whose beneficial ownership otherwise causes a violation of the 25 per cent. limitation set out in Title I of ERISA and the related U.S. Department of Labor regulations (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) within 10 days of receipt of notice from the Issuer to such Non-Permitted ERISA Holder requiring such sale or transfer 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 such Notes or an interest in such Notes, agrees to cooperate with the Issuer, to the extent required to effect such transfers. None of the Issuer, the Trustee and the Registrar shall be liable to any Noteholder having an interest in the Notes sold or otherwise transferred as a result of any such sale or transfer. The Issuer shall be entitled to deduct from the sale or transfer price an amount equal to all the expenses and costs incurred and any loss suffered by the Issuer as a result of such forced transfer. The Non-Permitted ERISA Holder will receive the balance, if any.

(k) Forced Transfer Mechanics and Registrar Authorisation

In order to effect the forced transfer provisions set out in Conditions 2(h) (*Forced Transfer of Rule 144A Notes*), 2(i) (*Forced sale pursuant to FATCA*) and 2(j) (*Forced Transfer pursuant to ERISA*), the Issuer may repay any affected Notes at par value and issue replacement Notes and the Issuer shall work with the Clearing Systems to take such action as may be necessary to effect such repayment and issue of replacement Notes. The Noteholders hereby authorise the Issuer and the Clearing Systems to take such actions as are necessary in order to effect the forced transfer provisions set out in Conditions 2(h) (*Forced Transfer of Rule 144A Notes*), 2(i) (*Forced sale pursuant to FATCA*) and 2(j) (*Forced Transfer pursuant to ERISA*) above without the need for any further express instruction from any affected Noteholder. The Noteholders shall be bound by any actions taken by the Issuer, the Clearing Systems or any other party taken pursuant to the above-named Conditions. For the avoidance of doubt, none of the Issuer, the Trustee, the Transfer Agent 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.

(l) Contributions

At any time during or after the Reinvestment Period, any Noteholder may make a contribution of cash (a "**Contribution**" and each such Noteholder, a "**Contributor**"). The Collateral Manager, on behalf of the Issuer, may accept or reject any Contribution in its reasonable discretion and will notify the Collateral Administrator of any such acceptance. If a Contribution is accepted, it will be received into the Contribution Account and applied towards a Permitted Use by the 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 reasonable discretion) in accordance with Condition 3(j)(xi) (*Contribution Account*). No Contribution or portion thereof will be returned to the Contributor at any time. The acceptance of Contributions shall be subject to the following conditions:

(i) Contributions from Contributors shall be a minimum of EUR1,000,000 in aggregate; and

(ii) the Reinvestment Overcollateralisation Test will be satisfied immediately after a Contribution has been received.

(m) Exchange of Voting/Non-Voting Notes

Each of 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. 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 CM Voting Notes have a right to vote and be counted.

CM Voting Notes shall be exchangeable at any time upon request by the relevant Noteholder into CM 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 or a Transfer Agent a duly completed exchange request substantially in the form provided in the Trust Deed.

(n) Acquisitions of Subordinated Notes

Any purchaser of Subordinated Notes must: (i) provide the Issuer with a duly completed Relevant Declaration; and (ii) in the case of a purchaser which acquires Subordinated Notes as a result of a transfer happening after the Issue Date, confirm to the Issuer that it is not a 'specified person' within the meaning of section 110 TCA, in each case, prior to such purchase.

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 and the Irish Security Agreement. 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 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 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 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 Subordinated Notes. Payment of interest on the Subordinated Notes will be subordinated in right of payment to payment of interest in respect of the Rated Notes. . Interest on the Subordinated Notes shall be paid *pari passu* and without any preference amongst themselves.

No amount of principal in respect of the Class B Notes shall become due and payable until redemption and payment in full of the Class A Notes. No amount of principal in respect of the Class C Notes shall become due and payable until redemption and payment in full of the Class A Notes and the Class B Notes. No amount of principal in respect of the Class D Notes shall become due and payable until redemption and payment in full of the Class A Notes, the Class B Notes and the Class C Notes. No amount of principal in respect of the Class E Notes shall become due and payable until redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes. Subject to the applicability of the Post-Acceleration Priority of Payments, the Subordinated Notes will be entitled to receive, out of Principal Proceeds, the amounts described under the Principal Proceeds Priority of Payments. Payments on the Subordinated Notes are subordinated to payments on the Rated Notes and other amounts described in the Priorities of Payment and no payments out of Principal Proceeds will be made on the Subordinated Notes until the Rated Notes and other payments ranking prior to the Subordinated Notes in accordance with the Priorities of Payment are paid in full.

(c) Priorities of Payment

The Collateral Administrator shall (on the basis of the Payment Date Report prepared by the Collateral Administrator in consultation with the Collateral Manager pursuant to the terms of the Collateral Management and Administration Agreement on each Determination Date), on behalf of the Issuer (i) on each Payment Date prior to the delivery (actual or deemed) of an Acceleration Notice in accordance with Condition 10(b) (*Acceleration*); (ii) following delivery (actual or deemed) of an Acceleration Notice which has subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*); (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); and (iv) other than in connection with any Partial Redemption Date (other than a Partial Redemption Date which is otherwise a Payment Date) (in which event the Partial Redemption Priority of Payments shall apply to the Refinancing Proceeds and Partial Redemption Interest Proceeds), instruct the Account Bank to disburse Interest Proceeds and Principal Proceeds transferred to the Payment Account, in each case, in accordance with the following Priorities of Payment:

(i) Application of Interest Proceeds

Subject as further provided below, Interest Proceeds in respect of a Due Period shall be paid on the Payment Date immediately following such Due Period in the following order of priority (and in the case of any Payment Date that is a Partial Redemption Date, only after the application of Refinancing Proceeds and Partial Redemption Interest Proceeds in accordance with Condition 3(l) (*Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial Redemption Date*):

(A) to the payment of:

(1) *firstly*, taxes owing by the Issuer which must be paid before the Payment Date immediately following the next Due Period (other than Irish corporate income tax in relation to the Issuer Profit Amount), as certified by an Authorised Officer of the Issuer to the Collateral Administrator, if any, (save for any VAT payable in respect of any Collateral Management Fee or any tax payable in relation to any amount payable to any person in accordance with the following paragraphs which arise as a result of the payment of that amount to the relevant person); and

(2) *secondly*, 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 upon the occurrence of an Event of Default which is continuing, the Senior Expenses Cap shall not apply in respect of such Trustee Fees and Expenses or any Trustee Fees and Expenses incurred during the period that an Event of Default is continuing;

(C) to the payment of:

(1) *firstly,* Administrative Expenses in the order of priority stated in the definition thereof, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period less any amounts paid pursuant to paragraph (B) above provided that upon the occurrence of an Event of Default which is continuing, the Senior Expenses Cap shall not apply in respect of amounts payable under paragraph (a) of the definition of Administrative Expenses; and

(2) *secondly*, to the extent that the Senior Expenses Cap in respect of the related Due Period exceeds the aggregate of the Trustee Fees and Expenses and Administrative Expenses payable in respect of such Due Period, to the payment of an amount, at the Collateral Manager's discretion, equal to or lower than such excess to the Principal Reduction Reserve Account, provided that the amount paid into the Principal Reduction Reserve Account pursuant to this paragraph (C)(2) may not exceed €50,000 per annum (*pro rated* for the Due Period in which such Payment Date occurs on the basis of a 360 day year comprised of twelve 30 day months, provided however that if the amount paid into the Principal Reduction Reserve Account pursuant to this paragraph (C)(2) on each of the three immediately preceding Payment Dates (or, if a Frequency Switch Event has occurred, the immediately preceding Payment Date) is less than such maximum permitted *pro-rata* amount, the applicable shortfall shall be added to the maximum permitted *pro-rata* amount with respect to the then current Payment Date), and provided further that upon the occurrence of an Event of Default which is continuing in accordance with Condition 10 (*Events of Default*) no further funding of the Principal Reduction Reserve Account shall in such case be permitted pursuant to this paragraph (C)(2);

(D) to the Expense Reserve Account, at the Collateral Manager's discretion, of an amount equal to the Ongoing Expense Reserve Amount;

(E) to the payment:

(1) *firstly*, 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 tax authority) (save for any Deferred Senior Collateral Management Amounts) except that the Collateral Manager may, in its sole discretion, elect to (x) designate for reinvestment or (y) defer payment of some or all of the amounts that would have been payable to the Collateral Manager under this paragraph (E) (any such amounts, being "**Deferred Senior Collateral Management Amounts**") on any Payment Date, provided that any such amount in the case of (x) shall (a)(i) be used to purchase Substitute Collateral Obligations or (ii) be deposited in the Principal Account pending reinvestment in Substitute Collateral Obligations; and (b) not be treated as unpaid for the purposes of this paragraph (E) or paragraph (Y) below or in the case of (y), shall be applied to the payment of amounts in accordance with paragraphs (F) to (W) and (Z) to (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 of any previously due and unpaid Senior Collateral Management Fees (other than Deferred Senior Collateral Management Amounts) and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant tax authority);

(F) to the payment on a *pro-rata* basis of any Scheduled Periodic Interest Rate Hedge Issuer Payments (to the extent not paid out of the Interest Account) or Scheduled Periodic Asset Swap Issuer Payments due and payable to any applicable Hedge Counterparty (to the extent not paid from funds available in the applicable Asset Swap Account) and Hedge Termination Payments (other than Defaulted Hedge Termination Payments (to the extent not paid out of the Hedge Termination Account));

(G) to the payment on a *pro-rata* basis of the Interest Amounts due and payable on the Class A Notes in respect of the Accrual Period ending on such Payment Date and all other Interest Amounts due and payable on the Class A Notes;

(H) to the payment on a *pro-rata and pari passu* basis of the Interest Amounts due and payable on the Class B Notes (where the Class B-1 Notes and the Class B-2 Notes shall be treated as a single Class) in respect of the Accrual Period ending on such Payment Date and all other Interest Amounts due and payable on the Class B Notes;

(I) if (i) the Class A/B Par Value Test is not satisfied on any Determination Date commencing from the Effective Date, or (ii) the Class A/B Interest Coverage Test is not satisfied on any Determination Date commencing from the Determination Date immediately preceding the second Payment Date following the Effective Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class A/B Coverage Test to be satisfied if recalculated following such redemption;

(J) to the payment on a *pro-rata* basis of the Interest Amounts due and payable on the Class C Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(K) to the payment on a *pro-rata* basis of any Deferred Interest on the Class C Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(L) if (i) the Class C Par Value Test is not satisfied on any Determination Date commencing from the Effective Date, or (ii) the Class C Interest Coverage Test is not satisfied on any Determination Date commencing from the Determination Date immediately preceding the second Payment Date following the Effective Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class C Coverage Test to be satisfied if recalculated following such redemption;

(M) to the payment on a *pro-rata* basis of the Interest Amounts due and payable on the Class D Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(N) to the payment on a *pro-rata* basis of any Deferred Interest on the Class D Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(O) if (i) the Class D Par Value Test is not satisfied on any Determination Date commencing from the Effective Date, or (ii) the Class D Interest Coverage Test is not satisfied on any Determination Date commencing from the Determination Date immediately preceding the second Payment Date following the Effective Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class D Coverage Test to be satisfied if recalculated following such redemption;

(P) to the payment on a *pro-rata* 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 the Class E Par Value Test is not satisfied on any Determination Date commencing on or after the expiry of the Reinvestment Period, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause the Class E Par Value Test to be satisfied if recalculated following such redemption;

(S) on the Payment Date next following the Effective Date (and on each Payment Date thereafter to the extent required), in the event of the occurrence of an Effective Date Rating Event which is continuing on the Business Day prior to such Payment Date, to redeem the Notes in full in accordance with the Note Payment Sequence or, if earlier, until an Effective Date Rating Event is no longer continuing;

(T) if, on any Determination Date commencing from the Effective Date and during the Reinvestment Period, after giving effect to the payment of all amounts payable in respect of paragraphs (A) to (S) (inclusive) above, the Reinvestment Overcollateralisation Test has not been met, to the payment to the Principal Account as Principal Proceeds, for the acquisition of additional Collateral Obligations in an amount equal to the lesser of:

(1) 50 per cent. of all remaining Interest Proceeds available for payment; and

(2) the amount which, after giving effect to the payment of all amounts payable in respect of paragraphs (A) to (S) (inclusive) above, would be sufficient to cause the Reinvestment Overcollateralisation Test to be met;

(U) in payment of Trustee Fees and Expenses (if any) not paid by reason of the Senior Expenses Cap;

(V) in payment of Administrative Expenses (if any) in the order of priority stated in the definition thereof not paid by reason of the Senior Expenses Cap;

(W) to transfer amounts to the Principal Reduction Reserve Account to the extent necessary, in the Collateral Manager's reasonable determination to cover anticipated Principal Reductions for the Due Period in which such Payment Date occurs;

(X) if the Collateral Manager has delivered a Reinvestment Amount Payment Instruction to the Collateral Administrator during the immediately preceding Due Period pursuant to Condition 3(c)(iv) (*Reinvestment Amounts – Payment*), to any Reinvesting Noteholder (whether or not any applicable Reinvesting Noteholder continues on the date of such payment to hold all or any portion of such Subordinated Notes) of any Reinvestment Amounts accrued and not previously paid pursuant to this paragraph (X) or paragraph (Q) of the Principal Proceeds Priority of Payments with respect to their respective Subordinated Notes, *pro rata* in accordance with the respective aggregate Reinvestment Amounts in connection with the relevant Subordinated Notes;

(Y) to the payment:

(1) *firstly*, on a *pro rata* basis 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 defer payment of some or all of such amounts payable under this paragraph (Y) (any such amounts, being "**Deferred Subordinated Collateral Management Amounts**") on any Payment Date, provided that any such amount shall either:

   (a) be used to purchase additional Collateral Obligations; or

   (b) be deposited in the Principal Account pending reinvestment in Substitute Collateral Obligations; or

   (c) shall be applied to the payment of amounts in accordance with paragraphs (Z) to (BB) (inclusive) 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 deferred; and

(2) *secondly*, to the Collateral Manager of any previously due and unpaid Subordinated Collateral Management Fee (other than Deferred Subordinated Collateral Management Amounts) and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority); and

(3) *thirdly*, at the election of the Collateral Manager (at its sole discretion) to the Collateral Manager in payment of any previously Deferred Senior Collateral Management Amounts

and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority);

(4) *fourthly*, at the election of the Collateral Manager (at its sole discretion) to the Collateral Manager in payment of any previously Deferred Subordinated Collateral Management Amounts and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority); and

(5) *fifthly*, to the repayment of any Collateral Manager Advances and any interest thereon;

(Z) to the payment on a *pro-rata* and *pari passu* basis of any Defaulted Hedge Termination Payments due to any Hedge Counterparty not paid in accordance with paragraph (F) above;

(AA) during the Reinvestment Period at the direction and in the discretion of the Collateral Manager, to transfer to the Collateral Enhancement Account, any Collateral Enhancement Amount; and

(BB)

(1) *firstly*, 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) *secondly*, if, after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date including pursuant to sub-paragraph (1) above, paragraph (R) of the Principal Proceeds Priority of Payments , and including for all such purposes any such distributions designated as Reinvestment Amounts, the Incentive Collateral Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

(a) 20 per cent. of any remaining Interest Proceeds, to the payment to the Collateral Manager as the Incentive Collateral Management Fee and any VAT thereon whether payable to the Collateral Manager or directly to the relevant tax authority; and

(b) any remaining Interest Proceeds after the payment of the Incentive Collateral Management Fee pursuant to (a) above, to the payment of interest on the Subordinated Notes (other than any Reinvesting Noteholder that has directed that a Reinvestment Amount in respect of its Subordinated Notes be deposited on such Payment Date into the Principal Account and whose Reinvestment Amount is accepted subject to the provisions of Condition 3(c)(iii) (*Reinvestment Amounts – Requests to Reinvest*)) on a pro-rata basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption).

(ii) Application of Principal Proceeds

Principal Proceeds in respect of a Due Period shall be paid on the Payment Date immediately following such Due Period in the following order of priority (and in the case of any Payment Date that is a Partial Redemption Date, only after the application of Refinancing Proceeds and Partial Redemption Interest Proceeds in accordance with Condition 3(l) (*Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial Redemption Date*)):

(A) to the payment, on a sequential basis, of the amounts referred to in paragraphs (A) to (H) (inclusive) of the Interest Proceeds Priority of Payments, but only to the extent not paid in full thereunder;

(B) to the payment of the amounts referred to in paragraph (I) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class A/B Coverage Tests that are applicable on such Payment Date with respect to the Class A Notes and the Class B Notes to be satisfied if recalculated following such redemption;

(C) to the payment of the amounts referred to in paragraph (J) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only if the Class C Notes are the Controlling Class;

(D) to the payment of the amounts referred to in paragraph (K) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only if the Class C Notes are the Controlling Class;

(E) to the payment of the amounts referred to in paragraph (L) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class C Coverage Tests that are applicable on such Payment Date with respect to the Class C Notes to be satisfied if recalculated following such redemption;

(F) to the payment of the amounts referred to in paragraph (M) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only if the Class D Notes are the Controlling Class;

(G) to the payment of the amounts referred to in paragraph (N) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only if the Class D Notes are the Controlling Class;

(H) to the payment of the amounts referred to in paragraph (O) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class D Coverage Tests that are applicable on such Payment Date with respect to the Class D Notes to be satisfied if recalculated following such redemption;

(I) to the payment of the amounts referred to in paragraph (P) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only if the Class E Notes are the Controlling Class;

(J) to the payment of the amounts referred to in paragraph (Q) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only if the Class E Notes are the Controlling Class;

(K) to the payment of the amounts referred to in paragraph (R) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class E Par Value Test to be satisfied if recalculated following such redemption;

(L) to the payment of the amounts referred to in paragraph (S) of the Interest Proceeds Priority of Payments, but only to the extent not paid in full thereunder;

(M) to the payment of an amount equal to the Special Redemption Amount (if any) applicable to such Payment Date if it is a Special Redemption Date falling during the Reinvestment Period;

(N)

(1) during the Reinvestment Period, at the discretion of the Collateral Manager, either to purchase Substitute Collateral Obligations or to credit the Principal Account pending reinvestment in Substitute Collateral Obligations at a later date in each case in accordance with the Collateral Management and Administration Agreement; and

(2) after the Reinvestment Period in the case of Principal Proceeds representing Unscheduled Principal Proceeds, Sale Proceeds from the sale of Credit Impaired Obligations and Sale Proceeds from the sale of Credit Improved Obligations at the discretion of the Collateral Manager, either to purchase Substitute Collateral Obligations or to credit the Principal

Account pending reinvestment in Substitute Collateral Obligations at a later date in each case in accordance with the Collateral Management and Administration Agreement;

(O) after the Reinvestment Period, to redeem the Notes in accordance with the Note Payment Sequence;

(P) to the payment on a sequential basis of the amounts referred to in paragraphs (U) to (Z) (inclusive) of the Interest Proceeds Priority of Payments, but only to the extent not paid in full thereunder;

(Q) to any Reinvesting Noteholder (whether or not any applicable Reinvesting Noteholder continues on the date of such payment to hold all or any portion of such Subordinated Notes) of any Reinvestment Amounts accrued and not previously paid pursuant to paragraph (X) of the Interest Proceeds Priority of Payments or this paragraph (Q) with respect to their respective Subordinated Notes, *pro rata* in accordance with the respective aggregate Reinvestment Amounts in connection with the relevant Subordinated Notes; and

(R)

(1) *firstly*, 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 immediately prior to such redemption), until the Incentive Collateral Management Fee IRR Threshold is reached; and

(2) *secondly*, if, after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date including pursuant to paragraph (1) above, paragraph (BB) of the Interest Proceeds Priority of Payments , and including for all such purposes any such distributions designated as Reinvestment Amounts, the Incentive Collateral Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

(a) 20 per cent. of any remaining Principal Proceeds, to the payment to the Collateral Manager as the Incentive Collateral Management Fee and any VAT thereon whether payable to the Collateral Manager or directly to the relevant tax authority; and

(b) any remaining Principal Proceeds after the payment of the Incentive Collateral Management Fee pursuant to paragraph (a) above, to the payment of principal on the Subordinated Notes (other than any Reinvesting Noteholder that has directed that a Reinvestment Amount in respect of its Subordinated Notes be deposited on such Payment Date into the Principal Account and whose Reinvestment Amount is accepted subject to the provisions of Condition 3(c)(iii) (*Reinvestment Amounts*)) on a pro-rata basis and thereafter to the payment of interest on the Subordinated Notes on a pro-rata basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption).

Where the payment of any amount in accordance with the Priorities of Payment set out above is subject to any deduction or withholding for or on account of any tax or any other tax is payable by or on behalf of the Issuer in respect of any such amount, payment of the amount so deducted or withheld or of the tax so due shall be made to the relevant taxing authority *pari passu* with and, so far as possible, at the same time as the payment of the amount in respect of which the relevant deduction or withholding or other liability to tax has arisen.

(iii) Reinvestment Amounts – Requests to Reinvest

(A) Any Subordinated Noteholder may deliver a written notice to the Issuer and the Collateral Manager (a "**Reinvestment Request**") proposing to designate as a contribution to the Issuer all or a specified portion of Interest Proceeds and/or Principal Proceeds that would otherwise be distributed on a Payment Date to such holder pursuant to paragraph (BB)(2)(b) of the Interest Proceeds Priority of Payments or paragraph (R)(2)(b) of the Principal Proceeds Priority of Payments. A Reinvestment Request must be received by the Issuer and the Collateral Manager no later than seven Business Days prior to a Payment Date and any Reinvestment Request received after such date shall be deemed null and void.

(B) The Collateral Manager shall, in consultation with such Subordinated Noteolder (but in the Collateral Manager's sole and absolute discretion) determine (which determination will not be called into question as a result of subsequent events) whether to accept or reject a Reinvestment Request and shall notify the relevant Subordinated Noteholder within two Business Days of receiving the Reinvestment Request (or such longer notice period as may be agreed by the relevant Subordinated Noteholder and the Collateral Manager), and in any event, subject to paragraph (E)(5) below, no later than five Business Days prior to a Payment Date) whether a Reinvestment Request has been accepted or rejected.

(C) If a Reinvestment Request has been accepted by the Collateral Manager, the Collateral Manager shall promptly (and in any event, no later than five Business Days prior to a Payment Date) deliver a Reinvestment Instruction to the Collateral Administrator. The Reinvestment Instruction shall (i) confirm that such Reinvestment Request has been accepted by the Collateral Manager, (ii) specify the portion of Interest Proceeds and/or Principal Proceeds that is not to be distributed to the relevant Subordinated Noteholder on the upcoming Payment Date and which is instead to constitute a Reinvestment Amount; and (iii) instruct the Collateral Administrator to procure that any such Reinvestment Amount is not distributed on the upcoming Payment Date and is instead deposited on such Payment Date to the Principal Account.

(D) The Collateral Manager must utilise Reinvestment Amounts for a Permitted Use (as determined by the Collateral Manager). Any Reinvestment Amount shall be treated as an outstanding debt owed by the Issuer to a Reinvesting Noteholder but shall not earn interest and shall not increase the Principal Amount Outstanding or accrued interest of the Subordinated Notes held by such holder and, for the avoidance of doubt, shall be an alternative debt to (and not in addition to) any claim to Interest Proceeds and/or Principal Proceeds that would otherwise have been distributed to such Reinvesting Noteholder on the relevant Payment Date.

(E) In connection with the foregoing:

(1) each Reinvestment Request and Reinvestment Instruction shall be irrevocable;

(2) each Subordinated Noteholder by purchasing and holding the Subordinated Notes acknowledges and agrees that it may only issue a Reinvestment Request while the Subordinated Notes are held as Definitive Certificates;

(3) none of the Trustee, the Collateral Administrator or any other Agent shall be required to keep a record of the outstanding Reinvestment Amounts from time to time, such duty being the responsibility of the Collateral Manager (and such parties shall be entitled to rely on the records of the Collateral Manager accordingly);

(4) none of the Trustee, the Collateral Administrator or any other Agent shall have any responsibility to determine or monitor whether a Reinvestment Amount is utilised for a Permitted Use;

(5) the Collateral Administrator shall have no liability where it refrains from accepting or acting upon a Reinvestment Instruction delivered to it later than five Business Days prior to a Payment Date but shall use reasonable endeavours to consider whether such Reinvestment Instruction can be accepted in the remaining timeframe prior to the Payment Date and, where the Collateral Administrator refrains from accepting a Reinvestment Instruction, it shall be the responsibility of the Collateral Manager to inform the Subordinated Noteholder that it failed to provide the Reinvestment Instruction by the relevant time and that the Reinvestment Request is therefore unable to proceed; and

(6) each of the Trustee, the Collateral Administrator and any other Agent shall be entitled, without liability, to rely on any determination, notice, instruction or request made or given by the Collateral Manager in connection with a Reinvestment Request, a Reinvestment Instruction or a Reinvestment Amount without enquiry.

(iv) Reinvestment Amounts – Payment

(A) In the absence of notice being given by a Reinvesting Noteholder in accordance with this Condition, no Reinvestment Amounts shall be repaid by the Issuer until the Maturity Date or upon an acceleration of the Notes pursuant to Condition 10(b) (*Acceleration*), in each case, in accordance with the relevant Priority of Payments.

(B) A Reinvesting Noteholder may deliver written notice to the Issuer and the Collateral Manager (a "**Reinvestment Amount Payment Request**") requesting that some or all of any outstanding Reinvestment Amounts are paid to the relevant Reinvesting Noteholder on the next Payment Date in accordance with the Interest Proceeds Priority of Payments and the Principal Proceeds Priority of Payments. A Reinvestment Amount Payment Request must be received by the Issuer and the Collateral Manager no later than six Business Days prior to a Payment Date and any Reinvestment Amount Payment Request received after such date shall be deemed null and void.

(C) If a Reinvestment Amount Payment Request has been accepted by the Collateral Manager, the Collateral Manager shall promptly (and in any event, no later than five Business Days prior to a Payment Date) deliver a Reinvestment Amount Payment Instruction to the Collateral Administrator. Such notice shall (i) confirm that such Reinvestment Amount Payment Request has been accepted by the Collateral Manager (ii) specify the amount to be distributed to a Reinvesting Noteholder; (iii) specify the relevant contact details, account information and any other information required by the Collateral Administrator to process such payment; and (iv) constitute an instruction to the Collateral Administrator from the Collateral Manager accordingly.

(D) In connection with the foregoing:

(1) each Reinvestment Amount Payment Request and Reinvestment Amount Payment Instruction shall be irrevocable;

(2) none of the Trustee, the Collateral Administrator or any other Agent shall be required to keep a record of the outstanding Reinvestment Amounts from time to time following repayment or partial repayment of a Reinvestment Amount, such duty being the responsibility of the Collateral Manager (and such parties shall be entitled to rely on the records of the Collateral Manager accordingly);

(3) the Collateral Administrator shall have no liability where it refrains from accepting or acting upon a Reinvestment Amount Payment Instruction delivered to it later than five Business Days prior to a Payment Date but shall use reasonable endeavours to consider whether such Reinvestment Amount Payment Instruction can be accepted in the remaining timeframe prior to the Payment Date and, where the Collateral Administrator refrains from accepting a Reinvestment Amount Payment Instruction, it shall be the responsibility of the Collateral Manager to inform the Subordinated Noteholder that it failed to provide the Reinvestment Amount Payment Instruction by the relevant time and that the Reinvestment Amount Payment Request is therefore unable to proceed; and

(4) each of the Trustee, the Collateral Administrator and any other Agent shall be entitled, without liability, to rely on any determination, notice, instruction or request made or given by the Collateral Manager in connection with a Reinvestment Amount Payment Request, a Reinvestment Amount Payment Instruction or a Reinvestment Amount without enquiry.

(d) Non-payment of Amounts

Failure on the part of the Issuer to pay the Interest Amounts due and payable on the Class A Notes or the Class B Notes, pursuant to Condition 6 (*Interest*) in accordance with the Priorities of Payment by reason solely that there are insufficient funds standing to the credit of the Payment Account shall not be an Event of Default unless and until such failure continues for a period of at least five Business Days (or ten Business Days in the case of an administrative error or omission), save in each case as the result of any deduction therefrom or the imposition of withholding thereon as set forth in Condition 9 (*Taxation*). Failure on the part of the Issuer to pay Interest Amounts on the Class C Notes, the Class D Notes, the Class E Notes or the Subordinated Notes as a result of the insufficiency of available Interest Proceeds or Principal Proceeds shall not at any time constitute an Event of Default.

Subject always, in the case of Interest Amounts payable in respect of the Class C Notes, the Class D Notes and the Class E Notes to Condition 6(c) (*Deferral of Interest*) and save as otherwise provided in respect of any unpaid Collateral Management Fees (and VAT payable in respect thereof) or Reinvestment Amounts to Reinvesting Noteholders, if non-payment of any amounts referred to in the Interest Proceeds Priority of Payments or the Principal Proceeds Priority of Payments occurs on any Payment Date, such amounts shall remain due and shall be payable on each subsequent Payment Date in the orders of priority provided for in this Condition 3 (*Status*). References to the amounts referred to in the Interest Proceeds Priority of Payments and the Principal Proceeds Priority of Payments of this Condition 3 (*Status*) shall include any amounts thereof not paid when due in accordance with this Condition 3 (*Status*) on any preceding Payment Date.

(e) Determination and Payment of Amounts

The Collateral Administrator will, in consultation with the Collateral Manager, as of each Determination Date, calculate the amounts payable on the applicable Payment Date pursuant to the Priorities of Payment and will notify the Issuer and the Trustee of such amounts. The Account Bank (acting in accordance with the instructions of the Collateral Administrator who is acting in accordance with the Payment Date Report compiled by the Collateral Administrator on behalf of the Issuer), shall, on behalf of the Issuer not later than 12.00 noon (London time) on the Business Day preceding each Payment Date, cause the amounts standing to the credit of the Principal Account, the Unused Proceeds Account and if applicable the Interest Account and the Collateral Enhancement Account (together with, to the extent applicable, amounts standing to the credit of any other Account) to the extent required to pay the amounts referred to in the Interest Proceeds Priority of Payments, the Principal Proceeds Priority of Payments and the Post-Acceleration Priority of Payments which are payable on such Payment Date, to be transferred to the Payment Account in accordance with Condition 3(j) (*Payments to and from the Accounts*).

(f) De Minimis Amounts

The Collateral Administrator may, in consultation with the Collateral Manager, adjust the amounts required to be applied in payment of principal on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Subordinated Notes from time to time pursuant to the Priorities of Payment so that the amount to be so applied in respect of each Class A Note, Class B Note, Class C Note, Class D Note, Class E Note and the Subordinated Notes is a whole amount, not involving any fraction of a 0.01 Euro or, at the discretion of the Collateral Administrator, part of a Euro.

(g) Publication of Amounts

The Collateral Administrator, on behalf of the Issuer, will cause details of the amounts of interest and principal to be paid, and any amounts of interest payable but not paid, on each Payment Date in respect of the Notes to be notified at the expense of the Issuer to the Issuer, the Trustee, the Principal Paying Agent, the Registrar and Euronext Dublin by no later than 11:00am (London time) on the Business Day preceding the applicable Payment Date by way of the Payment Date Report.

(h) Notifications to be Final

All notifications, opinions, determinations, certificates, quotations and decisions given, expressed, made or obtained or discretions exercised for the purposes of the provisions of this Condition 3 (*Status*) will (in the absence of manifest error) be binding on the Issuer, the Collateral Administrator, the Collateral Manager, the Trustee, the Registrar, the Principal Paying Agent, the Transfer Agent and all Noteholders and (in the absence of the fraud, negligence or wilful misconduct 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 or delay in exercising by the Collateral Administrator of its powers, duties and discretions under this Condition 3 (*Status*).

(i) Accounts

The Issuer shall, on or prior to the Issue Date, establish the following accounts with the Account Bank or (as the case may be) with the Custodian:

- the Principal Account;
- the Interest Account;
- the Unused Proceeds Account;
- the Payment Account;
- the Collateral Enhancement Account;
- the Expense Reserve Account;
- the Unfunded Revolver Reserve Account;
- the Contribution Account;
- each Counterparty Downgrade Collateral Account;
- each Hedge Termination Account;
- each Asset Swap Account;
- the Custody Account;
- the First Period Reserve Account;
- the Interest Smoothing Account;
- the Principal Reduction Reserve Account; and
- the Collection Account.

The Account Bank and the Custodian shall at all times be a financial institution satisfying the Rating Requirement applicable thereto pursuant to these Conditions and the Transaction Documents and 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 (other than any 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.

To the extent that any amounts required to be paid into any Account (other than each Counterparty Downgrade Collateral 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.

Notwithstanding any other provisions of this Condition 3(i) (*Accounts*), all amounts standing to the credit of each of the Accounts (other than (i) the Interest Account, (ii) the Payment Account, (iii) the Expense Reserve Account, (iv) the Collateral Enhancement Account and (v) all interest accrued on the Accounts and (vi) each Counterparty Downgrade Collateral Account) shall be transferred to the Payment Account and shall constitute Principal Proceeds on the Business Day prior to any redemption of the Notes in full, and all amounts standing to the credit of each of the Interest Account, the Expense Reserve Account, the Collateral Enhancement Account, the Interest Smoothing Account and, to the extent not required to be repaid to any Hedge Counterparty, each Counterparty Downgrade Collateral Account shall be transferred to the Payment Account as Interest Proceeds on the Business Day prior to any redemption of the Notes in full.

Application of amounts in respect of Swap Tax Credits received by the Issuer shall be paid out of the Interest Account to the relevant Hedge Counterparty in accordance with the terms of the relevant Hedge Agreement, without regard to the Priorities of Payment.

(j) Payments to and from the Accounts

(i) Principal Account

The Issuer will procure that the following Principal Proceeds (save for those in respect of any Asset Swap Obligations) are paid into the Principal Account promptly, upon receipt but in each case, if applicable, excluding any Trading Gains which are required to be paid into the Interest Account in accordance with Condition 3(j)(ii)(Q) (*Interest Account*) below:

(A) all principal payments received in respect of any Collateral 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 Obligation;

(3) Unscheduled Principal Proceeds; and

(4) any other principal payments with respect to Collateral Obligations or Eligible Investments (to the extent not included in the Sale Proceeds),

but excluding any such payments received in respect of any Revolving Obligation or Delayed Drawdown Collateral Obligation, to the extent required to be paid into the Unfunded Revolver Reserve Account;

(B) any Asset Swap Counterparty Principal Exchange Amount (other than any payments from an Asset Swap Counterparty in respect of initial principal exchange amounts pursuant to an Asset Swap Transaction, which shall be paid into the relevant Asset Swap Account) received by the Issuer under any Asset Swap Transactions;

(C) the Balance standing to the credit of the relevant Hedge Termination Account in the circumstances described under Condition 3(j)(viii) (*Hedge Termination Account*) below;

(D) amounts received in respect of any Asset Swap Obligation which are not required to be paid to the applicable Asset Swap Counterparty pursuant to the related Asset Swap Transaction but which are required, pursuant to the Collateral Management and Administration Agreement, to be paid into the Principal Account following conversion thereof into Euro at the Applicable Exchange Rate;

(E) all interest and other amounts received in respect of any Defaulted Obligation or any Mezzanine Obligation for so long as it is a Defaulted Obligation or a Defaulted Deferring Mezzanine Obligation (as applicable) (save for Defaulted Obligation Excess Amounts and

Defaulted Mezzanine Excess Amounts) and amounts representing the element of deferred interest in any payments received in respect of any PIK Security;

(F) all premiums (including prepayment premiums) receivable upon redemption of any Collateral Obligation at maturity or otherwise or upon exercise of any put or call option in respect thereof which is above the outstanding principal amount of any Collateral Obligation;

(G) all fees and commissions received in connection with the purchase or sale of any Collateral Obligations or Eligible Investments (other than any steering committee fees, which the Collateral Manager shall be entitled to retain provided that any fees received in connection with the extension of the maturity of a Defaulted Obligation or a reduction in the outstanding principal balance of a Defaulted Obligation shall be deposited into the Principal Account) as determined by the Collateral Manager in its reasonable discretion;

(H) all Sale Proceeds received in respect of a Collateral Obligation (save for any Asset Swap Obligation) and for Trading Gains which are required to be paid into the Interest Account in accordance with Condition 3(j)(ii)(Q) (*Interest Account*);

(I) all Distributions and Sale Proceeds received in respect of Exchanged Equity Securities;

(J) all Collateral Enhancement Obligation Proceeds;

(K) all Purchased Accrued Interest;

(L) amounts transferred to the Principal Account from any other Account as required below;

(M) all proceeds received from any additional issuance of the Notes that are not invested in Collateral Obligations or required to be paid into the Interest Account;

(N) any other amounts received in respect of the Collateral which are not required to be paid into another Account;

(O) all amounts transferred to the Issuer from each Counterparty Downgrade Collateral Account in accordance with Condition 3(j)(v) (*Counterparty Downgrade Collateral Account*);

(P) all amounts transferred from the Collateral Enhancement Account;

(Q) all amounts transferred from the Expense Reserve Account or Unused Proceeds Account;

(R) all amounts transferred from the First Period Reserve Account;

(S) all amounts payable into the Principal Account pursuant to paragraph (T) of the Interest Proceeds Priority of Payments upon the failure to meet the Reinvestment Overcollateralisation Test during the Reinvestment Period;

(T) all principal and interest payments including Sale Proceeds received in respect of any Non-Eligible Issue Date Collateral Obligation or any other asset which did not satisfy the Eligibility Criteria on the date it was required to do so and which have not been sold by the Collateral Manager in accordance with Collateral Management and Administration Agreement, other than any Purchased Accrued Interest, together with all amounts received by the Issuer by way of gross up in respect of such interest and in respect of a claim under any applicable double taxation treaty in accordance with the Collateral Management and Administration Agreement;

(U) at any time, amounts equal to Principal Reductions effected in respect of Eligible Investments held by the Issuer and required to be transferred from the Principal Reduction Reserve Account to the Principal Account in accordance with these Conditions and the Collateral Management and Administration Agreement;

(V) each Reinvestment Amount; and

(W) any other amounts which are not required to be paid into any other Account in accordance with this Condition 3(j) (*Payments to and from the Accounts*).

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Principal Account:

(1) on the Business Day prior to each Payment Date, all Principal Proceeds standing to the credit of the Principal Account to the Payment Account to the extent required for disbursement pursuant to the Principal Proceeds Priority of Payments, save for:

(a) amounts deposited after the end of the related Due Period; and

(b) any Principal Proceeds deposited prior to the end of the related Due Period to the extent such Principal Proceeds are permitted to be and have been designated for reinvestment by the Collateral Manager (on behalf of the Issuer) pursuant to the Collateral Management and Administration Agreement (including any payments to an Asset Swap Counterparty in respect of initial principal exchange amounts pursuant to an Asset Swap Transaction) for a period beyond such Payment Date, provided in each case, such amounts are not required to be used to pay any amounts due and payable in accordance with the Principal Proceeds Priority of Payments or to settle any acquisitions for which the Issuer (or the Collateral Manager acting on its behalf) has entered into binding commitments to purchase but which have not yet settled.

If the Coverage Tests are not satisfied, Principal Proceeds from Defaulted Obligations may not be designated for reinvestment by the Collateral Manager (on behalf of the Issuer) until after the following Payment Date. No such payment to the Payment Account shall be made to the extent that such amounts are not required to be distributed pursuant to the Principal Proceeds Priority of Payments on such Payment Date;

(2) at any time at the discretion of the Collateral Manager, acting on behalf of the Issuer, in accordance with the terms of, and to the extent permitted under, the Collateral Management and Administration Agreement, in the acquisition of Collateral Obligations including amounts equal to the Unfunded Amounts of any Revolving Obligations or Delayed Drawdown Collateral Obligations which are required to be deposited in the Unfunded Revolver Reserve Account;

(3) on any Payment Date, at the discretion of the Collateral Manager, acting on behalf of the Issuer, in accordance with and subject to the terms of the Collateral Management and Administration Agreement, in payment of the purchase price of any Notes purchased by the Issuer in accordance with Condition 7(k) (*Purchase*);

(4) in respect of any redemption of the Rated Notes pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*) effected through a Refinancing, on any date on which such Refinancing has occurred, to the Interest Account up to the amount of any Excess Par Amount to the extent permitted pursuant to Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*), provided that the Reinvestment Overcollateralisation Test and each of the Collateral Quality Tests is satisfied as of the date such Refinancing is completed; and

(5) on or after the Effective Date, but before the first Payment Date, at the discretion of the Collateral Manager, to the Interest Account *provided that*:

(a) the Aggregate Collateral Balance equals or exceeds the Target Par Amount immediately prior to and following such payment (provided that, for the purposes of determining the Aggregate Collateral Balance, the Principal Balance of a Collateral Obligation which is a Defaulted Obligation will be the lower of its Fitch Collateral Value and its S&P Collateral Value); and

(b) the amount paid to the Interest Account pursuant to this Condition 3(j)(i)(5) (*Principal Account*) and Condition 3(j)(iii)(4) (*Unused Proceeds Account*) in aggregate shall not exceed 1 per cent. of the Target Par Amount.

(ii) Interest Account

The Issuer will procure that the following amounts are credited to the Interest Account promptly upon receipt thereof:

(A) all cash payments of interest in respect of the Collateral Obligations (save for any Asset Swap Obligation) other than any Purchased Accrued Interest, together with all amounts received by the Issuer by way of gross up in respect of such interest and in respect of a claim under any applicable double taxation treaty but excluding any interest received in respect of any Defaulted Obligations and Mezzanine Obligation for so long as it is a Defaulted Obligation or Defaulted Deferring Mezzanine Obligation (as applicable) other than Defaulted Obligation Excess Amounts and Defaulted Mezzanine Excess Amounts (as applicable);

(B) all interest accrued on the Balance standing to the credit of the Interest Account from time to time and all interest accrued in respect of the Balances standing to the credit of the other Accounts (other than 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, delayed compensation and all other fees and commissions received in connection with any Collateral Obligations and Eligible Investments as determined by the Collateral Manager in its reasonable discretion, other than:

(1) fees and commissions received in connection with the purchase or sale of any Collateral Obligations or Eligible Investments which fees and commissions shall be payable into the Principal Account and shall constitute Principal Proceeds; or

(2) fees and commissions received in connection with the restructuring of any Defaulted Obligation 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 Obligation that are designated by the Collateral Manager as Interest Proceeds pursuant to the Collateral Management and Administration Agreement, provided that no such designation may be made in respect of:

(1) any Purchased Accrued Interest;

(2) (a) any interest received in respect of any Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation other than Defaulted Mezzanine Excess Amounts; or(b) a Defaulted Obligation save for Defaulted Obligation Excess Amounts;

(F) all proceeds received during the related Due Period from any additional issuance of Subordinated Notes that are not reinvested or retained for reinvestment in Collateral Obligations;

(G) all amounts representing the element of deferred interest in any payments received in respect of any Mezzanine Obligation which is not a Defaulted Deferring Mezzanine Obligation which by its contractual terms provides for the deferral of interest;

(H) amounts transferred to the Interest Account from the Unused Proceeds Account in the circumstances described under Condition 3(j)(iii) (*Unused Proceeds Account*) below;

(I) all scheduled commitment fees received by the Issuer in respect of any Revolving Obligations or Delayed Drawdown Collateral 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 Obligation in an account established pursuant to an ancillary facility;

(K) all amounts transferred from the Collateral Enhancement Account;

(L) all amounts transferred from the Expense Reserve Account;

(M) all amounts transferred from the First Period Reserve Account;

(N) any Swap Tax Credit received by the Issuer;

(O) any Interest Smoothing Amounts which are required to be transferred from the Interest Smoothing Account;

(P) amounts transferred to the Interest Account from the Principal Account in the circumstances described under Condition 3(j)(i) (*Principal Account*) above;

(Q) any Trading Gains realised in respect of any Collateral Obligation that the Collateral Manager determines, in its discretion, shall be paid in to the Interest Account if after giving effect to such designation as Interest Proceeds, and the distribution thereof in accordance with the Priorities of Payments: (1) the Aggregate Collateral Balance (for which purposes, the Principal Balance of each Defaulted Obligation shall be the lesser of its Fitch Collateral Value and its S&P Collateral Value) is greater than or equal to the Reinvestment Target Par Balance; (2) the Class E Par Value Test is satisfied; (3) for so long as any Notes rated by Fitch are Outstanding, the Fitch Maximum Weighted Average Rating Factor Test is satisfied; (4) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Fitch CCC Obligations or S&P CCC Obligations; and (5) the aggregate cumulative amount of Trading Gains designated as Interest Proceeds and deposited into the Interest Account is no greater than 1 per cent. of the Target Par Amount, then the Collateral Manager may, in its discretion, determine that any such Trading Gains shall be paid into the Interest Account upon receipt;

(R) any amount transferred from the Principal Reduction Reserve Account to the Interest Account at the Collateral Manager's discretion in accordance with Condition 3(j)(xiv) (*Principal Reduction Reserve Account*); and

(S) any Refinancing Proceeds and Partial Redemption Interest Proceeds in accordance with Condition 3(l) (*Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial Redemption Date*).

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Interest Account:

(1) on the Business Day prior to each Payment Date, all Interest Proceeds (except for Swap Tax Credit) standing to the credit of the Interest Account shall be transferred to the Payment Account to the extent required for disbursement pursuant to the Interest Proceeds Priority of Payments save for amounts deposited after the end of the related Due Period;

(2) at any time, funds may be transferred to the relevant Asset Swap Account up to an amount equal to any shortfall in the Balance standing to the credit of such Account with respect to any payment obligation by the Issuer pursuant to paragraph (B) of Condition 3(j)(ix) (*Asset Swap Account*) at such time;

(3) at any time, any amounts payable by the Issuer under any Interest Rate Hedge Transaction save for any Interest Rate Hedge Termination Payments that are Defaulted Hedge Termination Payments;

(4) at any time in accordance with the terms of, and to the extent permitted under, the Collateral Management and Administration Agreement, in the acquisition of Collateral Obligations to the extent that any such acquisition costs represent accrued interest;

(5) at any time, any Swap Tax Credit shall be paid to the relevant Hedge Counterparty in accordance with the terms of the relevant Hedge Agreement; and

(6) on the Business Day following each Determination Date save for (i) the first Determination Date following the Issue Date; (ii) a Determination Date following the occurrence of an Event of Default which is continuing; (iii) the Determination Date immediately prior to any redemption of the Notes in full; and (iv) any Determination Date on or following the occurrence of a Frequency Switch Event, the Interest Smoothing Amount, if any, applicable to the related Determination Date to the Interest Smoothing Account.

(iii) Unused Proceeds Account

The Issuer will procure that the following amounts are credited to the Unused Proceeds Account, as applicable:

(A) an amount transferred from the Collection Account equal to the net proceeds of issue of the Notes remaining after the payment of all amounts pursuant to Condition 3(j)(xv) (*Collection Account*) below; and

(B) all proceeds received during the Initial Investment Period from any additional issuance of Notes that are not invested in Collateral Obligations or paid into the Interest Account.

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 Unused Proceeds Account:

(1) on or about the Issue Date, such amounts equal to the aggregate of:

(a) the purchase price for certain Collateral Obligations purchased on or prior to the Issue Date, if any; and

(b) amounts required for repayment of any amounts borrowed by the Issuer (together with interest thereon) in order to finance the acquisition of certain Collateral Obligations on or prior to the Issue Date;

(2) at any time up to and including the last day of the Initial Investment Period, in accordance with the terms of, and to the extent permitted under, the Collateral Management and Administration Agreement, in the acquisition of Collateral Obligations including any amounts payable by the Issuer to an Asset Swap Counterparty in respect of initial principal exchange amount in relation to an Asset Swap Obligation;

(3) if an Effective Date Rating Event occurs, the Balance standing to the credit of the Unused Proceeds Account, on the Business Day prior to the Payment Date falling immediately after the Effective Date, to the extent required, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of Payment, in redemption of the Notes in accordance with the Note Payment Sequence or, if earlier, until an Effective Date Rating Event is no longer continuing; and

(4) on or after the Effective Date, but before the first Payment Date, the Balance standing to the credit of the Unused Proceeds Account, to the Principal Account or the Interest Account, in each case, at the discretion of the Collateral Manager, acting on behalf of the Issuer, *provided that*:

(a) the Aggregate Collateral Balance equals or exceeds the Target Par Amount immediately prior to and following such payment (provided that, for the purposes of determining the Aggregate Collateral Balance, the Principal Balance of a Collateral Obligation which is a Defaulted Obligation will be the lower of its Fitch Collateral Value and its S&P Collateral Value); and

(b) the amount paid to the Interest Account pursuant to this Condition 3(j)(iii)(4) (*Unused Proceeds Account*) and Condition 3(j)(i)(5) (*Principal Account*) in aggregate shall not exceed 1 per cent. of the Target Par Amount.

(iv) Payment Account

The Issuer will procure that, on the Business Day prior to each Payment Date, all amounts standing to the credit of each of the Accounts which are required to be transferred from the other accounts to the Payment Account pursuant to Condition 3(i) (*Accounts*) and Condition 3(j) (*Payments to and from the Accounts*) are so transferred, and, on such Payment Date, the Collateral Administrator shall instruct the Account Bank (acting on the basis of the Payment Date Report), to disburse such amounts in accordance with the Priorities of Payment. No amounts shall be transferred to or withdrawn from the Payment Account at any other time or in any other circumstances.

(v) Counterparty Downgrade Collateral Account

The Issuer will procure that all Counterparty Downgrade Collateral transferred pursuant to a Hedge Agreement shall be deposited in a separate account in respect of each Hedge Counterparty. All Counterparty Downgrade Collateral deposited from time to time in any Counterparty Downgrade Collateral Account shall be held and released pursuant to the terms set out below.

The funds or securities credited to each Counterparty Downgrade Collateral Account and any interest or distributions thereon or liquidation proceeds thereof are held separate from and do not form part of Principal Proceeds or of the Interest Proceeds (other than in the circumstances set out below) and accordingly, are not available to fund general distributions of the Issuer. Amounts standing to the credit of each Counterparty Downgrade Collateral Account will not (other than in the circumstances set out below) be available for the Issuer to make payments to the Noteholders nor any other creditor of the Issuer. The Issuer will procure the payment of the following amounts (and shall ensure that no other payments are made, save to the extent required hereunder):

(A) prior to the occurrence or designation of an "**Early Termination Date**" (as defined in the Hedge Agreement) in respect of all "Transactions" entered into under the relevant Hedge Agreement pursuant to which all "Transactions" under the Hedge Agreement are terminated early, solely in or towards payment or transfer of:

(1) any "Return Amounts" (as defined in the applicable Hedge Agreement);

(2) any "Interest Amounts" and "Distributions" (each as defined in the applicable Hedge Agreement);

(3) any return of collateral to the Hedge Counterparty upon a novation of its obligations under the Hedge Agreement to a replacement Hedge Counterparty, directly to the Hedge Counterparty in accordance with the terms of the "Credit Support Annex" of such Hedge Agreement;

(B) following the designation of an "Early Termination Date" in respect of all "Transactions" under a Hedge Agreement pursuant to which all "Transactions" under the Hedge Agreement are terminated early where (A) an "Event of Default" (as defined in the Hedge Agreement) in respect of the Hedge Counterparty or an "Additional Termination Event" (as defined in the Hedge Agreement) in relation to which the Hedge Counterparty is the sole "Affected Party" (as defined in the Hedge Agreement) and (B) the Issuer enters into a replacement Hedge Agreement or any novation of the Hedge Counterparty's obligations to a replacement Hedge Counterparty on or around the "Early Termination Date" (as defined in the Hedge Agreement), in the following order of priority:

(1) first, in or towards payment of any Hedge Replacement Payment (to the extent not funded from the Hedge Termination Account);

(2) second, in or towards payment of any Hedge Termination Payment (to the extent not funded from the Hedge Termination Account); and

(3) third, the surplus remaining (if any) (the "**Counterparty Downgrade Collateral Account Surplus**") be transferred to the Principal Account;

(C) following the designation of an "Early Termination Date" (as defined in the Hedge Agreement) in respect of all "Transactions" (as defined in the Hedge Agreement) under a

Hedge Agreement pursuant to which all "Transactions" under the Hedge Agreement are terminated early (A) other than in respect of an "Event of Default" (as defined in the Hedge Agreement) in respect of the Hedge Counterparty and other than in respect of an "Additional Termination Event" (as defined in the Hedge Agreement) in relation to which the Hedge Counterparty is the sole "Affected Party" (as defined in the Hedge Agreement) and (B) the Issuer enters into a replacement Hedge Agreement or any novation of the Hedge Counterparty's obligations to a replacement Hedge Counterparty on or around the "Early Termination Date" (as defined in the Hedge Agreement) of the Hedge Agreement, in the following order of priority:

(1) first, in or towards payment of any Hedge Termination Payment (to the extent not funded from the Hedge Termination Account);

(2) second, in or towards payment of any Hedge Replacement Payment (to the extent not funded from the Hedge Termination Account); and

(3) third, the Counterparty Downgrade Collateral Account Surplus be transferred to the Principal Account; and

(D) following the designation of an "Early Termination Date" (as defined in the Hedge Agreement) in respect of all "Transactions" (as defined in the Hedge Agreement) under a Hedge Agreement pursuant to which all "Transactions" (as defined in the Hedge Agreement) under the Hedge Agreement are terminated early, if for any reason the Issuer is unable to or elects not to enter into a replacement Hedge Agreement or any novation of the Hedge Counterparty's obligations to a replacement Hedge Counterparty on or around the "Early Termination Date" (as defined in the Hedge Agreement), in the following order of priority:

(1) first, in or towards payment of any Hedge Termination Payment (to the extent not funded from the Hedge Termination Account); and

(2) second, the Counterparty Downgrade Collateral Account Surplus be transferred to the Principal Account.

(vi) Collateral Enhancement Account

The Issuer will procure that the following amounts are credited to the Collateral Enhancement Account:

(A) 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; and

(B) promptly on receipt, any Collateral Manager Advance.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Collateral Enhancement Account:

(1) at any time, to the Principal Account:

(a) during the Reinvestment Period to reinvest in Substitute Collateral Obligations; or

(b) otherwise for distribution on the next following Payment Date in accordance with the Priorities of Payment;

(2) at any time, at the direction of the Issuer (or the Collateral Manager acting on its behalf), to the Interest Account for distribution in accordance with the Priorities of Payment or for a Permitted Use;

(3) at any time, in the acquisition of, or in respect of any exercise of any option or warrant comprised in, Collateral Enhancement Obligations, in accordance with the terms of the Collateral Management and Administration Agreement;

(4) at any time, at the direction of the Issuer (or the Collateral Manager acting on its behalf), to purchase any Rated Notes in accordance with Condition 7(k) (*Purchase*);

(5) on the occurrence of an Effective Date Rating Event, on the Business Day prior to the Payment Date falling immediately after the Effective Date, to the extent required, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of Payment, in redemption of the Notes in accordance with the Note Payment Sequence or, if earlier until an Effective Date Rating Event is no longer continuing; and

(6) the Balance standing to the credit of the Collateral Enhancement Account to the Payment Account for distribution on such Payment Date in accordance with the Principal Proceeds Priority of Payments or the Post-Acceleration Priority of Payments (as applicable):

(a) at the direction of the Collateral Manager at any time prior to an Event of Default; or

(b) automatically upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*).

(vii) The Unfunded Revolver Reserve Account

The Issuer shall procure the following amounts are paid into the Unfunded Revolver Reserve Account:

(A) upon the acquisition by or on behalf of the Issuer of any Revolving Obligation, Delayed Drawdown Collateral Obligation, an amount equal to the amount which would cause the Balance standing to the credit of the Unfunded Revolver Reserve Account to be at least equal to the combined aggregate principal amounts of the Unfunded Amounts under each of the Revolving Obligations and Delayed Drawdown Collateral Obligations (which Unfunded Amounts will be treated as part of the purchase price for the related Revolving Obligation or Delayed Drawdown Collateral Obligation) less amounts posted thereafter as collateral (which do not constitute Funded Amounts), in each case, pursuant to paragraph (2) or (3) below, as applicable;

(B) all principal payments received by the Issuer in respect of any Revolving Obligation or Delayed Drawdown Collateral Obligation, if and to the extent that the amount of such principal payments may be re-borrowed under such Revolving Obligation or Delayed Drawdown Collateral Obligation or otherwise by the Collateral Manager, acting on behalf of the Issuer; and

(C) all repayments of collateral to the Issuer originally paid by the Issuer pursuant to (1) below.

The Issuer shall procure payment of the following amounts (and shall ensure that no other amounts are paid) out of the Unfunded Revolver Reserve Account:

(1) all amounts required to fund any drawings under any Delayed Drawdown Collateral Obligation or Revolving Obligation;

(2) in respect of Delayed Drawdown Collateral Obligations or Revolving Obligations, all amounts required to be deposited in the Issuer's name with any third party which satisfies the Rating Requirement applicable to an Account Bank (or if the third party does not satisfy the Rating Requirement applicable to an Account Bank, subject to receipt of Rating Agency Confirmation and KBRA Confirmation) as collateral for any reimbursement or indemnification obligations of the Issuer owed to any other lender under such Revolving Obligation or Delayed Drawdown Collateral Obligation (subject to such security documentation as may be agreed between such lender, the Collateral Manager acting on behalf of the Issuer and the Trustee);

(3) (a) at any time at the direction of the Collateral Manager (acting on behalf of the Issuer); or

(b) upon the sale (in whole or in part) of a Revolving Obligation or the reduction, cancellation or expiry of any commitment of the Issuer to make future advances or otherwise extend credit thereunder, any excess of (x) the amount standing to the credit of the Unfunded Revolver Reserve Account over (y) the sum of the Unfunded Amounts of all Revolving Obligations and Delayed Drawdown Collateral Obligations after taking into account such sale or such reduction, cancellation or expiry of such commitment or notional amount to the Principal Account; and

(4) all interest accrued on the Balance standing to the credit of the Unfunded Revolver Reserve Account from time to time (including capitalised interest received upon the sale, maturity or termination of any Eligible Investment) to the Interest Account.

(viii) Hedge Termination Account

The Issuer will procure that all Hedge Termination Receipts and Hedge Replacement Receipts are paid into the relevant Hedge Termination Account promptly upon receipt thereof.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made save to the extent otherwise permitted) out of the relevant Hedge Termination Account in payment as provided below:

(A) at any time, in the case of any Hedge Replacement Receipts paid into the relevant Hedge Termination Account, in payment of any Hedge Termination Payment due and payable to a Hedge Counterparty under the Hedge Transaction being replaced or to the extent not required to make such payment, in payment of such amount to the Principal Account;

(B) at any time, in the case of any Hedge Termination Receipts paid into the relevant Hedge Termination Account, in payment of any Hedge Replacement Payment and any other amounts payable by the Issuer upon entry into a Replacement Interest Rate Hedge Transaction or a Replacement Asset Swap Transaction, as applicable in accordance with the Collateral Management and Administration Agreement; and

(C) in the case of any Hedge Termination Receipts paid into the relevant Hedge Termination Account, if:

(1) the termination of the Hedge Transaction under which such Hedge Termination Receipts are payable occurs on a Redemption Date; or

(2) to the extent that such Hedge Termination Receipts are not required for application towards costs of entry into a Replacement Interest Rate Hedge Transaction or a Replacement Asset Swap Transaction, as applicable,

in payment of such amounts (save for accrued interest thereon) to the Principal Account.

(ix) Asset Swap Account

The Issuer will procure that all amounts due to the Issuer in respect of each Asset Swap Obligation (including, any payments from an Asset Swap Counterparty in respect of initial principal exchange amounts pursuant to an Asset Swap Transaction) shall, on receipt, be deposited in the Asset Swap Account maintained in the currency of such Asset Swap Obligation. Additional amounts may also be transferred to the relevant Asset Swap Account from the Interest Account at any time to the extent of any shortfall in the Balance standing to the credit of the relevant Asset Swap Account in respect of any payment required to be made by the Issuer pursuant to paragraph (B) below at such time.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the relevant Asset Swap Account:

(A) at any time, to the extent of any initial principal exchange amount deposited into the relevant Asset Swap Account in accordance with the terms of and to the extent permitted under the Collateral Management and Administration Agreement, in the acquisition of Asset Swap Obligations;

(B) Scheduled Periodic Asset Swap Issuer Payments due to each Asset Swap Counterparty pursuant to each Asset Swap Transaction;

(C) Asset Swap Issuer Principal Exchange Amounts (other than any initial asset swap principal exchange amount denominated in Euro and due to an Asset Swap Counterparty pursuant to an Asset Swap Transaction, which shall be paid from the Principal Account or Unused Proceeds Account) due to each Asset Swap Counterparty pursuant to each Asset Swap Transaction; and

(D) cash amounts (representing any excess standing to the credit of the relevant Asset Swap Account after provisioning for any amounts to be paid to any Asset Swap Counterparty pursuant to any Asset Swap Transaction) to the Principal Account after conversion thereof into Euro at the then Applicable Exchange Rate.

(x) Expense Reserve Account

The Issuer shall procure that the following amounts are paid into the Expense Reserve Account:

(A) on the Issue Date, an amount determined on the Issue Date for the payment of amounts due or accrued in connection with the issue of the Notes, in accordance with paragraph (1) below; and

(B) any Ongoing Expense Reserve Amount applied in payment into the Expense Reserve Account pursuant to paragraph (D) of the Interest Proceeds Priority of Payments; and

(C) any amounts received by the Issuer by way of indemnity payments from the Secured Parties ("**Third Party Indemnity Receipts**")

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, 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, the amount of any Trustee Fees and Expenses and Administrative Expenses (with Trustee Fees and Expenses to be paid in priority to Administrative Expenses and Administrative Expenses to be paid in the priority stated in the definition thereof) which have accrued and become payable prior to the immediately following Payment Date, upon receipt of invoices therefor from the relevant creditor, provided that any such payments, in aggregate, shall not cause the balance of the Expense Reserve Account to fall below zero; and

(4) at any time, any Third Party Indemnity Receipts due and payable by the Issuer to the Trustee and/or Agents, 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 (C) above and (ii) the amount of any indemnity payments payable by the Issuer to the Trustee and/or Agents. Any such amount so paid shall not be taken into account for the purposes of the application of the Senior Expenses Cap.

(xi) Contribution Account

At any time during or after the Reinvestment Period (subject to satisfaction of the conditions set out in Condition 2(l)(i) and (ii))), any Contributor may make a Contribution to the Issuer. The Collateral Manager, on behalf of the Issuer, may accept or reject any Contribution in its reasonable discretion and will notify the Trustee of any such acceptance. Each accepted Contribution will be credited to the Contribution Account.

The Issuer will procure payment of Contributions standing to the credit of the Contribution Account (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Contribution Account for a Permitted Use as directed by the Contributor at the time the relevant Contribution is made or, if no direction is given by the Contributor, at the Collateral Manager's reasonable discretion, as follows:

(A) at any time, in the acquisition of, or in respect of any exercise of any option or warrant comprised in, Collateral Enhancement Obligations, in accordance with the terms of the Collateral Management and Administration Agreement;

(B) at any time, at the direction of the Issuer (or the Collateral Manager acting on its behalf), for a Permitted Use;

(C) on the occurrence of an Effective Date Rating Event, on the Business Day prior to the Payment Date falling immediately after the Effective Date, to the extent required, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of Payment, in redemption of the Notes in accordance with the Note Payment Sequence or, if earlier until an Effective Date Rating Event is no longer continuing, or to the purchase of additional Collateral Obligations until an Effective Date Rating Event is no longer continuing; and

(D) the Balance standing to the credit of the Contribution Account to the Payment Account for distribution on such Payment Date in accordance with the Principal Proceeds Priority of Payments or the Post-Acceleration Priority of Payments (as applicable) (1) at the direction of the Collateral Manager at any time prior to an Event of Default or (2) automatically upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*).

No Contribution or portion thereof accepted by the Collateral Manager acting on behalf of the Issuer will be returned to the Contributor at any time. All interest accrued on amounts standing to the credit of the Contribution Account will be transferred to the Interest Account for application as Interest Proceeds.

(xii) First Period Reserve Account

The Issuer shall direct the Account Bank to deposit €1,750,000 to the First Period Reserve Account on the Issue Date.

At any time up to and including the last day of the Initial Investment Period, the Collateral Manager, in its sole discretion (acting on behalf of the Issuer), may direct some or all amounts standing to the credit of the First Period Reserve Account to be used for (A) the acquisition of Collateral Obligations or (B) to the Principal Account pending such acquisition, subject to and in accordance with the Collateral Management and Administration Agreement. Following the Initial Investment Period, all of the funds in the First Period Reserve Account (save for amounts transferred to the Principal Account in accordance with this paragraph) including all interest accrued thereon, shall be transferred to the Interest Account for distribution pursuant to the Interest Proceeds Priority of Payments.

(xiii) Interest Smoothing Account

On the Business Day following each Determination Date save for:

(A) the first Determination Date following the Issue Date;

(B) a Determination Date following the occurrence of an Event of Default which is continuing;

(C) the Determination Date immediately prior to any redemption of the Notes in full; and

(D) any Determination Date on or following the occurrence of a Frequency Switch Event,

the applicable Interest Smoothing Amount (if any) shall be credited to the Interest Smoothing Account from the Interest Account.

The Issuer shall procure, on the Business Day falling after the Payment Date following the Determination Date on which any Interest Smoothing Amount was transferred to the Interest Smoothing Account, such Interest Smoothing Amount to be transferred to the Interest Account.

(xiv) Principal Reduction Reserve Account

The Issuer shall procure that the following amounts are paid into the Principal Reduction Reserve Account:

(A) on each Payment Date the amount of any Interest Proceeds payable pursuant to items (C)(2) and (W) of Condition 3(c)(i) (*Application of Interest Proceeds*) at the Collateral Manager's discretion;

(B) on any Business Day any amounts transferred from the Collateral Enhancement Account at the Collateral Manager's discretion as a Permitted Use;

(C) on any Business Day any amounts transferred from the Contribution Account at the Collateral Manager's discretion as a Permitted Use; and

(D) on any Business Day proceeds from the issue of additional Subordinated Notes in accordance with Condition 17 (*Additional Issuances*) at the Collateral Manager's discretion as a Permitted Use.

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made) out of the Principal Reduction Reserve Account:

(1) on any Business Day as directed by the Collateral Manager in accordance with these Conditions and the Collateral Management and Administration Agreement to the Principal Account, upon the occurrence of a Principal Reduction in respect of an Eligible Investment held by the Issuer, in the amount of such Principal Reduction; and

(2) on any Determination Date at the Collateral Manager's discretion to the Interest Account for application on the immediately following Payment Date in accordance with the Interest Proceeds Priority of Payments.

(xv) Collection Account

The Issuer will procure that the following amounts are credited to the Collection Account:

(A) on the Issue Date, the net proceeds of issue of the Notes; and

(B) all amounts received in respect of any Collateral (other than as otherwise provided in Condition 3(j)(v) (*Counterparty Downgrade Collateral 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 Collection Account:

(1) on or about the Issue Date:

(a) the payment of certain fees and expenses due and payable by the Issuer on the Issue Date; and

(b) amounts payable into the Expense Reserve Account; and

(c) amounts payable into the First Period Reserve Account;

(2) subject to the prior payment of all amounts pursuant to paragraph (1) above, in transfer to the other Accounts as required in accordance with Condition 3(i) (*Accounts*) and the other provisions of this Condition 3(j) (*Payments to and from the 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.

(k) 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 purchase or exercise rights under Collateral Enhancement Obligations which the Collateral Manager determines on behalf of the Issuer should be purchased or exercised, the Collateral Manager may, at its discretion, pay amounts required in order to fund such purchase or exercise (such amount, a "**Collateral Manager Advance**") to such Account pursuant to the terms of the Collateral Management and Administration Agreement. Each Collateral Manager Advance may bear interest at such rate as determined by the Collateral Manager provided that such rate of interest shall not exceed a rate of EURIBOR plus 2.0 per cent. per annum. The Collateral Manager shall notify the Collateral Administrator in writing of each Collateral Manager Advance made (including the applicable rate of interest thereon), save that any such failure to notify shall not invalidate the making of any such 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 Payment. The aggregate amount outstanding of all Collateral Manager Advances shall not, at any time, exceed €10,000,000 or such greater number as the Subordinated Noteholders may approve, acting by way of an Ordinary Resolution.

(l) Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial Redemption Date

Subject as further provided below, the Collateral Administrator shall, on behalf of the Issuer, on a Partial Redemption Date instruct the Account Bank to disburse Refinancing Proceeds received in respect of the Optional Redemption in part of any Class or Classes of Rated Notes and Partial Redemption Interest Proceeds transferred to the Payment Account, in each case, in accordance with the following order of priority:

(A) to the payment of accrued and unpaid Trustee Fees and Expenses, to the extent incurred in connection with such Optional Redemption in part;

(B) to the payment of Administrative Expenses in the priority stated in the definition thereof, to the extent incurred in connection with any Optional Redemption in part;

(C) to the redemption of the Class or Classes of Rated Notes to be redeemed in part at the applicable Redemption Prices (in the case of any Partial Redemption Date that is a Payment Date without duplication of any amounts payable pursuant to any Class of Notes pursuant to the Principal Proceeds Priority of Payment, the Interest Proceeds Priority of Payment and Post-Acceleration Priority of Payments); and

(D) any remaining amounts to be deposited in the Interest Account.

4. Security

(a) Security

Pursuant to the Trust Deed, the obligations of the Issuer under the Notes of each Class, the Trust Deed, the Agency Agreement, the Collateral Management and Administration Agreement, the Placement Agency 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 itself and the other Secured Parties by:

(i) an assignment by way of security of all the Issuer's present and future rights, title and interest (and all entitlements or other benefits relating thereto) in respect of all Collateral Obligations, Exchanged Equity Securities, Collateral Enhancement Obligations and Eligible Investments standing to the credit of each of the Accounts (other than each Counterparty Downgrade Collateral Account) and any other investments (other than Counterparty Downgrade Collateral), in each case held by the Issuer from time to time (where such rights are contractual rights (other than contractual rights the assignment of which would require the consent of a third party or the entry by the Trustee into an intercreditor agreement or deed) and where such contractual rights arise other than under securities), including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof;

(ii) a first fixed charge and first priority security interest granted over all the Issuer's present and future rights, title and interest (and all entitlements or other benefits relating thereto) in respect of all Collateral Obligations, Exchanged Equity Securities, Collateral Enhancement Obligations and Eligible Investments standing to the credit of each of the Accounts (other than each Counterparty Downgrade Collateral Account) and any other investments (other than Counterparty Downgrade Collateral), in each case held by the Issuer (where such assets are securities or contractual rights not assigned by way of security pursuant to paragraph (i) above and which are capable of being the subject of a first fixed charge and first priority security interest), including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof;

(iii) a first fixed charge over all present and future rights of the Issuer in respect of each of the Accounts and all moneys from time to time standing to the credit of such Accounts and the debts represented thereby and including, without limitation, all interest accrued and other moneys received in respect thereof, subject to, in the case of each Counterparty Downgrade Collateral Account and any Swap Tax Credits standing to the credit of the Interest Account, the rights of a Hedge Counterparty pursuant to the terms of the applicable Hedge Agreement (or, in each case, any security interest entered into by the Issuer in relation thereto);

(iv) a first fixed charge and first priority security interest (where the applicable assets are securities) over, or an assignment by way of security (where the applicable rights are contractual obligations) of, all present and future rights of the Issuer in respect of any Counterparty Downgrade Collateral standing to the credit of each Counterparty Downgrade Collateral Account; including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof and over each Counterparty Downgrade Collateral Account, and all moneys from time to time standing to the credit of each Counterparty Downgrade Collateral Account and the debts represented thereby, subject to the rights of any Hedge Counterparty to Counterparty Downgrade Collateral pursuant to the terms of the relevant Hedge Agreement and any security interest entered into by the Issuer in relation thereto;

(v) an assignment by way of security of all the Issuer's present and future rights against the Custodian under the Agency Agreement (to the extent it relates to the Custody Account) and a first fixed charge over all of the Issuer's right, title and interest in and to the Custody Account (including each cash account relating to the Custody Account) and any cash held therein and the debts represented thereby;

(vi) an assignment by way of security of all the Issuer's present and future rights under each Hedge Agreement and each Hedge Transaction entered into thereunder (including the Issuer's rights under any guarantee or credit support annex entered into pursuant to any Hedge Agreement, provided that such assignment by way of security without prejudice to and after giving effect to any contractual netting or set-off provision contained in the relevant Hedge Agreement and shall not in any way restrict the release of collateral granted thereunder in whole or in part at any time pursuant to the terms thereof);

(vii) an assignment by way of security of all the Issuer's present and future rights under the Collateral Management and Administration Agreement and all sums derived therefrom;

(viii) a first fixed charge over all moneys held from time to time by the Principal Paying Agent and any other Agent for payment of principal, interest or other amounts on the Notes (if any);

(ix) an assignment by way of security of all the Issuer's present and future rights under the Risk Retention Letter and all sums derived therefrom;

(x) 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;

(xi) an assignment by way of security of all of the Issuer's present and future rights under any other Transaction Document and all sums derived therefrom; and

(xii) a floating charge over the whole of the Issuer's undertaking and assets to the extent that such undertaking and assets are not subject to any other security created pursuant to the Trust Deed,

excluding for the purposes of (i) to (xi) (inclusive) above, (A) the Irish Excluded Assets and (B) any and all rights and assets of the Issuer that are the subject of a security interest pursuant to the Irish Security Agreement.

The security created pursuant to paragraphs (i) to (xi) above above is granted to the Trustee for itself and as trustee for the Secured Parties as continuing security for the payment of the secured obligations provided that the security granted by the Issuer over any collateral provided to the Issuer pursuant to a Hedge Agreement will only be available to the Secured Parties (other than with respect to the collateral provided to the relevant Hedge Counterparty pursuant to such Hedge Agreement and Condition 3(j)(v) (*Counterparty Downgrade Collateral Account*) when such collateral or amounts, as applicable, are expressed to be available to the Issuer and (if a title transfer arrangement) to the extent that no equivalent amount is owed to the Hedge Counterparty pursuant to the relevant Hedge Agreement and/or Condition 3(j)(v) (*Counterparty Downgrade Collateral Account*). The security will extend to the ultimate balance of all sums payable by the Issuer in respect of the above, regardless of any intermediate payment or discharge in whole or in part.

If, for any reason, the purported assignment by way of security of, and/or the grant of first fixed charge over, the property, assets, rights and/or benefits described above is found to be ineffective in respect of any such property, assets, rights and/or benefits (together, the "**Affected Collateral**"), the Issuer shall hold to the fullest extent permitted under Irish or any other mandatory law the benefit of the Affected Collateral and any sums received in respect thereof or any security interest, guarantee or indemnity or undertaking of whatever nature given to secure such Affected Collateral (together, the "**Trust Collateral**") on trust for the Trustee for the benefit of the Secured Parties and shall:

(i) account to the Trustee for or otherwise apply all sums received in respect of such Trust Collateral as the Trustee may direct (**provided that**, subject to these Conditions and the terms of the Collateral Management and Administration Agreement, if no Event of Default has occurred and is continuing, the Issuer shall be entitled to apply the benefit of such Trust Collateral and such sums in respect of such Trust Collateral received by it and held on trust under this paragraph without prior direction from the Trustee);

(ii) exercise any rights it may have in respect of the Trust Collateral at the direction of the Trustee; and

(iii) at its own cost take such action and execute such documents as the Trustee may in its sole discretion require.

The Issuer may from time to time grant security (to the extent required):

(i) by way of a first priority security interest to a Hedge Counterparty over a Counterparty Downgrade Collateral Account and any Counterparty Downgrade Collateral deposited by such Hedge Counterparty in the relevant Counterparty Downgrade Collateral Account as security for the Issuer's obligations to repay or redeem such Counterparty Downgrade Collateral pursuant to the terms of the applicable Hedge Agreement and 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 (to the extent the Trustee is a party to the relevant security document and for the avoidance of doubt, the Issuer may grant such security interest directly to the Hedge Counterparty)); and/or

(ii) by way of first priority security interest over amounts representing all or part of the Unfunded Amount of any Revolving Obligation or Delayed Drawdown Collateral 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 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 Obligation, subject to the terms of Condition 3(j)(vii) (*The Unfunded Revolver Reserve Account*),

excluding for the purposes of (i) and (ii) (inclusive) above, (A) the Irish Excluded Assets and (B) any and all rights and assets of the Issuer that are the subject of a security interest pursuant to the Irish Security Agreement.

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 and the Irish Security Agreement. If the ratings of the Custodian are downgraded to below the Rating Requirement or withdrawn, the Issuer shall use reasonable endeavours to procure that a replacement Custodian with the Rating Requirement is appointed in accordance with and on substantially the same terms as the Agency Agreement.

Pursuant to the terms of the Trust Deed and the Irish Security Agreement, 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, the Account Bank or any Hedge Counterparty satisfies the Rating Requirement applicable to it or, if it fails to satisfy such Rating Requirement, to procure the appointment of a replacement custodian, account bank or hedge counterparty. 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 the performance of the functions of the Collateral Manager or the Collateral Administrator or by any other party and is entitled to rely on the certificates or notices of any relevant party without enquiry or liability. The Trust Deed also provides that the Trustee shall accept without investigation, requisition or objection such right, benefit, title and interest, if any, as the Issuer may have in and to any of the Collateral and is not bound to make any investigation into the same or into the Collateral in any respect.

Pursuant to the Irish Security Agreement, the Issuer shall, on or around the Issue Date, create in favour of the Trustee for the benefit of itself and the other Secured Parties, an Irish law first fixed charge over the Accounts (other than the Counterparty Downgrade Collateral Accounts) and, to the extent that the Accounts (other than the Counterparty Downgrade Collateral Accounts) (or any part of it) are not the subject of, or otherwise effectively charged by way of a fixed charge under the Irish Security Agreement, a first floating charge.

(b) Application of Proceeds upon Enforcement

The Trust Deed and the Irish Security Agreement provide that the net proceeds of realisation of, or enforcement with respect to the security over, the Collateral constituted by the Trust Deed and the Irish Security Agreement shall be applied in accordance with the priorities of payment set out in Condition 11 (*Enforcement*).

(c) Limited Recourse and Non-Petition

The obligations of the Issuer to pay amounts due and payable in respect of the Notes and to the other Secured Parties at any time shall be limited to the proceeds available at such time to make such payments in accordance with the Priorities of Payment. Notwithstanding anything to the contrary in these Conditions or any Transaction Documents, if the net proceeds of realisation of the security constituted by the Trust Deed and the Irish Security Agreement, upon enforcement thereof in accordance with Condition 11 (*Enforcement*) and the provisions of the Trust Deed and the Irish Security Agreement 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 claims, obligations, debts and liabilities of the Issuer in respect of the Notes of each Class and its claims, obligations, debts and liabilities to the other Secured Parties in such circumstances will be limited to such net proceeds, which shall be applied in accordance with the Priorities of Payment. In such circumstances, the other assets (including the Irish Excluded Assets) 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 Subordinated Noteholders, the Reinvesting Noteholders (if any) and the other Secured Parties in accordance with the Priorities of

Payment (applied in reverse order). The rights of the Secured Parties (including the Noteholders) to receive any further amounts in respect of such claims, obligations, debts and liabilities 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, restructuring plan 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, the Irish Security Agreement or otherwise owed to the Secured Parties, save for lodging a claim in the liquidation of the Issuer which is initiated by another non-Affiliated party or taking proceedings to obtain a declaration or judgment as to the obligations of the Issuer and without limitation to the Trustee's right to enforce and/or realise the security constituted by the Trust Deed and the Irish Security Agreement (including by appointing a receiver or an administrative receiver).

In addition, none of the Noteholders or any of the other Secured Parties shall have any recourse against any director, shareholder or officer of the Issuer in respect of any obligations, covenants or agreement entered into or made by the Issuer pursuant to the terms of the Conditions of the Notes or any other Transaction Document to which the Issuer is a party or any notice or documents which it is requested to deliver hereunder or thereunder.

None of the Trustee, the Directors, the Placement Agent, the Collateral Manager, the Corporate Services Provider 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) Acquisition and Sale of Portfolio

The Collateral Manager is required to manage the Portfolio and to act in specific circumstances in relation to the Portfolio on behalf of the Issuer pursuant to the terms of, and subject to the parameters set out in, the Collateral Management and Administration Agreement and subject to the overall supervision and control of the Issuer. The duties of the Collateral Manager with respect to the Portfolio include (amongst others) the use of reasonable endeavours to:

(i) purchase Collateral Obligations on or prior to the Issue Date and during the Initial Investment Period;

(ii) invest the amounts standing to the credit of the Accounts (other than each Counterparty Downgrade Collateral Account, the Unfunded Revolver Reserve Account, the relevant Hedge Termination Account, the relevant Asset Swap Account, the Payment Account, the Collection Account and any Swap Tax Credits standing to the credit of the Interest Account) in Eligible Investments; and

(iii) sell certain of the Collateral Obligations and reinvest the Principal Proceeds received in Substitute Collateral Obligations in accordance with the criteria set out in the Collateral Management and Administration Agreement.

The Collateral Manager is required to monitor the Collateral Obligations with a view to seeking to determine whether any Collateral Obligation has converted into, or been exchanged for, an Exchanged Equity Security or Defaulted Obligation, provided that, if it fails to do so, it will not have any liability to the Issuer except by reason of acts constituting bad faith, wilful misconduct or gross negligence (where gross negligence shall be given its meaning under New York law) in the performance of its obligations. No Noteholder shall have any recourse against any of the Issuer, the Collateral Manager, the Placement Agent, the Collateral Administrator, the Custodian, the Principal Paying Agent, the Registrar or the Trustee for any loss suffered as a result of such failure.

Under the Collateral Management and Administration Agreement, the Retention Holder, the holders of the Subordinated Notes and the Controlling Class have certain rights in respect of the removal of the Collateral Manager and appointment of a replacement Collateral Manager.

(e) Exercise of Rights in Respect of the Portfolio

Pursuant to the Collateral Management and Administration Agreement, the Issuer authorises the Collateral Manager, prior to enforcement of the security over the Collateral, to exercise all rights and remedies of the Issuer in its capacity as a holder of, or person beneficially entitled to, the Portfolio. In particular, the Collateral Manager is authorised, subject to any specific direction given by the Issuer, to attend and vote at any meeting of holders of, or other persons interested or participating in, or entitled to the rights or benefits (or a part thereof) under, the Portfolio and to give any consent, waiver, indulgence, time or notification, make any declaration or agree any composition, compounding or other similar arrangement with respect to any obligations forming part of the Portfolio.

(f) Information Regarding the Collateral

The Issuer shall procure that a copy of each Monthly Report and any Payment Date Report is made available, in pdf format, with the underlying portfolio data being made available in Excel or CSV format, via a dedicated website currently located at https://pivot.usbank.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Trustee, the Collateral Manager, the Placement Agent and each Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remains in force from time to time and as further notified by the Issuer to the Rating Agencies and the Noteholders) (or by such other method of dissemination as is required or permitted by the Securitisation Regulation (as instructed by the Issuer (or the Collateral Manager on its behalf) and as agreed with the Collateral Administrator)), which shall be accessible to any person who certifies to the Collateral Administrator (such certification to be substantially in the form set out in the Collateral Management and Administration Agreement or such other form as may be agreed between the Issuer, the Collateral Manager and the Collateral Administrator from time to time) (such certification may be given electronically and upon which certification the Collateral Administrator shall be entitled to rely absolutely and without enquiry or liability) that it is: (i) the Issuer, (ii) the Trustee (iii) the Collateral Manager, (iv) the Placement Agent, (v) a Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, (vi) a Rating Agency, (vii) a holder of a beneficial interest in any Note from time to time, (viii) a Competent Authority, or (ix) a potential investor in the Notes. It is not intended that such Monthly Reports and Payment Date Reports will be made available in any other format, save in limited circumstances with the Collateral Administrator's agreement. The Collateral Administrator's website does not form part of the information provided for the purposes of the offering circular relating to the Notes and disclaimers may be posted with respect to the information posted thereon.

The Issuer hereby agrees to be designated as the entity required to fulfil the reporting requirements of Article 7 of the Securitisation Regulation. The Issuer will assume all costs of complying with the reporting requirements under Article 7 of the Securitisation Regulation (including the properly incurred costs and expenses (including legal fees) of all parties incurred amending the Transaction Documents for this purpose) and, if applicable, shall reimburse each of the Collateral Manager and/or the Collateral Administrator for any such costs incurred by the Collateral Manager or the Collateral Administrator in connection with their assisting the Issuer with the preparation and/or filing of such information and reports required pursuant to the provisions of the Securitisation Regulation and the Irish STS Regulations, such costs to be paid as Administrative Expenses.

For the avoidance of doubt, to the extent the Collateral Administrator agrees to provide such information and reporting on behalf of the Issuer, the Collateral Administrator will not assume any statutory responsibility for the Issuer's obligations as the entity responsible for fulfilling the reporting obligations under the EU Retention and Transparency Requirements. In providing such information and reporting, the Collateral Administrator also assumes no responsibility or liability to any third party, including the Noteholders and potential Noteholders, and shall have the benefit of the powers, protections and indemnities granted to it under the Transaction Documents.

5. Covenants of and Restrictions on the Issuer

(a) Covenants of the Issuer

Unless otherwise provided in the Transaction Documents, the Issuer covenants to the Trustee on behalf of the holders of the Notes that, for so long as any Note remains Outstanding, the Issuer will:

(i) take such steps as are reasonable to enforce all its rights:

(A) under the Trust Deed;

(B) in respect of the Collateral;

(C) under the Agency Agreement;

(D) under the Collateral Management and Administration Agreement;

(E) under the Irish Security Agreement;

(F) under the Corporate Services Agreement;

(G) under the Collateral Acquisition Agreements;

(H) under the Risk Retention Letter; and

(I) under any Hedge Agreements.

(ii) comply with its obligations under the Notes, the Trust Deed, these Conditions, the Agency Agreement, the Collateral Management and Administration Agreement, the Irish Security Agreement and each other Transaction Document to which it is a party;

(iii) keep proper books and records at its registered office (and maintain the same separate from those of any other Person or entity);

(iv) at all times maintain its Accounts and its financial statements separate from the accounts and financial statements of any other Person or entity;

(v) at all times maintain an arm's-length relationship with its Affiliates (if any);

(vi) at all times maintain its tax residence only in Ireland and will not establish a branch, agency (and in this regard no account shall be taken of the activities which the Collateral Manager carries out on behalf of the Issuer pursuant to the Collateral Management and Administration Agreement irrespective of whether such activities constitute a permanent establishment or not, and for this purpose "permanent establishment" shall be construed pursuant to the meaning of permanent establishment in Article 5 of OECD Model Tax Convention on Income and Capital 2014) or place of business or register as a company outside of Ireland;

(vii) pay its debts generally as they fall due, subject to and in accordance with the Priorities of Payment;

(viii) do all such things as are necessary to maintain its corporate existence, to conduct its own business in its own name, to hold itself out as a separate entity and to correct any known misunderstanding regarding its separate identity;

(ix) use its best endeavours to obtain and maintain the listing and admission to trading on the Global Exchange Market of Euronext Dublin of the outstanding Notes of each Class. If, however, it is unable to do so, having used such endeavours, or if the maintenance of such listings are agreed by the Trustee to be unduly onerous and the Trustee is satisfied that the interests of the holders of the Outstanding Notes of each Class would not thereby be materially prejudiced, the Issuer will instead use all reasonable endeavours promptly to obtain and thereafter to maintain a listing for such Notes on such other stock exchange(s) as it may (with the approval of the Trustee) decide, provided that such other stock exchange is a recognised stock exchange for the purposes of Section 64 of the TCA and Section 1005 of the Income Tax Act 2007;

(x) supply such information to the Rating Agencies as they may reasonably request;

(xi) conduct its business and affairs in accordance with its Constitution from within Ireland such that, at all times:

(A) it shall maintain its registered office in Ireland;

(B) it shall maintain its central management and control and its place of effective management only in Ireland and in particular shall not be treated as being resident in any other jurisdiction under any double taxation treaties entered into by Ireland or otherwise;

(C) it shall ensure that all of its Directors are resident in Ireland for tax purposes, that they will exercise their control over the business of the Issuer independently and that all meetings of the Directors shall be held in Ireland and all the Directors (acting independently) shall exercise their authority only from and within Ireland by taking all major strategic decisions relating to the Issuer in Ireland pursuant to and in accordance with the Transaction Documents;

(D) it shall not open any office or branch or place of business outside of Ireland;

(E) it shall not knowingly take any action (save to the extent necessary for the Issuer to comply with its obligations under the Transaction Documents) which will cause its "centre of main interests" (within the meaning of the Insolvency Regulation) to be located in any jurisdiction other than Ireland and will not establish any offices, branches or other establishments (as defined in the Insolvency Regulation) or register as a company in any jurisdiction other than Ireland; and

(F) its tax residence is and remains at all times solely in Ireland for Irish tax purposes;

(xii) ensure an agent is appointed to assist in creating and maintaining the Issuer's website to enable the Rating Agencies to comply with Rule 17g-5;

(xiii) have its own stationery;

(xiv) have at least one Independent Director; and

(xv) notify the Principal Paying Agent, the Collateral Administrator and the Trustee of any reduction or withdrawal of any Rating Agency's rating of any of the Rated Notes known to the Issuer.

(b) Restrictions on the Issuer

For so long as any of the Notes remain Outstanding, save as contemplated in the Transaction Documents, the Issuer covenants to the holders of such Outstanding Notes that (to the extent applicable) it will not, without the prior written consent of the Trustee:

(i) sell, factor, discount, transfer, assign, lend or otherwise dispose of any of its right, title or interest in or to the Collateral, other than in accordance with the Collateral Management and Administration Agreement, nor will it create or permit to be outstanding any mortgage, pledge, lien, charge, encumbrance or other security interest over the Collateral except in accordance with the Trust Deed, the Conditions of the Notes or the Transaction Documents;

(ii) sell, factor, discount, transfer, assign, lend or otherwise dispose of, nor create or permit to be outstanding any mortgage, pledge, lien, charge, encumbrance or other security interest over, any of its other property or assets or any part thereof or interest therein other than in accordance with the Trust Deed, a Hedge Agreement, the Conditions of the Notes or the Transaction Documents;

(iii) engage in any business other than the holding or managing or both the holding and managing, in each case in Ireland, of "qualifying assets" within the meaning of Section 110 of the TCA and in connection therewith shall not engage in any business other than:

(A) acquiring and holding any property, assets or rights that are capable of being effectively 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 or the Irish Security Agreement;

(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 and Administration Agreement and each other Transaction Document to which it is a party, as applicable; or

(D) performing any act incidental to or necessary in connection with any of the above;

(iv) amend any term or Condition of the Notes of any Class (save in accordance with these Conditions and the Trust Deed);

(v) agree to any amendment to any provision of, or grant any waiver or consent under the Trust Deed, the Agency Agreement, the Collateral Management and Administration Agreement, the Corporate Services Agreement or any other Transaction Document to which it is a party;

(vi) guarantee or incur any indebtedness for borrowed money, other than in respect of:

(A) the Notes (including the issuance of additional Notes pursuant to Condition 17 (*Additional Issuances*)) or any document entered into in connection with the Notes or the sale thereof or any additional Notes or the sale thereof;

(B) any Refinancing; or

(C) as otherwise contemplated or permitted pursuant to the Trust Deed, the Irish Security Agreement or the Collateral Management and Administration Agreement;

(vii) amend the name or the Constitution of the Issuer;

(viii) have any subsidiaries or establish any offices, branches or other "establishment" (as that term is used in article 2(10) of the Insolvency Regulation outside of Ireland;

(ix) have any employees (for the avoidance of doubt, the Directors do not constitute employees);

(x) enter into any reconstruction, amalgamation, merger or consolidation;

(xi) convey or transfer all or a substantial part of its properties or assets (in one or a series of transactions) to any person, otherwise than as contemplated in these Conditions;

(xii) issue any shares (other than such share in issue as at the Issue Date) nor redeem or purchase any of its issued share capital;

(xiii) enter into any material agreement or contract with any Person (other than an agreement on customary market terms which for the avoidance of doubt will include agreements to buy and sell obligations and documentation relating to restructurings (including steering committee indemnity letters), which terms do not contain the provisions below) unless such contract or agreement contains "limited recourse" and "non-petition" provisions and such Person agrees that, prior to the date that is 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 and Administration Agreement (including, in each case, any transactions entered into thereunder) or, in each case, from any executory obligation thereunder;

(xv) enter into any lease in respect of, or own, premises;

(xvi) act as an entity that issues notes to investors and uses the proceeds to grant new loans on its own account, but rather purchases loans from another lender;

(xvii) acquire any Collateral Obligations of its shareholders; or

(xviii) take any action, or permit any action to be taken, which would cause the Issuer to cease to be a "qualifying company" within the meaning of Section 110 of the TCA.

6. Interest

(a) Payment Dates

(i) Rated Notes

The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes each bear interest from (and including) the Issue Date and such interest will be payable:

(A) in the case of interest accrued during the initial Accrual Period, for the period from (and including) the Issue Date to (but excluding) the Payment Date falling on or about 20 October 2020;

(B) in respect of each six month Accrual Period, semi-annually; and

(C) in respect of each three month Accrual Period, quarterly,

in each case in arrear on such Payment Date.

(ii) Subordinated Notes

Interest shall be payable on the Subordinated Notes to the extent funds are available in accordance with paragraph (BB) of the Interest Proceeds Priority of Payments, paragraph (R) of the Principal Proceeds Priority of Payments and paragraph (X) of the Post-Acceleration Priority of Payments on each Payment Date and shall continue to be payable in accordance with this Condition 6 (*Interest*) notwithstanding redemption in full of any Subordinated Note at its applicable Redemption Price.

Notwithstanding any other provision of these Conditions or the Trust Deed, all references herein and therein to the Subordinated Notes being redeemed in full or at their Principal Amount Outstanding shall be deemed to be amended to the extent required to ensure that a minimum of €1 principal amount of each such Class of 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 Payment on such Payment Date.

(b) Interest Accrual

(i) Rated Notes

Each Rated Note (or, as the case may be, the relevant part thereof due to be redeemed) will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused. In such event, it shall continue to bear interest in accordance with this Condition 6 (*Interest*) (both before and after judgment) until whichever is the earlier of:

(A) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder; and

(B) the day following seven calendar days after the Trustee or the Principal Paying Agent has notified the Noteholders of such Class of Notes in accordance with Condition 16 (*Notices*) of receipt of all sums due in respect of all the Notes of such Class up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

(ii) Subordinated Notes

Payments on the Subordinated Notes will cease to be payable in respect of each Subordinated Note upon the date that all of the Collateral has been realised and no Interest Proceeds or Principal Proceeds or, where applicable, other net proceeds of enforcement of the security over the Collateral remain available for distribution in accordance with the Priorities of Payment.

(c) Deferral of Interest

(i) Deferred Interest

The Issuer shall, and shall only be obliged to, pay any Interest Amount payable in respect of the Class C Notes, the Class D Notes and the Class E Notes in full on any Payment Date, in each case to the extent that there are Interest Proceeds or Principal Proceeds available for payment thereof in accordance with the Priorities of Payment.

In the case of the Class C Notes, the Class D Notes or the Class E Notes, an amount of interest equal to any shortfall in payment of the Interest Amount which would, but for the first paragraph of this Condition 6(c)(i) (*Deferred Interest*) otherwise be due and payable in respect of such Class of Notes on any Payment Date (each such amount being referred to as "**Deferred Interest**") will not be payable on such Payment Date, but will be added to the principal amount of the Class C Notes, the Class D Notes or the Class E 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 or the Class E Notes, as applicable, will not be an Event of Default until the Maturity Date or any earlier date on which the Notes are to be repaid or redeemed in full. Interest will cease to accrue on each Note, or in the case of a partial repayment, on such part, from the date of repayment or the Maturity Date or early redemption date unless payment of principal is improperly withheld or unless default is otherwise made with respect to such payment of principal.

(ii) Non-payment of Interest

Non-payment of interest on the Class A Notes or the Class B Notes, subject to Condition 3(c)(i)10(a)(i) (*Non-payment of interest*), constitute an Event of Default following the expiry of the five Business Days grace period (or ten Business Days due to an administrative error or omission) in accordance with Condition 10 (*Events of Default*).

(d) Payment of Deferred Interest

Deferred Interest in respect of any Class C Note, Class D Note or Class E Note shall only become payable by the Issuer in accordance with respectively, paragraphs (K), (N) and (Q) of the Interest Proceeds Priority of Payments, paragraphs (D), (G) and (J) of the Principal Proceeds Priority of Payments and paragraphs (K), (N) and (Q) of the Post-Acceleration Priority of Payments and under the Note Payment Sequence in each place specified in the Priorities of Payment, to the extent that Interest Proceeds or Principal Proceeds, as applicable, are available to make such payment in accordance with the Priorities of Payment (and, if applicable, the Note Payment Sequence). For the avoidance of doubt, Deferred Interest on the Class C Notes, the Class D Notes and/or the Class E Notes, as applicable will be added to the principal amount of the Class C Notes, the Class D Notes and/or the Class E Notes. An amount equal to any such Deferred Interest so paid shall be subtracted from the principal amount of the Class C Notes, the Class D Notes and/or the Class E Notes as applicable.

(e) Interest on the Rated Notes

(i) Floating Rate of Interest

The rate of interest from time to time in respect of the Class A Notes (the "**Class A 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 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 3 and 6 month EURIBOR;

(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 the offered rate for three month EURIBOR; and

(3) (i) 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 EURIBOR, or (ii) in the case of the Accrual Period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date, if such first mentioned Payment Date falls on or about 20 April 2031, the Calculation Agent will determine the offered rate for three month EURIBOR,

in each case, as at 11.00 am (Brussels time) on the Interest Determination Date in question. Such offered rate will be that which appears on the display designated on the Bloomberg Screen "BTMM EU" Page (or such other page or service as may replace it for the purpose of displaying EURIBOR rates). The Class A Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest and the Class E Floating Rate of Interest for such Accrual Period shall be the aggregate of the Applicable Margin (as defined below) in respect of (i) the initial Accrual Period, the rate referred to in paragraph (1) above ; and (ii) each six month Accrual Period, the rate referred to in paragraph (3)(i) above; and (iii) each three month Accrual Period, the rate referred to in paragraph (2) or (3)(ii) 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 (selected by the Issuer or the Collateral Manager on behalf of the Issuer subject to this Condition 6(e)(i)(B)) acting in each case through its principal Euro zone office (the "**Reference Banks**") to provide the Calculation Agent with its offered quotation to leading banks for Euro deposits in the Euro zone interbank market:

(1) in the case of the initial Accrual Period, a straight line interpolation of the offered rate for 3 and 6 month EURIBOR;

(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, for a period of 3 months; and

(3) (i) in respect of each Interest Determination Date following the occurrence of a Frequency Switch Event, for a period of six months or, (ii) in the case of the Accrual Period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date, if such first mentioned Payment Date falls on or about 20 April 2031, for a period of three months,

in each case as at 11.00 a.m. (Brussels time) on the Interest Determination Date in question. The Class A Floating Rate of Interest, the Class B-1 Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest and the Class E Floating Rate of Interest for such Accrual Period, shall be the aggregate of the Applicable Margin (if any) and the arithmetic mean, in each case, (rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with 0.000005 being rounded upwards)) of, in respect of (i) the initial Accrual Period; the quotations referred to in paragraph (1) above ; and (ii) each six month Accrual Period, the quotations referred to in paragraph (3)(i) above; and (iii) each three month Accrual Period, the quotations referred to in paragraph (2) or (3))(ii) 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 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 and the Class E Floating Rate of Interest, respectively, for the next Accrual Period shall be the Class A 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 and the Class E Floating Rate of Interest, in each case in effect as at the immediately preceding Accrual Period; provided 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 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 and the Class E Floating Rate of Interest, respectively, shall be determined by reference to the most recent offered rate for three month Euro deposits obtainable by the Calculation Agent.

(D) Where:

"**Applicable Margin**" means:

(1) in the case of the Class A Notes: 1.86 per cent. *per annum*;

(2) in the case of the Class B-1 Notes: 2.34 per cent. *per annum*;

(3) in the case of the Class C Notes: 3.00 per cent. *per annum*;

(4) in the case of the Class D Notes: 4.70 per cent. *per annum*; and

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

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

(ii) Determination of Floating Rate of Interest and Calculation of Interest Amount

The Calculation Agent will, as soon as practicable after 11.00 a.m. (Brussels time) on each Interest Determination Date, but in no event later than the Business Day after such date, determine the Class A 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 and the Class E Floating Rate of Interest and calculate the interest amount payable in respect of original principal amounts of the Class A Notes, Class B-1 Notes, Class C Notes, Class D Notes and the Class E Notes for the relevant Accrual Period. The amount of interest (the "**Interest Amount**") payable shall be calculated by applying the Class A Floating Rate of Interest in the case of the Class A 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 and the Class E Floating Rate of Interest in the case of the Class E Notes, respectively, to an amount equal to the Principal Amount Outstanding, multiplying the product by the actual number of days in the Accrual Period concerned, divided by 360 and rounding the resultant figure to the nearest €0.01 (€0.005 being rounded upwards).

Where paragraph (B) of Condition 6(e)(i) (*Floating Rate of Interest*) applies, any test or calculation required to be made in accordance with the Trust Deed, the Collateral Management and Administration Agreement or any other Transaction Document: (i) where such test or calculation requires a determination of a Floating Rate of Interest, and (ii) the date of such test or calculation falls in between two Interest Determination Dates, the applicable offered rate shall be the offered rate which was applicable as of the previous Interest Determination Date.

(iii) Reference Banks and Calculation Agent

The Issuer will procure that, so long as any Class A Note, Class B-1 Note, Class C Note, Class D Note or Class E Note remains Outstanding:

(A) a Calculation Agent shall be appointed and maintained for the purposes of determining the interest rate and interest amount payable in respect of the Notes; and

(B) if the Class A 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 and the Class E Floating Rate of Interest are to be calculated by Reference Banks pursuant to paragraph (B) of Condition 6(e)(i) (*Floating Rate of Interest*), that the number of Reference Banks required pursuant to such paragraph (B) are appointed by the Issuer and that the Calculation Agent has been provided with contact details for each such Reference Bank.

If the Calculation Agent is unable or unwilling to continue to act as the Calculation Agent for the purpose of calculating interest hereunder or fails duly to establish any Floating Rate of Interest for any Accrual Period, or to calculate the Interest Amount on any Class of Rated Notes, the Issuer shall (with the prior approval of the Trustee) appoint some other leading bank to act as such in its place. The resignation of the Calculation Agent shall not be effective until such time as a successor has been appointed.

(f) Interest on the Fixed Rate Notes

The Calculation Agent will, as soon as practicable after 11.00 am (Brussels time) on each Interest Determination Date, but in no event later than the Business Day after such date, calculate the amount of interest (an "**Interest Amount**") payable in respect of the Class B-2 Notes for the relevant Accrual Period by applying the Class B-2 Fixed Rate, to an amount equal to the Principal Amount Outstanding, *multiplying* the product by the actual 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 B-2 Fixed Rate**" means 2.90 per cent. per annum.

(g) Proceeds in respect of Subordinated Notes

Solely in respect of Subordinated Notes, the Collateral Administrator will on each Determination Date calculate the Interest Proceeds and/or Principal Proceeds payable to the extent of available funds for the relevant Accrual Period considering the amount of Interest Proceeds and/or Principal Proceeds to be applied on the Subordinated Notes on the applicable Payment Date pursuant to the relevant Priorities of Payment.

(h) Publication of Floating Rates of Interest, Interest Amounts and Deferred Interest

The Calculation Agent will, at the cost of the Issuer (such cost being an Administrative Expense), cause the Class A 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 and the Class E Floating Rate of Interest and the Interest Amounts payable in respect of each Class of Rated Notes, the amount of any Deferred Interest due but not paid on any Class C Notes, Class D Notes or Class E Notes for each Accrual Period and Payment Date, the occurrence of a Frequency Switch Event on any Frequency Switch Measurement 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 Global Exchange Market of Euronext Dublin, Euronext Dublin as soon as possible after their determination but in no event later than the fourth Business Day thereafter, and the Principal Paying Agent shall cause each such rate, amount and date to be notified to the Noteholders of each Class in accordance with Condition 16 (*Notices*) as soon as possible following notification to the Principal Paying Agent but in no event later than the third Business Day after such notification. The Interest Amounts in respect of the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C Notes, the Class D Notes and the Class E Notes or the Payment Date in respect of any Class of Notes so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice if an extension or shortening of the Accrual Period occurs. If the Notes become due and payable under Condition 10 (*Events of Default*), interest shall nevertheless continue to be calculated as previously by the Calculation Agent in accordance with this Condition 6 (*Interest*) but no publication of the applicable Interest Amounts shall be made unless the Trustee so determines.

(i) Notifications, etc. to be Final

All notifications, opinions, determinations, certificates, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6 (*Interest*), whether by the Reference Banks (or any of them) or the Calculation Agent, will (in the absence of manifest error) be binding on the Issuer, the Reference Banks, the Calculation Agent, the Trustee, the Registrar, the Principal Paying Agent, the Transfer Agent and all Noteholders and (in the absence of the negligence, wilful misconduct or fraud of the Reference Banks or the Calculation Agent, as applicable) no liability to the Issuer or the Noteholders of any Class shall attach to the Reference Banks or the Calculation Agent in connection with the exercise or non-exercise or delay in exercising by them of their powers, duties and discretions under this Condition 6(i) (*Notifications, etc. to be Final*).

7. Redemption and Purchase

(a) Final Redemption

Save to the extent previously redeemed in full and cancelled, the Notes of each Class will be redeemed on the Maturity Date of such Notes. In the case of a redemption pursuant to this Condition 7(a) (*Final Redemption*), the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E 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 (R) 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

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*), Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*), and Condition 7(b)(vi) (*Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only*), the Rated Notes may be redeemed in whole but not in part by the Issuer at the applicable Redemption Prices, from Sale Proceeds or (solely in the case of a redemption at the direction of the Subordinated Noteholders in accordance with (A) or (B) below) any Refinancing Proceeds (or a combination thereof):

(A) on any Business Day falling on or after expiry of the Non-Call Period at the direction of the Subordinated Noteholders acting by Ordinary Resolution, as evidenced by duly completed Redemption Notices); or

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

(ii) Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*), and Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*), the Rated Notes of any Class may be redeemed by the Issuer at the applicable Redemption Prices, from Refinancing Proceeds (in accordance with Condition 7(b)(v) below) ((*Optional Redemption effected in whole or in part through Refinancing*)) on any Business Day falling on or after expiry of the Non-Call Period at the written direction of the Subordinated Noteholders acting by Ordinary Resolution (as evidenced by duly completed Redemption Notices) subject to the consent of the Collateral Manager.

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)(vi) (*Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only*), the Rated Notes may be redeemed in whole but not in part by the Issuer, at the applicable Redemption Prices, from Sale Proceeds on any Payment Date falling on or after expiry of the Non-Call Period if, upon or at any time following the expiry of the Non-Call Period, the Aggregate Collateral Balance is less than 15 per cent. of the Target Par Amount and if directed in writing by the Collateral Manager (on behalf of the Issuer).

(iv) Terms and Conditions of an Optional Redemption

In connection with any Optional Redemption:

(A) the Issuer shall procure that at least thirty calendar days' prior written notice of such Optional Redemption (which notice shall state that any Optional Redemption is subject to satisfaction of the conditions in this Condition 7(b) (*Optional Redemption*)), including the applicable Redemption Date, and the relevant Redemption Price therefor, is given to the Trustee, the Collateral Administrator, each Hedge Counterparty and the Noteholders in accordance with Condition 16 (*Notices*);

(B) the Rated Notes to be redeemed shall be redeemed at their applicable Redemption Prices (subject, in the case of an Optional Redemption of the Rated Notes in whole, to the right of holders of 100 per cent. of the aggregate Principal Amount Outstanding of any Class of Rated Notes to elect to receive less than 100 per cent. of the Redemption Price that would otherwise be payable to the holders of such Class of Rated Notes). Such right shall be exercised by delivery by each holder of the relevant Class of Rated Notes of a written direction confirming such holder's election to receive less than 100 per cent. of the Redemption Price that would otherwise be payable to it, together with evidence of their holding to the Issuer and the Collateral Manager no later than thirty days (or such shorter period of time as may be agreed by the Collateral Manager, acting reasonably) prior to the relevant Redemption Date (and for the avoidance of doubt the Trustee shall be entitled to rely on confirmation from the Issuer or the Collateral Manager that such election has been made without enquiry or liability);

(C) the Collateral Manager shall have no right or other ability to prevent an Optional Redemption directed by the Subordinated Noteholders in accordance with this Condition 7(b) (*Optional Redemption*) other than as expressly contemplated in Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*);

(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*) may be effected from Refinancing Proceeds in accordance with Condition 7(b)(v) below (*Optional Redemption effected in whole or in part through Refinancing*).

(v) Optional Redemption effected in whole or in part through Refinancing

Following either (A) receipt of, or as the case may be, confirmation from the Transfer Agent or Principal Paying Agent of receipt of a written direction from the Subordinated Noteholders (acting by way of Ordinary Resolution) to exercise any right of optional redemption pursuant to Condition 7(b)(i) (*Optional Redemption in Whole – Subordinated Noteholders*); or (B) receipt of, or as the case may be, confirmation from the Transfer Agent or Principal Paying Agent of receipt of a written direction from the Subordinated Noteholders (acting by way of Ordinary Resolution) to exercise any right of optional redemption pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*) along with the written consent of the Collateral Manager, the Issuer may:

(1) 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*):

(a) enter into a loan (as borrower thereunder) with one or more financial institutions; or

(b) issue replacement notes; and

(2) in the case of a redemption of an entire Class or Classes of Rated Notes (but not of all Classes of Rated Notes) in accordance with Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*) 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**"). Each Refinancing is required to satisfy the conditions described in this Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

Refinancing Proceeds may be applied in addition to (or in place of) Sale Proceeds in the redemption of the Rated Notes in whole pursuant to Condition 7(b)(i) (*Optional Redemption in Whole – Subordinated Noteholders*). In addition, Refinancing Proceeds must be applied in the redemption of the Rated Notes in part by Class pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*). In connection with a Refinancing pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*), the Collateral Manager may designate Principal Proceeds as Interest Proceeds in an amount not to exceed the Excess Par Amount provided that (A) the Reinvestment Overcollateralisation Test and each of the Collateral Quality Tests are satisfied as of the date such Refinancing is completed and (B) the Collateral Manager shall give notice to each Rating Agency of such designated amount.

(A) Refinancing in relation to a Redemption in Whole

In the case of a Refinancing in relation to the redemption of all of the Rated Notes in whole but not in part pursuant to Condition 7(b)(i) (*Optional Redemption in Whole – Subordinated Noteholders*) as described above, such Refinancing will be effective only if:

(1) the Issuer provides prior written notice thereof to the Rating Agencies;

(2) all Refinancing Proceeds, all Sale Proceeds, if any, from the sale of Collateral Obligations and Eligible Investments and all other available funds will be at least sufficient to pay any Refinancing Costs, (including, for the avoidance of doubt, any Trustee Fees and Expenses that are Refinancing Costs and any Administrative Expenses that are 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 and the Class E Notes) and all amounts payable in priority thereto pursuant to the Priorities of Payment (subject to any election to receive less than 100 per cent. of Redemption Price) on such Redemption Date when applied in accordance with the Post-Acceleration Priority of Payments;

(3) all Principal Proceeds, Refinancing Proceeds, Sale Proceeds, if any, and other available funds are used (to the extent necessary) to make such redemption;

(4) each agreement entered into by the Issuer in respect of such Refinancing contains limited recourse and non-petition provisions substantially the same as those contained in the Trust Deed; and

(5) all Refinancing Proceeds and all Sale Proceeds, if any, from the sale of Collateral Obligations and Eligible Investments, are received by (or on behalf of) the Issuer on or prior to the applicable Redemption Date,

in each case, as certified to the Issuer and the Trustee (upon which certificate the Trustee may rely absolutely and without any liability or enquiry) by the Collateral Manager.

(B) Refinancing in relation to a Redemption in Part

In the case of a Refinancing in relation to a redemption of the Rated Notes in part by Class pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*), such Refinancing will be effective only if:

(1) the Issuer provides prior written notice thereof to the Rating Agencies;

(2) the Refinancing Obligations are in the form of notes;

(3) any redemption of a Class of Notes is a redemption of the entire Class which is subject to the redemption;

(4) the sum of (A) the Refinancing Proceeds and (B) the Partial Redemption Interest Proceeds will be at least sufficient to pay in full:

   (a) the aggregate Redemption Prices of the entire Class or Classes of Rated Notes subject to the Optional Redemption; plus

   (b) all accrued and unpaid Trustee Fees and Expenses and Administrative Expenses in connection with such Refinancing;

(5) the Refinancing Proceeds are used (to the extent necessary) to make such redemption;

(6) each agreement entered into by the Issuer in respect of such Refinancing contains limited recourse and non-petition provisions substantially the same as those contained in the Trust Deed;

(7) the Refinancing Proceeds and Partial Redemption Interest Proceeds are applied in accordance with the Partial Redemption Priority of Payments;

(8) the aggregate principal amount of the Refinancing Obligations for each Class is equal to the aggregate Principal Amount Outstanding of the Class or Classes of Notes being redeemed with the Refinancing Proceeds and the Partial Redemption Interest 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 interest rate of any Refinancing Obligations will not be greater than the interest rate of the Rated Notes subject to such Optional Redemption;

(11) payments in respect of the Refinancing Obligations are subject to the Priorities of Payment and rank at the same priority pursuant to the Priorities of Payment as the relevant Class or Classes of Rated Notes being redeemed;

(12) the voting rights, consent rights, redemption rights (other than any modification to remove the right of the Subordinated Noteholders or any other party to direct the Issuer to redeem by refinancing the Refinancing Obligations) and all other rights of the Refinancing Obligations are the same as the rights of the corresponding Class of Rated Notes being redeemed; provided that, for the avoidance of doubt, the proportions of Refinancing Obligations issued in the form of "non-voting notes", "non-voting exchangeable notes", and "voting notes" in each case pursuant to these Conditions and the Trust Deed, may differ from the proportions of such types of Note applicable to the corresponding Class of Rated Notes being redeemed;

(13) all Refinancing Proceeds are received by (or on behalf of) the Issuer on or prior to the applicable Redemption Date; and

(14) if the Partial Redemption Date is not otherwise a Payment Date, the Collateral Manager reasonably determines that Interest Proceeds will be available on the next following Payment Date in an amount at least equal to the sum of the amount that will be required for distribution under the Interest Proceeds Priority of Payments for the payment of all Trustee Fees and Expenses and Administrative Expenses on the next following Payment Date;

(15) a Class of Fixed Rate Notes may not be refinanced into a Class of Floating Rate Notes; and

(16) a Class of Floating Rate Notes may not be refinanced into a Class of Fixed Rate Notes,

in each case, as certified to the Issuer and the Trustee (upon which certificate the Trustee may rely without enquiry or liability) by the Collateral Manager.

If, in relation to a proposed optional redemption of the Notes (whether in whole or in part, as applicable), any of the relevant conditions specified in this Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) are not satisfied, the Issuer shall cancel the relevant redemption of the Notes and shall give notice of such cancellation to the Trustee, the Collateral Manager and the Noteholders in accordance with Condition 16 (*Notices*). Any such cancellation shall not constitute an Event of Default.

None of the Issuer, the Collateral Manager, the Collateral Administrator or the Trustee shall be liable to any party, including the Subordinated Noteholders, for any failure to obtain a Refinancing.

(C) Consequential Amendments

In connection with a Refinancing, the Trustee shall agree to the modification of the Trust Deed (including these Conditions) and the other Transaction Documents required by the Issuer or the Collateral Manager on its behalf to the extent that the Issuer (or the Collateral Manager on its behalf) certifies (upon which certification the Trustee may rely absolutely and without enquiry or liability) that such modification is necessary to reflect the terms of the Refinancing as approved by the Subordinated Noteholders (acting by Ordinary Resolution)_(including any modification to remove the right of the Subordinated Noteholders or any other party to direct the Issuer to redeem by refinancing the Refinancing Obligations), subject as provided below. No further consent for such amendments shall be required from the holders of Notes.

The Trustee will not be obliged to enter into any modification that, in the opinion of the Trustee, would have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the rights, powers, authorisations, discretions, indemnities and protections, of the Trustee in respect of the Transaction Documents, and the Trustee will be entitled to conclusively rely without enquiry or liability upon an officer's certificate and/or opinion of counsel as to matters of law (which may be supported as to factual (including financial and capital markets) matters by any relevant certificates and other documents necessary or advisable in the judgment of counsel delivering such opinion of counsel) provided by the Issuer or any other party to any Transaction Document to the effect that such amendment meets the requirements specified above and is permitted under the Trust Deed (including these Conditions) without the consent of the holders of the Notes (except that such officer or counsel will have no obligation to certify or opine as to the sufficiency of the Refinancing Proceeds).

(vi) Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only

Following receipt of notice from the Issuer or, as the case may be, of confirmation from the Transfer Agent or Principal Paying Agent of:

(A) a direction in writing from the requisite percentage of Subordinated Noteholders (in the case of Condition 7(b)(i) (*Optional Redemption in Whole – Subordinated Noteholders*) or Condition 7(g) (*Redemption following Note Tax Event*));

(B) a direction in writing from the requisite percentage of the Controlling Class (in the case of Condition 7(g) (*Redemption following Note Tax Event*)); or

(C) a direction in writing from the Collateral Manager (in the case of a Condition 7(b)(iii) (*Optional Redemption in Whole – Collateral Manager Clean-up Call*)),

as the case may be, to exercise any right of optional redemption pursuant to this Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*) to be effected solely through the liquidation or realisation of the Collateral, the Collateral Administrator shall, as soon as practicable, and in any event not later than 15 Business Days prior to the scheduled Redemption Date (the "**Redemption Determination Date**"), provided that the Collateral Administrator has received such notice or confirmation at least twenty Business Days prior to the scheduled Redemption Date, calculate the Redemption Threshold Amount in consultation with the Collateral Manager.

The Notes shall not be optionally redeemed where such Optional Redemption is to be effected solely through the liquidation or realisation of the Portfolio unless all of the following conditions are satisfied:

(1) At least five Business Days before the scheduled Redemption Date the Collateral Manager shall have furnished to the Trustee a certificate (upon which certificate the Trustee may rely absolutely and without enquiry or liability) signed by an officer of the Collateral Manager that the Collateral Manager on behalf of the Issuer has entered into a binding agreement or agreements with a financial or other institution or institutions which:

(a) either:

(i) has a long-term issuer credit rating of at least "A" (in the case of a financial institution) or "A+" (in the case of a non-financial institution) by Fitch or, if it does not have a long-term issuer credit rating by Fitch, a short-term issuer credit rating of at least "F1" by Fitch; or

(ii) in respect of which a Rating Agency Confirmation from Fitch and KBRA Confirmation has been obtained; and

(b) either:

(i) has a long-term issuer credit rating of at least "A" by S&P provided that it has a short-term issuer credit rating of at least "A-1" by S&P or, if it does not have such a short-term issuer credit rating, a long-term issuer credit rating of at least "A+" by S&P; or

(ii) in respect of which Rating Agency Confirmation from S&P and KBRA Confirmation has been obtained,

to purchase (directly or by participation or other arrangement) from the Issuer, not later than the Business Day immediately preceding the scheduled Redemption Date in immediately available funds, all or part of the Portfolio at a purchase price at least sufficient, together with the Eligible Investments maturing, redeemable or put-able to the issuer thereof at par on or prior to the scheduled Redemption Date 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.

(2) (a) Prior to selling any Collateral Obligations and/or Eligible Investments, the Collateral Manager certifies to the Trustee (upon which certificate the Trustee may rely absolutely and without enquiry or liability) that, in its judgment, the aggregate sum of:

(i) expected proceeds from the sale of Eligible Investments; and

(ii) for each Collateral Obligation, the product of its Principal Balance and its Market Value, and

(iii) (without duplication) amounts standing to the credit of the Accounts which would be applied in accordance with the Post-Acceleration Priority of Payments if the Notes fell due for redemption in full on such Redemption Date, and

shall be at least sufficient to meet the Redemption Threshold Amount; and

(b) no later than the Business Day before the scheduled Redemption Date, the Issuer shall have received proceeds of disposition of all or part of the Portfolio at least sufficient to meet the Redemption Threshold Amount.

(3) At least three Business Days prior to the scheduled Redemption Date, the Collateral Administrator (on behalf of the Issuer) shall give notice to the Trustee in writing of the amount of all expenses that have been or will be incurred by the Issuer up to and including the scheduled Redemption Date in effecting such liquidation or realisation (to the extent such amounts are ascertainable by the Collateral Administrator or have been provided to the Collateral Administrator by the Issuer or any Secured Party).

(4) Any certification delivered by the Collateral Manager pursuant to this section must include:

(a) the prices of, and expected proceeds from, the sale (directly or by participation or other arrangement) of any Collateral Obligations and/or Eligible Investments;

(b) details of the amounts standing to the credit of the Accounts that will be available to be applied in accordance with the Priorities of Payment; and

(c) all calculations required by this Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*) (as applicable).

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 for Collateral Obligations to be sold as part of an Optional Redemption pursuant to this Condition 7(b)(vi) (*Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only*).

The Trustee shall be entitled to rely conclusively and without enquiry or liability on any evidence, confirmation or certificate of, or formalised by, the Collateral Manager furnished by it pursuant to or in connection with this Condition 7(b)(vi) (*Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only*).

If either of the conditions (1) or (2) above is not satisfied, the Issuer shall cancel the redemption of the Notes and shall give notice of such cancellation to the Trustee, the Collateral Manager and the Noteholders in accordance with Condition 16 (*Notices*). Such cancellation shall not constitute an Event of Default.

(vii) 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 and Administration Agreement and shall notify the Issuer, the Trustee, the Collateral Manager and the Registrar, whereupon the Registrar (using a notice prepared by the Issuer and at the cost of the Issuer) 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 Subordinated Noteholders or the Controlling Class pursuant to Condition 7(g) (*Redemption following Note Tax Event*) shall be effected by delivery to a Transfer Agent, by the requisite amount of Subordinated Noteholders or the requisite amount of Notes comprising the Controlling Class (as applicable) held thereby together with duly completed Redemption Notices not less than thirty calendar days prior to the applicable Redemption Date. No Redemption Notice, Subordinated Note or Notes comprising the Controlling Class so delivered or any direction given by the 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 and, if applicable, the Collateral Manager. Notwithstanding anything else in Condition 7 (*Redemption and Purchase*), where a right of Optional Redemption is exercised by way of Ordinary Resolution or an Extraordinary Resolution of a meeting of the Subordinated Noteholders or the Controlling Class (as applicable), no separate Redemption Notice will be required to be issued in connection therewith and for the purposes of this Condition 7 (*Redemption and Purchase*) any such resolutions shall be deemed to be Redemption Notices.

The Collateral Manager shall notify the Issuer, the Trustee, the Collateral Administrator, each Hedge Counterparty and the Principal Paying Agent in writing upon satisfaction of all of the conditions set out in this Condition 7(b) (*Optional Redemption*) and shall arrange for liquidation and/or realisation of the Portfolio in whole or in part as necessary, on behalf of the Issuer in accordance with the Collateral Management and Administration Agreement. The Issuer shall deposit, or cause to be deposited, the funds required for an optional redemption of the Notes in accordance with this Condition 7(b) (*Optional Redemption*) in the Payment Account on or before the Business Day prior to the applicable Redemption Date or, in the case of a Refinancing, on or prior to the applicable Redemption Date. Principal Proceeds and Interest Proceeds received in connection with a redemption in whole of all the Rated Notes shall be payable in accordance with the Post-Acceleration Priority of Payments. Any redemption in whole of a Class of Rated Notes (other than a redemption in whole of all Classes of Rated Notes) shall be paid to the holders of such Class of Notes in accordance with the Priorities of Payment.

(viii) Optional Redemption of Subordinated Notes

The Subordinated Notes may be redeemed in whole or in part in aggregate at their Redemption Price on any Business Day on or after the redemption or repayment in full of the Rated Notes, at the direction of:

(A) the Subordinated Noteholders (acting by Ordinary Resolution); or

(B) 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 or 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 following the Effective 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 Payment (including payment of all prior ranking amounts) until each such Class A/B Coverage Test is satisfied if recalculated following such redemption.

(ii) Class C Notes

If the Class C Par Value Test is not met on any Determination Date on or after the Effective Date or if the Class C Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date following the Effective 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 Payment (including payment of all prior ranking amounts) until each such Class C Coverage Test is satisfied if recalculated following such redemption.

(iii) Class D Notes

If the Class D Par Value Test is not met on any Determination Date on or after the Effective Date or if the Class D Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date following the Effective Date or any Determination Date thereafter, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payment (including payment of all prior ranking amounts) until each such Class D Coverage Test is satisfied if recalculated following such redemption.

(iv) Class E Notes

If the Class E Par Value Test is not met on any Determination Date on or after the expiry of the Reinvestment Period, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payment (including payment of all prior ranking amounts) until the Class E Par Value Test is satisfied if recalculated following such redemption.

(d) Special Redemption

Principal payments on the Notes shall be made in accordance with the Principal Proceeds Priority of Payments at the sole and absolute discretion of the Collateral Manager (acting on behalf of the Issuer) if, at any time during the Reinvestment Period, the Collateral Manager (acting on behalf of the Issuer) certifies to (upon which certification the Trustee may rely without enquiry or liability) the Trustee that using reasonable endeavours it has been unable, for a period of 20 consecutive Business Days, to identify additional Collateral Obligations or Substitute Collateral Obligations that are deemed appropriate by the Collateral Manager (acting on behalf of the Issuer) in its discretion which meet the Eligibility Criteria or, to the extent applicable, the Reinvestment Criteria, in sufficient amounts to permit the investment or reinvestment of all or a portion of the funds then in the Principal Account that are to be invested in additional Collateral Obligations or Substitute Collateral Obligations (a "**Special Redemption**"). On the first Payment Date following the Due Period in which such certification is given (a "**Special Redemption Date**"), the funds in the Principal Account representing Principal Proceeds which, using reasonable endeavours, cannot be reinvested in additional Collateral Obligations or Substitute Collateral Obligations (the "**Special Redemption Amount**") will be applied in accordance with paragraph (M) of the Principal Proceeds Priority of Payments. Notice of payments pursuant to this Condition 7(d) (*Special Redemption*) shall be given by the Issuer in accordance with Condition 16 (*Notices*) not less than three Business Days prior to the applicable Special Redemption Date to each Noteholder and to each Rating Agency. For the avoidance of doubt, the exercise of a Special Redemption shall be at the sole and absolute discretion of the Collateral Manager (acting on behalf of the Issuer) and the Collateral Manager shall be under no obligation to, or have any responsibility to, any Noteholder or any other person for the exercise or non-exercise (as applicable) of such Special Redemption.

(e) Redemption upon Effective Date Rating Event

If as at the Business Day prior to the Payment Date following the Effective Date, an Effective Date Rating Event has occurred and is continuing, the Rated Notes shall be redeemed in accordance with the Note Payment Sequence on such Payment Date and thereafter on each Payment Date (to the extent required) out of Interest Proceeds and thereafter out of Principal Proceeds subject to the Priorities of Payment, in each case, until redeemed in full or, if earlier, until an Effective Date Rating Event is no longer continuing.

(f) Redemption Following Expiry of the Reinvestment Period

Following expiry of the Reinvestment Period, the Issuer shall, on each Payment Date occurring thereafter, apply Principal Proceeds transferred to the Payment Account immediately prior to the related Payment Date in redemption of the Notes at their applicable Redemption Prices in accordance with the Priorities of Payment.

(g) Redemption following Note Tax Event

If a Note Tax Event occurs, the Issuer shall, subject to and in accordance with the terms of the Trust Deed, use all reasonable efforts to cure that Note Tax Event (which may include changing the territory in which it is resident for tax purposes to another jurisdiction which, at the time of such change, would not give rise to a Note Tax Event). Upon the earlier of:

(i) the date upon which the Issuer certifies (upon which certification the Trustee may rely without enquiry or liability) to the Trustee and the Noteholders that it is not able to cure the Note Tax Event; and

(ii) the date which is ninety calendar days from the date upon which the Issuer first becomes aware of such Note Tax Event (provided that such ninety calendar day period shall be extended by a further ninety calendar days if during the former period the Issuer has notified (or procured the notification of) the Trustee and the Noteholders (in accordance with Condition 16 (*Notices*)) that, based on advice received by it, it expects that it shall have cured the Note Tax Event by the end of the latter ninety calendar day period),

the Controlling Class or the Subordinated Noteholders, in each case acting by way of Ordinary Resolution, may elect that the Notes of each Class are redeemed, in whole but not in part, on any Payment Date thereafter, at their respective Redemption Prices in accordance with the Note Payment Sequence, in which case the Issuer shall so redeem the Notes on such terms, provided that such Note Tax Event would affect payment of principal or interest in respect of the Controlling Class or, as the case may be, the Subordinated Notes (in addition to any other Class of Notes) on such Payment Date; provided further that such redemption of the Notes, whether pursuant to the exercise of such option by the Controlling Class or the Subordinated Noteholders, shall take place in accordance with the procedures set out in Condition 7(b) (*Optional Redemption*).

(h) Redemption

Unless otherwise specified in this Condition 7 (*Redemption and Purchase*), all Notes in respect of which any notice of redemption is given shall be redeemed on the Redemption Date at their applicable Redemption Prices and to the extent specified in such notice and in accordance with the requirements of this Condition 7 (*Redemption and Purchase*) and in accordance with the Priorities of Payment.

(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 be irrevocable) is given to the Trustee and Noteholders in accordance with Condition 16 (*Notices*) and each Hedge Counterparty and promptly in writing to the Rating Agencies.

(k) Purchase

On any Payment Date, at the discretion of the Collateral Manager acting on behalf of the Issuer and in accordance with and subject to the terms of the Collateral Management and Administration Agreement the Issuer may, subject to the conditions below, purchase any of the Rated Notes (in whole or in part), using Principal Proceeds standing to the credit of the Principal Account or the Collateral Enhancement Account.

No purchase of Rated Notes by the Issuer may occur unless each of the following conditions is satisfied:

(i) such purchase of Rated Notes shall occur in the following sequential order of priority: first, the Class A Notes on a *pro-rata* basis, until the Class A Notes are redeemed or purchased in full and cancelled; second, the Class B Notes on a *pro-rata* basis, until the Class B Notes are redeemed or purchased in full and cancelled; third, the Class C Notes on a *pro-rata* basis, 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; and fifth, the Class E Notes, until the Class E Notes are redeemed or purchased in full and cancelled;

(ii) (A) each such purchase of Rated Notes of any Class shall be made pursuant to an offer made to all holders of the Rated Notes of such Class, by notice to such holders, which notice shall specify the purchase price (as a percentage of par) at which such purchase will be effected, the maximum amount of Principal Proceeds and Collateral Enhancement Amounts that will be used to effect such purchase and the length of the period during which such offer will be open for acceptance;

(A) each such holder of a Rated Note shall have the right, but not the obligation, to accept such offer in accordance with its terms; and

(B) if the aggregate Principal Amount Outstanding of Notes of the relevant Class held by holders who accept such offer exceeds the amount of Principal Proceeds specified in such offer, a portion of the Notes of each accepting holder shall be purchased *pro-rata* based on the respective Principal Amount Outstanding held by each such holder subject to adjustment for Authorised Denominations if required;

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

(iv) each such purchase of Rated Notes shall occur prior to the expiry of the Reinvestment Period;

(v) each Coverage Test (other than the Class E Par Value Test) is satisfied immediately prior to each such purchase and will be satisfied after giving effect to such purchase or, if any Coverage Test (other than the Class E Par Value Test) is not satisfied it shall be at least maintained or improved after giving effect to such purchase when compared to such Coverage Test immediately prior thereto;

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

(vii) any Rated Notes to be purchased shall be surrendered to the Registrar for cancellation and may not be reissued or resold;

(viii) each such purchase will otherwise be conducted in accordance with applicable law (including the laws of Ireland); and

(ix) the Issuer shall give prior written notice to each Rating Agency then rating any of the Rated Notes of such purchase.

The Registrar shall cancel any such purchased Rated Notes surrendered to it for cancellation. The cancellation (and/or decrease, as applicable) of any such surrendered Rated Notes shall be taken into account for purposes of all relevant calculations.

8. Payments

(a) Method of Payment

Payments of principal upon final redemption in respect of each Note will be made against presentation and surrender (or, in the case of part payment only, endorsement) of such Note at the specified office of the Principal Paying Agent by wire transfer. Payments of interest on each Note and, prior to redemption in full thereof, principal in respect of each Note, will be made by wire transfer. Upon application of the holder to the specified office of the Principal Paying Agent not less than five Business Days before the due date for any payment in respect of a Note, the payment may be made (in the case of any final payment of principal against presentation and surrender (or, in the case of part payment only of such final payment, endorsement) of such Note as provided above) by wire transfer, in immediately available funds, on the due date to a Euro account maintained by the payee with a bank in Western Europe.

(b) Payments

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives (including FATCA), but without prejudice to the provisions of Condition 9 (*Taxation*). No commission shall be charged to the Noteholders.

(c) Payments on Presentation Days

A holder shall be entitled to present a Note for payment only on a Presentation Date and shall not, except as provided in Condition 6 (*Interest*), be entitled to any further interest or other payment if a Presentation Date falls after the due date.

If a Note is presented for payment at a time when, as a result of differences in time zones it is not practicable to transfer the relevant amount to an account as referred to above for value on the relevant

Presentation Date, the Issuer shall not be obliged so to do but shall be obliged to transfer the relevant amount to the account for value on the first practicable date after the Presentation Date.

(d) Principal Paying Agent and Transfer Agents

The Issuer reserves the right at any time, with the prior written approval of the Trustee, to vary or terminate the appointment of the Principal Paying Agent and any Transfer Agent and appoint additional or other Agents, provided that it will maintain 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 will promptly be given to the Noteholders by the Issuer in accordance with Condition 16 (*Notices*).

9. Taxation

All payments of principal and interest in respect of the Notes shall be made free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Ireland or any other jurisdiction, or any political sub division or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. For the avoidance of doubt, the Issuer shall not be required to gross up any payments made to Noteholders of any Class and shall withhold or deduct from any such payments any amounts on account of such tax where so required by law (including FATCA) or any such relevant tax authority. Any withholding or deduction shall not constitute an Event of Default under Condition 10(a) (*Events of Default*).

Subject as provided below, if the Issuer certifies to the Trustee (upon which certification the Trustee may rely absolutely without enquiry or 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 because of the imposition of such tax and that it is unable to cure the consequential Note Tax Event in accordance with Condition 7(g) (*Redemption following Note Tax Event*), the Issuer (save as provided below) shall use all reasonable endeavours to arrange for the substitution of a company incorporated in another jurisdiction approved by the Trustee as the principal obligor under the Notes of such Class, or to change its tax residence to another jurisdiction approved by the Trustee, subject to receipt of Rating Agency Confirmation and KBRA Confirmation in relation to such change, provided that the Trustee's approval shall be subject to confirmation of tax counsel (at the cost of the Issuer and which may be counsel to the Issuer or the Collateral Manager) that such a substitution and/or change in tax residence would be effective in eliminating the imposition of such tax 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 or shareholder) being or having been a citizen or resident thereof or being or having been engaged in a trade or business or present therein or having had a permanent establishment therein) otherwise than by reason only of the holding of any Note or receiving principal or interest in respect thereof;

(b) by reason of the failure by the relevant Noteholder to comply with any applicable procedures required to establish non residence or other similar claim for exemption from such tax or to provide information concerning nationality, residency or connection with Ireland or other applicable tax authority;

(c) in connection with FATCA; or

(d) any combination of the preceding clauses (a) to (c) inclusive,

the requirement to substitute the Issuer as a principal obligor and/or change its residence for taxation purposes shall not apply.

10. Events of Default

(a) Events of Default

Any of the following events shall constitute an "**Event of Default**":

(i) Non-payment of interest

the Issuer fails to pay any interest in respect of any Class A Notes or the Class B Notes when the same becomes due and payable (save, in each case, as the result of any deduction therefrom or the imposition of withholding thereon in the circumstances described in the Conditions) and failure to pay such interest in such circumstances continues for a period of at least five consecutive Business Days provided that, in the case of a failure to disburse due to an administrative error or omission, such failure continues for a period of at least ten consecutive Business Days;

(ii) Non-payment of principal

the Issuer fails to pay any principal when the same becomes due and payable on any Rated Note on the Maturity Date or on any Redemption Date (save in each case as the result of any deduction therefrom or the imposition of withholding thereon as set forth in Condition 9 (*Taxation*)) 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 ten Business Days after the Collateral Manager, the Collateral Administrator or such Paying Agent, as applicable, receives written notice of, or has actual knowledge of, such administrative error or omission and provided further that, failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is withdrawn in accordance with the Conditions of the Notes or, in the case of an Optional Redemption with respect to which a Refinancing fails will not constitute an Event of Default;

(iii) Default under Priorities of Payment

the failure on any Payment Date to disburse amounts (other than as described in Condition 10(a) (i) or (ii) above) available in the Payment Account in excess of €10,000 and payable in accordance with the Priorities of Payment and continuation of such failure for a period of ten Business Days or, in the case of a failure to disburse due to an administrative error or omission, such failure continues for ten Business Days after the Collateral Administrator or such Paying Agent, as applicable, receives written notice of, or has actual knowledge of, such administrative error or omission;

(iv) Collateral Obligations

on any Measurement Date on and after the Effective Date for so long as any of the Class A Notes are Outstanding, failure of the percentage equivalent of a fraction:

(A) the numerator of which is equal to

(1) the Aggregate Collateral Balance (excluding any Defaulted Obligations) plus

(2) the aggregate, for all Defaulted Obligations, of the lesser of the Fitch Collateral Value and the S&P Collateral Value in respect of each Defaulted Obligation on such date; and

(B) the denominator of which is equal to the Principal Amount Outstanding of the Class A Notes

to equal or exceed 102.5 per cent;

(v) Breach of Other Obligations

except as otherwise provided in this definition of "**Event of Default**" a default in a material respect in the performance by, or breach of any material covenant of, the Issuer under the Trust Deed or these Conditions (provided that any failure to meet any Portfolio Profile Test, Collateral Quality Test or Coverage Test is not an Event of Default and any failure to satisfy the Effective Date Determination Requirements is not an Event of Default, except in each case to the extent provided in paragraph (iv) (*Collateral Obligations*) above) or the failure of any material representation or warranty of the Issuer made in the Trust Deed or these Conditions or in any certificate or other writing delivered pursuant thereto or in connection therewith to be correct in each case in all respects when the same shall have been made, and the continuation of such default, breach or failure for a period of forty five calendar days after notice to the Issuer and the Collateral Manager by hand, 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 forty five calendar day period specified above, such default, breach or failure shall not constitute an Event of Default under this paragraph (v) (*Breach of Other Obligations*) unless it continues for a period of sixty calendar days (rather than, and not in addition to, such forty five calendar day period specified above) after notice thereof in accordance herewith. For the purposes of this paragraph (v) (*Breach of Other Obligations*), the materiality of such default, breach, covenant, representation or warranty shall be determined by the Trustee who shall make such determination by considering whether the default or breach is materially prejudicial to the interests of any Class of Noteholders;

(vi) Insolvency Proceedings

proceedings are initiated against the Issuer under any applicable liquidation, insolvency, examinership, bankruptcy, composition, reorganisation or other similar laws (together, "**Insolvency Law**"), or a receiver, administrative receiver, trustee, administrator, custodian, conservator, liquidator, examiner, curator or other similar official (an "**Insolvency Official"**) 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 an Insolvency Official, 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 an Insolvency Official, or makes a conveyance or assignment for the benefit of its creditors generally or otherwise becomes subject to any reorganisation or amalgamation (other than on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Controlling Class);

(vii) Illegality

it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under the Notes; or

(viii) Investment Company Act

the Issuer or any of the Collateral becomes required to register as an "Investment Company" under the Investment Company Act and such requirement continues for forty five calendar days.

(b) Acceleration

(i) If an Event of Default occurs and is continuing, the Trustee may, at its discretion, and shall, at the request of the Controlling Class acting by way of Extraordinary Resolution, (subject, in each case, to being indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith) give notice to the Issuer, KBRA and the Collateral Manager that all the Notes are immediately due and repayable (such notice, an "**Acceleration Notice**").

(ii) Upon any such notice being given to the Issuer of the maturity of the Notes in accordance with Condition 10(b)(i) (*Acceleration*), all of the Notes shall immediately become due and repayable at their applicable Redemption Prices; provided that upon the occurrence of an Event of Default described in paragraph (vi) (*Insolvency Proceedings*) or (vii) (*Illegality*) above of the definition thereof, an Acceleration Notice shall be deemed to have been given and all the Notes shall automatically become immediately due and repayable at their applicable Redemption Prices.

(c) Curing of Default

At any time after an Acceleration Notice (whether deemed or otherwise) has been given pursuant to Condition 10(b)(i) (*Acceleration*) following the occurrence of an Event of Default and prior to enforcement of the security pursuant to Condition 11 (*Enforcement*), the Trustee shall, if so requested by the Controlling Class, acting by Ordinary Resolution, (and subject, in each case, to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith) rescind and annul such Acceleration Notice and its consequences if:

(i) the Issuer has paid or deposited with the Trustee (or to its order) a sum sufficient to pay:

(A) all overdue payments of interest and principal on the Notes, other than the Subordinated Notes;

(B) all due but unpaid taxes owing by the Issuer, as certified by an Authorised Officer of the Issuer to the Trustee;

(C) all unpaid Administrative Expenses and Trustee Fees and Expenses (in each case, without regard to the Senior Expenses Cap); and

(D) all amounts due and payable by the Issuer under any Hedge Transaction; and

(ii) the Trustee has determined that all Events of Default, other than the non-payment of the interest in respect of, or principal of, the Notes that have become due solely as a result of the acceleration thereof under paragraph (b) above due to such Events of Default, have been cured or waived.

All amounts received in respect of this Condition 10(c) (*Curing of Default*) shall be distributed two Business Days following payment or the deposit by the Issuer of such amounts, in accordance with the Post-Acceleration Priority of Payments.

Any previous rescission and annulment of an Acceleration Notice pursuant to this Condition 10(c) (*Curing of Default*) shall not prevent the subsequent acceleration of the Notes if the Trustee, at its discretion or, as subsequently requested, accelerates the Notes in accordance with paragraph (b)(i) (*Acceleration*) above or if the Notes are automatically accelerated in accordance with paragraph (b)(ii) above.

(d) Restriction on Acceleration of Notes

No acceleration of the Notes shall be permitted pursuant to this Condition 10 (*Events of Default*) by any Class of Noteholders, other than the Controlling Class as provided in Condition 10(b) (*Acceleration*).

(e) Notification and Confirmation of No Default

The Issuer shall immediately notify the Trustee, the Collateral Manager, the Noteholders in accordance with Condition 16 (*Notices*) each Hedge Counterparty and the Rating Agencies upon becoming aware of the occurrence of an Event of Default. The Trust Deed contains provision for the Issuer to provide written confirmation to the Trustee and the Rating Agencies on an annual basis and upon request that no Event of Default has occurred and that no condition, event or act has occurred which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition would constitute an Event of Default and that no other matter which is required (pursuant thereto) to be brought to the Trustee's attention has occurred.

11. Enforcement

(a) Security Becoming Enforceable

Subject as provided in Condition 11(b) below (*Enforcement*), the security constituted by the Trust Deed and the Irish Security Agreement over the Collateral shall become enforceable upon an acceleration of the maturity of the Notes pursuant to Condition 10(b) (*Acceleration*), subject always to such acceleration of the Notes not having been rescinded or annulled by the Trustee pursuant to Condition 10(c) (*Curing of Default*).

(b) Enforcement

At any time after the Notes become due and repayable and the security under the Trust Deed or the Irish Security Agreement becomes enforceable, the Trustee may, at its discretion (but subject always to Condition 4(c) (*Limited Recourse and Non-Petition*)), and shall, if so directed by the Controlling Class acting by Ordinary Resolution (subject to being indemnified and/or secured and/or prefunded to its satisfaction), institute such proceedings or take any other action against the Issuer as it may think fit to enforce the terms of the Trust Deed, the Irish Security Agreement and the Notes and pursuant and subject to the terms of the Trust Deed, the Irish Security Agreement and the Notes, realise and/or otherwise liquidate or sell the Collateral in whole or in part and/or take such other action as may be permitted under applicable laws against any Obligor in respect of the Collateral and/or take any other action to enforce or realise the security over the Collateral in accordance with the Trust Deed or the Irish Security Agreement, as applicable (such actions together, "**Enforcement Actions**"), in each case without any liability as to the consequence of such action and without having regard (save to the extent provided in Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*)) to the effect of such action on individual Noteholders of any Class or any other Secured Party, provided however that:

(i) no such Enforcement Action may be taken by the Trustee unless:

(A) subject to being indemnified and/or secured and/or prefunded to its satisfaction, the Trustee (or an agent or Appointee on its behalf) (in consultation with the Collateral Manager) determines that the anticipated proceeds realised from such Enforcement Action (after deducting any expenses properly incurred in connection therewith) would be sufficient to discharge in full all amounts due and payable in respect of all Classes of Notes (including, without limitation, Deferred Interest on the Class C Notes, the Class D Notes and the Class E Notes and all due and unpaid interest in respect of each Class of Rated Notes up to the anticipated date of redemption) other than the Subordinated Notes and all amounts payable in priority to the Subordinated Notes pursuant to the Post-Acceleration Priority of Payments (such amount the "**Enforcement Threshold**" and such determination being an "**Enforcement Threshold Determination**"); or

(B) if the Enforcement Threshold will not have been met then:

(1) in the case of an Event of Default specified in paragraph (i), (ii) or (iv) of Condition 10(a) (*Events of Default*), the Controlling Class acting by way of Ordinary Resolution (and no other Class of Notes) directs the Trustee to take Enforcement Action without regard to any other Event of Default which has occurred prior to, contemporaneously or subsequent to such Event of Default; or

(2) in the case of any other Event of Default, the holders of each Class of Rated Notes voting separately by Class by way of Ordinary Resolution direct the Trustee to take Enforcement Action;

(ii) the Trustee shall not be bound to institute any Enforcement Action or take any other action unless it is directed to do so by the Controlling Class or, in the case of Condition 11(b)(i)(B)(2) (*Enforcement*), each Class of Rated Notes as applicable, acting by Ordinary Resolution and, in each case, the Trustee is indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith. Following redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E 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) subject to being indemnified and/or secured and/or prefunded to its satisfaction, the Trustee shall determine or shall procure 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 (to the extent the Enforcement Agent is not the Collateral Manager), bid prices with respect to each asset comprising the Portfolio from two recognised dealers (as specified by the Collateral Manager in writing) 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. If the Trustee or the Enforcement Agent, as applicable and with the cooperation of the Collateral Manager (to the extent the Enforcement Agent is not the Collateral Manager), is only able to obtain bid prices with respect to an asset from one recognised dealer at the time making a market therein, the Trustee or the Enforcement Agent shall compute the anticipated proceeds of sale or liquidation on the basis of such one bid price. In addition, for the purposes of determining issues relating to the execution of a sale or liquidation of the Portfolio and the execution of a sale or other liquidation thereof in connection with an Enforcement Threshold Determination will be met, the Trustee or the Enforcement Agent may obtain and rely without liability on an opinion of or any advice received from an independent investment banking firm, or other appropriate advisor (the cost of which shall be payable as a Trustee Fee and Expense); and

(iv) the Trustee shall notify the Noteholders (in accordance with Condition 16 (*Notices*)), the Issuer, the Agents, the Collateral Manager, any Hedge Counterparty, and, so long as any of the Notes rated by one or more Rating Agency remain Outstanding, each such Rating Agency if it makes an Enforcement Threshold Determination at any time and (b) the Trustee shall notify the Noteholders (in accordance with Condition 16 (*Notices*)), the Issuer, the Collateral Manager, the Agents, any Hedge Counterparty, and, so long as any of the Notes rated by one or more Rating Agency remain Outstanding, each such Rating Agency if it takes any Enforcement Action at any time. Following the delivery of an Acceleration Notice (deemed or otherwise) which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*) or pursuant to an Optional Redemption in whole in accordance with Condition 7(b) (*Optional Redemption*) or 7(g) (*Redemption following Note Tax Event*), Interest Proceeds, Principal Proceeds and the net proceeds of enforcement of the security over the Collateral (other than (i) any Counterparty Downgrade Collateral (in accordance with Condition 3(j)(v) (*Counterparty Downgrade Collateral Account*)) and (ii) any Swap Tax Credits, which in each case are required to be paid or returned to a Hedge Counterparty outside the Priorities of Payment) shall be credited to the Payment Account and shall be distributed in accordance with the following order of priority but in each case only to the extent that all payments of a higher priority have been made in full (the "**Post-Acceleration Priority of Payments**"):

(A) to the payment of taxes owing by the Issuer accrued in respect of the related Due Period (other than Irish corporate income tax in relation to the amounts equal to the Issuer Profit Amount), as certified by an Authorised Officer of the Issuer to the Collateral Administrator, if any, (save for any VAT payable in respect of any Collateral Management Fee or any tax payable in relation to any other amounts payable to any person in accordance with the following paragraphs which arise as a result of the payment of that amount to the relevant person); and to the payment of amounts equal to the Issuer Profit Amount, for deposit into the Issuer Irish Account;

(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 (including from any balance outstanding in the Expense Reserve Account) provided that (i) upon the occurrence of an Event of Default which is continuing, the Senior Expenses Cap shall not apply in respect of such Trustee Fees and Expenses or any Trustee Fees and Expenses incurred during the period that an Event of Default is continuing, and (ii) upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*) the Senior Expenses Cap shall not apply unless and until such Acceleration Notice has been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*);

(C) to the payment of Administrative Expenses in relation to each item thereof including from any balance outstanding in the Expense Reserve Account, in the order of priority stated in the definition thereof, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period less any amounts paid pursuant to paragraph (B) above provided that (i) upon the occurrence of an Event of Default, the Senior Expenses Cap shall not apply to any Administrative Expenses or any Administrative Expenses incurred while such Event of Default is continuing and (ii) upon an acceleration of the Notes in accordance with

Condition 10(b) (*Acceleration*) the Senior Expenses Cap shall not apply in respect of such Administrative Expenses, unless and until such Acceleration Notice has been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*);

(D) to the payment on a *pro-rata* basis, of any Scheduled Periodic Interest Rate Hedge Issuer Payments (to the extent not paid for out of the Interest Account), Scheduled Periodic Asset Swap Issuer Payments (to the extent not paid or provided for out of the relevant Asset Swap Account) and Hedge Termination Payments (other than Defaulted Hedge Termination Payments) (to the extent not paid out of the Hedge Termination Account);

(E) to the payment:

(1) *firstly*, on a *pro-rata* basis to the 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 tax 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) and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant tax authority);

(F) to the payment on a *pro-rata* basis of all Interest Amounts due and payable on the Class A Notes;

(G) to the redemption on a *pro-rata* basis of the Class A Notes, until the Class A Notes have been redeemed in full;

(H) to the payment on a *pro-rata* basis of the Interest Amounts due and payable on the Class B Notes;

(I) to the redemption on a *pro-rata* basis of the Class B Notes, until the Class B Notes have been redeemed in full;

(J) to the payment on a *pro-rata* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class C Notes;

(K) to the payment on a *pro-rata* basis of any Deferred Interest on the Class C Notes;

(L) to the redemption on a *pro-rata* basis of the Class C Notes, until the Class C Notes have been redeemed in full;

(M) to the payment on a *pro-rata* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class D Notes;

(N) to the payment on a *pro-rata* basis of any Deferred Interest on the Class D Notes;

(O) to the redemption on a *pro-rata* basis of the Class D Notes, until the Class D Notes have been redeemed in full;

(P) to the payment on a *pro-rata* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class E Notes;

(Q) to the payment on a *pro-rata* basis of any Deferred Interest on the Class E Notes;

(R) to the redemption on a *pro-rata* basis of the Class E Notes, until the Class E Notes have been redeemed in full;

(S) to the payment of Trustee Fees and Expenses not paid by reason of the Senior Expenses Cap (if any);

(T) to the payment of Administrative Expenses not paid by reason of the Senior Expenses Cap (if any), in relation to each item thereof in the order of priority stated in the definition thereof;

(U) to the payment of:

(1) *firstly*, on a *pro-rata* basis 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 tax authority) save for any Deferred Subordinated Collateral Management Amounts which shall not be paid pursuant to this paragraph;

(2) *secondly*, to the Collateral Manager, any previously due and unpaid Subordinated Collateral Management Fees (other than Deferred Subordinated Collateral Management Amounts) and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant tax authority); and

(3) *thirdly*, the Collateral Manager in payment of any previously Deferred Senior Collateral Management Amounts and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority);

(4) *fourthly*, to the Collateral Manager in payment of any previously Deferred Subordinated Collateral Management Amounts in payment of any previously Deferred Subordinated Collateral Management Amounts and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority); and

(5) *fifthly*, to the repayment of any Collateral Manager Advances and any interest thereon;

(V) to the payment on a *pro-rata* basis of any Defaulted Hedge Termination Payments due to any Hedge Counterparty not paid in accordance with paragraph (D) above;

(W) to any Reinvesting Noteholder (whether or not any applicable Reinvesting Noteholder continues on the date of such payment to hold all or any portion of such Subordinated Notes) of any Reinvestment Amounts accrued and not previously paid pursuant to paragraph (X) of the Interest Proceeds Priority of Payments, paragraph (Q) of the Principal Proceeds Priority of Payments or this paragraph (W) with respect to their respective Subordinated Notes, pro rata in accordance with the respective aggregate Reinvestment Amounts in connection with the relevant Subordinated Notes;and

(X)

(1) *firstly*, 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) *secondly*, if, after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date including pursuant to paragraph (1) above, paragraph (BB) of the Interest Proceeds Priority of Payments, paragraph (R) of the Principal Proceeds Priority of Payments and Condition 3(j)(i) (Principal Account), the Incentive Collateral Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

   (a) 20 per cent. of any remaining Interest Proceeds and Principal Proceeds, to the payment to the Collateral Manager as the Incentive Collateral Management Fee and any VAT thereon whether payable to the Collateral Manager or directly to the relevant tax authority; and

(b) any remaining Interest Proceeds and Principal Proceeds after the payment of the Incentive Collateral Management Fee pursuant to (a) above, to the payment on the Subordinated Notes on a pro-rata basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption).

Where the payment of any amount in accordance with the Priorities of Payment set out above is subject to any deduction or withholding for or on account of any tax or any other tax is payable by or on behalf of the Issuer in respect of any such amount, payment of the amount so deducted or withheld or of the tax so due shall be made to the relevant taxing authority *pari passu* with and, so far as possible, at the same time as the payment of the amount in respect of which the relevant deduction or withholding or other liability to tax has arisen.

(c) Only Trustee to Act

Only the Trustee may pursue the remedies available under the Trust Deed and the Irish Security Agreement to enforce the rights of the Noteholders or, in respect of the Collateral, of any of the other Secured Parties under the Trust Deed, the Irish Security Agreement 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 or the Irish Security Agreement, 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) calendar 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 Conditions and the terms of the Trust Deed. After realisation of the security which has become enforceable and distribution of the net proceeds in accordance with the Priorities of Payment, no Noteholder or other Secured Party may take any further steps against the Issuer to recover any sum still unpaid in respect of the Notes or the Issuer's obligations to such Secured Party and all claims against the Issuer to recover any sum still unpaid in respect of the Notes or the Issuer's obligations to such Secured Party and all claims against the Issuer in respect of such sums unpaid shall be extinguished. In particular, none of the Trustee, any Noteholder or any other Secured Party shall be entitled in respect thereof to petition or take any other step for the winding up of the Issuer except to the extent permitted under the Trust Deed or the Irish Security Agreement.

(d) Purchase of Collateral by Noteholders or Collateral Manager

Upon any sale of any part of the Collateral following the security over the Collateral becoming enforceable following acceleration of the Notes under Condition 10(b) (*Acceleration*), whether made under the power of sale under the Trust Deed or the Irish Security Agreement or by virtue of judicial proceedings, any Noteholder, the Collateral Manager or any Collateral Manager Related Person may (but shall not be obliged to) bid for and purchase the Collateral or any part thereof and, upon compliance with the terms of sale, may hold, retain, possess or dispose of such property in its or their own absolute right without accountability. In addition, any purchaser in any such sale which is a Noteholder may deliver Notes held by it in place of payment of the purchase price for such Collateral where the amount payable to such Noteholder in respect of such Notes pursuant to the Priorities of Payment is equal to or exceeds the purchase moneys so payable.

12. Prescription

Claims in respect of principal and interest payable on redemption in full of the relevant Notes will become void unless presentation for payment is made as required by Condition 7 (*Redemption and Purchase*) within a period of five years, in the case of interest, and ten years, in the case of principal, from the date on which payment is respect of such Notes is received by the Principal 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 Euronext Dublin requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Notes must be surrendered before replacements will be issued.

14. Meetings of Noteholders, Modification, Waiver and Substitution

(a) Provisions in Trust Deed

The Trust Deed contains provisions for convening meetings of the Noteholders of each Class (and for passing Written Resolutions or Electronic Resolutions) to consider matters affecting the interests of the Noteholders including, without limitation, modifying or waiving the provisions of these Conditions and the other Transaction Documents and the substitution of the Issuer in certain circumstances. The provisions in this Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) are descriptive of the detailed provisions of the Trust Deed.

(b) Decisions and Meetings of Noteholders

(i) General

Decisions may be taken by Noteholders by way of Ordinary Resolution, Extraordinary Resolution or by Written Resolution, in each case, either acting together (subject to Condition 14(b)(ix) below (*Resolutions affecting other Classes*) or, to the extent specified in any applicable Transaction Document (including the Trust Deed and these Conditions), as a Class of Noteholders acting independently. Ordinary Resolutions and Extraordinary Resolutions can be effected either at a duly convened meeting of the applicable Noteholders or by the applicable Noteholders resolving in writing or by electronic consent, in each case, in at least the minimum percentages specified in the table "Minimum Percentage Voting Requirements" in Clause 14(b)(iii) below (Minimum Voting Rights). Meetings of the Noteholders may be convened by the Issuer, the Trustee or by one or more Noteholders holding not less than 10 per cent. in principal amount of the Notes Outstanding of a particular Class, subject to certain conditions including minimum notice periods.

Pursuant to the Trust Deed, solely for the purposes of determining a quorum or the result of voting in connection with any CM Removal Resolution or CM Replacement Resolution (A) Notes (if any) which are for the time being held by or on behalf of the Collateral Manager and (B) Notes held in the form of CM Non-Voting Notes and/or CM Non-Voting Exchangeable Notes shall (unless and until ceasing to be so held) be deemed not to remain Outstanding. Any CM Voting Notes held by or on behalf of any Collateral Manager Related Person other than the Collateral Manager shall have voting rights with respect to, and shall be counted for the purposes of determining a quorum and the results of voting on any, CM Removal Resolution or CM Replacement Resolution.

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 or Classes of Noteholders, or at any adjourned meeting to consider such a Resolution, shall be as set out in the relevant column and row corresponding to the type of resolution in the table "*Quorum Requirements*" below.

Quorum Requirements

Type of Resolution	**Any meeting other than a meeting adjourned for want of quorum**	**Meeting previously adjourned for want of quorum**
Extraordinary Resolution of all Noteholders (or a certain Class or Classes only)	One or more persons holding or representing not less than $66^{2}/_{3}$ per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)	One or more persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)

Type of Resolution	Any meeting other than a meeting adjourned for want of quorum	Meeting previously adjourned for want of quorum
Ordinary Resolution of all Noteholders (or a certain Class or Classes only)	One or more persons holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)	One or more persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)

The Trust Deed does not contain any provision for higher quorums in any circumstances.

(iii) Minimum Voting Rights

Set out in the table Minimum Percentage Voting Requirements below are the minimum percentages required to pass the Resolutions specified in such table which:

(A) if such Resolution is being considered at a duly convened meeting of Noteholders, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes held or represented by any person or persons who vote in favour of such Resolution represents of the aggregate Principal Amount Outstanding of all applicable Notes which are represented at such meeting and are voted; or

(B) in the case of any Written Resolution, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes entitled to be voted in respect of such Resolution and which are voted in favour thereof represent of the aggregate Principal Amount Outstanding of all the Notes entitled to vote in respect of such Written Resolution.

Minimum Percentage Voting Requirements

Type of Resolution	Per cent.
Extraordinary Resolution of all Noteholders (or of a certain Class or Classes only)	At least $66^2/_3$ per cent.
Ordinary Resolution of all Noteholders (or of a certain Class or Classes only)	More than 50 per cent.

For the purposes of determining voting rights attributable to the Notes and the applicable quorum at any meeting of the Noteholders pursuant to this Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) the Class B-1 Notes and the Class B-2 Notes shall together be deemed to constitute a single Class in respect of any voting rights granted to them including as the Controlling Class.

(iv) Written Resolutions

Any Written Resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the relevant Noteholders and the date of such Written Resolution shall be the date on which the latest such document is signed. Any Extraordinary Resolution or Ordinary Resolution may be passed by way of a Written Resolution.

(v) Electronic Resolutions

The Trust Deed provides that any Extraordinary Resolution or Ordinary Resolution (including where passed by a Written Resolution) may be passed by way of consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the relevant number of required Noteholders for such Extraordinary Resolution or Ordinary Resolution (as applicable).

(vi) All Resolutions Binding

Subject to Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*) and in accordance with the Trust Deed, any Resolution of the Noteholders (including any resolution of a specified Class or Classes of Noteholders, where the resolution of one or more other Classes is not required) duly passed shall be binding on all Noteholders (regardless of Class and regardless of whether or not a Noteholder was present at the meeting at which such Resolution was passed (or regardless of whether such Noteholders did not sign or vote on such Resolution passed by way of Written Resolution or Electronic Resolution (as applicable))).

(vii) Extraordinary Resolution

Any Resolution to sanction any of the following items will be required to be passed by an Extraordinary Resolution (except (i) any modification made pursuant to Condition 7(b)(v)(C) (*Consequential Amendments*), and (ii) any modification made pursuant to Condition 14(c) (*Modification and Waiver*), which shall require only the consent (if any) set forth therein) (in each case, subject to anything else specified in the Trust Deed, the Collateral Management and Administration Agreement or the relevant Transaction Document, as applicable):

(A) the exchange or substitution for the Notes of a Class, or the conversion of the Notes of a Class into, shares, bonds or other obligations or securities of the Issuer or any other entity and/or cash other than in connection with 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 connection with a Refinancing;

(C) the modification of any of the provisions of the Trust Deed or the Conditions of the Notes which would directly and adversely affect the calculation of the amount of any payment of interest or principal on any Note other than in connection with a Refinancing;

(D) the adjustment of the outstanding principal amount of the Notes Outstanding of the relevant Class other than in connection with a further issue of Notes pursuant to Condition 17 (*Additional Issuances*);

(E) a change in the currency of payment of the Notes of a Class;

(F) any change in the Priorities of Payment or of any payment items in the Priorities of Payment;

(G) the modification of the provisions concerning the quorum required at any meeting of Noteholders or the minimum percentage required to pass a Resolution or any other provision of the Trust Deed or these Conditions which requires the written consent of the holders of a requisite principal amount of the Notes of any Class Outstanding;

(H) any modification of any Transaction Document having a material adverse effect on the security over the Collateral constituted by the Trust Deed or the Irish Security Agreement;

(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*).

(viii) Ordinary Resolution

The Noteholders shall, in each case, subject to anything else specified in these Conditions, the Trust Deed and any other applicable Transaction Document, have power by Ordinary Resolution to approve any other matter relating to the Notes not referred to in Condition 14(b)(vii) above (*Extraordinary Resolution*).

(ix) Resolutions affecting other Classes

If and for so long as any Notes of more than one Class are Outstanding, in relation to any meeting of Noteholders:

(A) subject to paragraphs (C) and (D) below, a Resolution which in the opinion of the Trustee affects only the Notes of a Class or Classes (such Class or Classes, the "**Affected Class(es)**"), but not another Class or Classes, as the case may be, shall be duly passed if passed at a meeting or meetings of the holders of the Notes of each Affected Class or by separate Written Resolutions or Electronic Resolutions of each Affected Class and such Resolution shall be binding on all the Noteholders, including the holders of Notes which are not an Affected Class;

(B) subject to paragraphs (C) and (D) below, a Resolution which in the opinion of the Trustee affects the Notes of each Class shall be duly passed if passed at meetings of the Noteholders of each Class or by separate Written Resolutions or Electronic Resolutions of each Class;

(C) a Resolution passed by the Controlling Class to exercise any rights granted to them pursuant to the Conditions of the Notes or any Transaction Document shall be duly passed if passed at a meeting of the Controlling Class or by Written Resolution or Electronic Resolution of the Controlling Class and such resolution shall be binding on all the Noteholders; and

(D) a Resolution passed by the Subordinated Noteholders (or any of them) to exercise the rights granted to them pursuant to the Conditions of the Notes or any Transaction Document shall be duly passed if passed at a meeting of such Subordinated Noteholders or by Written Resolution or Electronic Resolution of the Subordinated Noteholders and such Resolution shall be binding on all of the Noteholders.

(c) Modification and Waiver

The Trust Deed and the Collateral Management and Administration Agreement both provide that (subject as provided below), without the consent of the Noteholders, the Issuer may amend, modify, supplement and/or waive the relevant provisions of the Trust Deed and/or the Collateral Management and Administration Agreement and/or any other Transaction Document (subject to the consent of the other parties thereto) (as applicable), and the Trustee shall consent to such amendment, supplement, modification or waiver subject as provided below, (other than in the case of an amendment, modification, supplement or waiver pursuant to paragraphs (xi) and (xii) below, in certain circumstances, which shall be subject to the prior written consent of the Trustee, paragraphs (vi), (xiv), (xviii), (xxvi) and (xxvii) below which shall be subject to the receipt of Rating Agency Confirmation, paragraphs (vi), (xviii), (xxvi) and (xxvii) below which shall be subject to the receipt of KBRA Confirmation and paragraphs (xxvi), (xxvii) and (xxviii) below, which shall be subject to the consent of the certain Noteholders as specified therein, in each case in accordance with the relevant paragraph), for any of the following purposes (and for the avoidance of doubt, the Trustee, without enquiry, shall, subject as provided herein, consent to an amendment, supplement, modification or waiver referenced in any one of paragraphs (i) to (xxx) below, notwithstanding that the proposed amendment, supplement, modification or waiver would (or could be held to) fall within the scope of any other paragraph which has differing requirements):

(i) to add to the covenants of the Issuer for the benefit of the Noteholders or to surrender any right or power in the Trust Deed or the Collateral Management and Administration Agreement (as applicable) conferred upon the Issuer for the benefit of the Noteholders;

(ii) to charge, convey, transfer, assign, mortgage or pledge any property to or with the Trustee;

(iii) to correct or amplify the description of any property at any time subject to the security of the Trust Deed, or the Irish Security Agreement, 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 or the Irish Security Agreement (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 or the Irish Security Agreement any additional property;

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

(v) to make such changes as shall be necessary or advisable in order for the Notes of each Class to be (or to remain) listed on the Global Exchange Market of Euronext Dublin or any other exchange;

(vi) to amend, modify, enter into, accommodate the execution or facilitate the transfer by the relevant Hedge Counterparty of any Hedge Agreement upon terms satisfactory to the Collateral Manager and subject to receipt of Rating Agency Confirmation and KBRA Confirmation;

(vii) save as contemplated in Condition 14(d) below (*Substitution*) below, to take any action advisable to prevent the Issuer from becoming subject to (or to otherwise minimise) withholding or other taxes, fees or assessments;

(viii) to take any action advisable to prevent the Issuer from being treated as resident outside of Ireland for tax purposes, as trading outside of Ireland for tax purposes or as subject to VAT in respect of any Collateral Management Fees;

(ix) to take any action advisable to reduce the risk of the Issuer being treated as engaged in a trade or business within the United States for U.S. federal income tax purposes or otherwise subject to U.S. federal, state or local income tax on a net income basis;

(x) to enter into any additional agreements not expressly prohibited by the Trust Deed or the Collateral Management and Administration Agreement (as applicable), provided that any such additional agreements include customary limited recourse and non-petition provisions;

(xi) to make any other modification of any of the provisions of the Trust Deed, the Collateral Management and Administration Agreement or any other Transaction Document which, in the opinion of the Trustee, is of a formal, minor or technical nature or is made to correct a manifest error;

(xii) to make any other modification (save as otherwise provided in the Trust Deed, the Collateral Management and Administration Agreement or the relevant Transaction Document), and/or give any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed or any other Transaction Document which in the opinion of the Trustee is not materially prejudicial to the interests of the Noteholders of any Class;

(xiii) to make any amendments to the Trust Deed or any other Transaction Document to enable the Issuer to comply with FATCA or the CRS (or any other similar regime for the reporting and automatic exchange of information);

(xiv) to modify or amend any components of:

(A) any components of the Fitch Tests Matrices, the S&P CDO Monitor BDR or the S&P CDO Monitor SDR in order that they may be consistent with the criteria of the Rating Agencies, subject to receipt of Rating Agency Confirmation (or such other confirmation as the relevant Rating Agency is willing to provide from time to time that such modifications or amendments will not result in the reduction or withdrawal of any of the ratings currently assigned to the Rated Notes by such Rating Agency) from Fitch or S&P, as applicable provided that any such modifications or amendments required to be made in order to reflect changes in the methodology applied by Rating Agencies and expressly required for such purpose by each applicable Rating Agency shall not require any confirmation); or

(B) S&P Recovery Rates in the Transaction Documents at the discretion of the Collateral Manager if S&P publicly announces a change in the S&P Recovery Rates,

provided (i) paragraph (B) above is in addition to paragraph (A) above such that no confirmation by a Rating Agency shall be required to make the modifications or amendments specified in paragraph (B) above; and (ii) the modifications or amendments specified in paragraph (B) above shall reflect the revised S&P Recovery Rates published by S&P, unless otherwise agreed with the S&P;

(xv) to make any changes necessary to permit or reflect any additional issuances of Notes in accordance with Condition 17 (*Additional Issuances*) or to issue replacement notes in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*);

(xvi) to (A) evidence any waiver or modification by any Rating Agency in its rating methodology or as to any requirement or condition, as applicable, of such Rating Agency set forth in the Transaction Documents or (B) conform the Transaction Documents to the Offering Circular;

(xvii) to modify the Transaction Documents in order to comply with Rule 17g-5;

(xviii) to modify the terms of the Transaction Documents in order that they may be consistent with the requirements of the Rating Agencies, including to address any change in the rating methodology employed by either Rating Agency, in a manner that an officer of the Collateral Manager certifies to the Trustee would not materially prejudice the interests of the Noteholders of the Notes of any Class, subject to receipt of (1) Rating Agency Confirmation in respect of the Rated Notes from each Rating Agency (other than KBRA) then rating the Rated Notes and (2) so long as any Notes rated by KBRA are Outstanding, KBRA Confirmation (upon which certification and confirmation the Trustee shall be entitled to rely absolutely and without further enquiry or liability or any consideration of whether the Noteholders of any Class may be prejudiced as a result thereof);

(xix) to (1) modify the Transaction Documents (other than any Hedge Agreement) in order to comply with EMIR, the Securitisation Regulation or any other applicable regulatory requirements or (2) without prejudice to the generality of the foregoing, modify the Transaction Documents and take such other action necessary or desirable (such as converting any interests of Noteholders in Definitive Certificates into interests in Global Certificates) in order to comply with Regulation (EU) No 909/2014 as amended from time to time (and any successor regulatory requirements thereto);

(xx) to modify the Transaction Documents in order to comply with changes in the requirements of AIFMD or which result from the implementation of the implementing technical standards relating thereto or any subsequent legislation or official guidance relating to AIFMs;

(xxi) 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*);

(xxii) to make any other modification of any of the provisions of the Trust Deed, the Collateral Management and Administration Agreement or any other Transaction Document to comply with changes in the requirements of (i) the EU Retention and Transparency Requirements, (ii) the U.S. Retention Regulations or (iii) the UCITS Directive in relation to risk retention, in each case which result from the implementation of the implementing technical standards relating thereto or any subsequent risk retention legislation or official guidance;

(xxiii) to make any other modifications of any provisions of the Trust Deed, the Collateral Management and Administration Agreement or the Transaction Documents to comply with the requirements of CRA3 as regards structured finance instruments or which result from the implementation of the technical standards relating thereto;

(xxiv) to amend, modify or supplement any Hedge Agreement in order to (i) comply with EMIR and/or the Dodd-Frank Act, including any implementing regulation, technical standards and guidance related thereto or (ii) (A) to facilitate the transfer of any Hedge Agreement to a replacement counterparty or the roles of any Agent to a replacement agent, in each case in circumstances where such Hedge Counterparty or Agent does not satisfy the applicable Rating Requirement and subject to such replacement counterparty or agent (as applicable) satisfying the applicable requirements in the Transaction Documents or (B) to the extent necessary to allow the Issuer or the relevant Hedge Counterparty to comply with any enactment, promulgation, execution or ratification of, or any change in or amendment to, any law or regulation (or in the application or official interpretation of any law or regulation) that occurs after the parties enter into the Hedge Agreement, in each case to the extent that in respect of each Rating Agency either (1) the Hedge Agreement would constitute a Form Approved Hedge Agreement following such amendment, modification or supplement or (2) Rating Agency Confirmation or KBRA Confirmation (as applicable) is received in in respect of such amendment, modification or suplement;

(xxv) to make any change necessary to prevent the Issuer from becoming an investment company or being required to register as an investment company under the Investment Company Act;

(xxvi) to make any modifications to the Collateral Quality Tests (excluding the Weighted Average Life Test), Portfolio Profile Tests, Reinvestment Criteria or Eligibility Criteria and all related definitions (including in order to reflect changes in the methodology applied by the Rating Agencies), subject to (1) the consent of the Controlling Class acting by Ordinary Resolution, (2) Rating Agency Confirmation and (3) KBRA Confirmation;

(xxvii) to modify or amend the Weighted Average Life Test and all related definitions, subject to (1) the consent of the Controlling Class acting by Ordinary Resolution, (2) if the Class B Notes remain Outstanding and are not the Controlling Class, the consent of the Class B Noteholders acting by Ordinary Resolution, (3) Rating Agency Confirmation and (4) KBRA Confirmation;

(xxviii) to make any modification or amendment determined by the Issuer, as advised by the Collateral Manager (in consultation with legal counsel experienced in such matters), as necessary or advisable for any Class of Rated Notes to not be considered an "ownership interest" as defined for purposes of section 13 of the U.S. Bank Holding Company Act of 1956, as amended, and the applicable rules and regulations thereunder, provided that: (a) the Controlling Class acting by Ordinary Resolution consents in writing thereto; and (b) such modification or amendment would not, in the opinion of the Issuer and as certified by the Issuer to the Trustee, be materially prejudicial to the interests of the Noteholders of any Class (upon which certification and confirmation the Trustee shall be entitled to rely absolutely and without further enquiry or liability or any consideration of whether the Noteholders of any Class may be prejudiced as a result thereof);

(xxix) to conform the provisions of the Trust Deed or any other Transaction Document or other document delivered in connection with the Notes to the Offering Circular;

(xxx) to enter into one or more supplemental trust deeds or any other modification, authorisation or waiver of the provisions of the Transaction Documents to permit the use of an Alternative Base Rate for the purpose of:

(A) changing the reference rate in respect of the Floating Rate Notes from EURIBOR;

(B) replacing references to "LIBOR", "EURIBOR", "London Interbank Offered Rate" and "Euro Interbank Offered Rate" (or similar terms) with the Alternative Base Rate when used with respect to a Floating Rate Collateral Obligation;

(C) amending provisions which reference an index that has an equivalent frequency and setting date to the index applicable to a Floating Rate Collateral Obligation to the extent that no such equivalent is available; and

(D) making such other amendments as are necessary or advisable in the reasonable judgment of the Collateral Manager to facilitate the foregoing changes,

provided that:

(1) such amendments and modifications are being undertaken due to (x) a material disruption to LIBOR, EURIBOR or another applicable or related index or benchmark, (y) a change in the methodology of calculating LIBOR, EURIBOR or another applicable or related index or benchmark or (z) LIBOR, EURIBOR or another applicable or related index or benchmark ceasing to exist (or the reasonable expectation of the Collateral Manager that any of the events specified in paragraphs (x), (y) or (z) will occur); and

(2) the Alternative Base Rate shall apply to each Class of Floating Rate Notes.

"**Alternative Base Rate**" means the greater of (x) zero and (y) the sum of:

(1) the Reference Rate Modifier; and

(2) either (at the reasonable discretion of the Collateral Manager):

(i) any rate (and, if applicable, the methodology for calculating such rate) formally proposed, recommended or recognised as an industry standard rate (whether by letter, protocol, publication of standard terms or otherwise) by, in each case, the most applicable of the Loan Markets Association, the Association for Financial Markets in Europe, or the Loan Syndications & Trading Association (or, in each case, any successor organization thereto) as a replacement reference rate for the calculation of the relevant reference rate (or the most appropriate such rate for the context in the Collateral Manager's reasonable judgement in the event that multiple valid replacement rates are proposed, recommended or recognised);

(ii) if at least 50 per cent. of the Floating Rate Collateral Obligations (by principal balance) in the Portfolio pay interest based on a base rate other than EURIBOR, then the base rate applicable to the greatest percentage of such Floating Rate Collateral Obligations;

(iii) the most common reference rate, other than EURIBOR, used to determine the floating rate of interest on securities issued by collateralised loan obligations whose collateral consists primarily of broadly syndicated Secured Senior Loans denominated in Euro within the prior six months (the determination of which may be based, in the Collateral Manager's reasonable judgement, on information provided by any of the Rating Agencies, the Placement Agent, or other, similarly situated, nationally recognised firms); or

(iv) any other rate consented to by the Controlling Class and the Subordinated Noteholders (in each case, acting by Ordinary Resolution), provided that, if the Issuer requests consent for an Alternative Base Rate from the Controlling Class, any Noteholder of the Controlling Class who does not object to such request within fifteen (15) Business Days shall be deemed to have consented to such Alternative Base Rate.

"**Reference Rate Modifier**" means any modifier recognised or acknowledged by the Loan Market Association, the Association for Financial Markets in Europe or the Loan Syndication & Trading Association (or, in each case, any successor organisation thereto) that is applied to a reference rate in order to cause such rate to be comparable to 3-month EURIBOR or, following the occurrence of a Frequency Switch Event, 6-month EURIBOR, which may consist of an addition to or subtractions from such unadjusted rate.

Any such modification, authorisation or waiver shall be binding on the Noteholders and shall be notified by the Issuer as soon as reasonably practicable following the execution of any trust deed supplemental to the Trust Deed or any other modification, authorisation or waiver pursuant to this Condition 14(c) (*Modification and Waiver*) to:

(i) so long as any of the Notes rated by one or more Rating Agencies remains Outstanding, each such Rating Agency; and

(ii) the Noteholders in accordance with Condition 16 (*Notices*).

Subject to its compliance with applicable law, the Issuer agrees that it shall notify the Hedge Counterparty of any amendment made to any Transaction Document as soon as reasonably practicable after any such amendment is made.

Notwithstanding anything to the contrary herein and in the Trust Deed, the Issuer shall not agree to amend, modify or supplement any provisions of the Transaction Documents if such change shall have a material adverse effect (as reasonably determined by the Hedge Counterparty) on the rights or obligations of a Hedge Counterparty without such Hedge Counterparty's prior written consent.

To the extent required pursuant to a Hedge Agreement, the Issuer shall notify each Hedge Counterparty of any proposed amendment to any provisions of the Transaction Documents and seek the prior consent of such Hedge Counterparty(ies) in respect thereof, in each case to the extent required in accordance with and subject to the terms of the relevant Hedge Agreement. For the avoidance of doubt, such notice shall only be given and such consent shall only be sought to the extent required above or in accordance with and subject to the terms of the relevant Hedge Agreement. If a Hedge Agreement allows a certain period for the relevant Hedge Counterparty to consider and respond to such a consent request, during such period and pending a response from the relevant Hedge Counterparty, the Issuer shall not make any such proposed amendment.

For the avoidance of doubt, the Trustee shall, without the consent or sanction of any of the Noteholders or any other Secured Party (unless expressly stated in this Condition), concur with the Issuer, in making any modification, amendment, waiver or supplement pursuant to the paragraphs above whether or not such modification, amendment, waiver or supplement may be or is prejudicial to the interests of the Noteholders (or any of them) (other than a modification, waiver or supplement pursuant to paragraphs (xi) and (xii) above) to the Transaction Documents, which the Issuer certifies to the Trustee is required (upon which certification the Trustee is entitled to rely without enquiry and without liability), provided that the Trustee shall not be obliged to agree to any modification, amendment, waiver or supplement which, in the opinion of the Trustee, would have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the rights, powers, authorisations, indemnities or protections, of the Trustee in respect of the Transaction Documents.

In the case of a modification, amendment, waiver or supplement pursuant to paragraphs (xi) and (xii) above, under no circumstances shall the Trustee be required to give such consent 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 giving such consent as it sees fit.

(d) Substitution

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require (without the consent of the Noteholders of any Class or any other Secured Party), 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 and KBRA Confirmation (subject to receipt of such information and/or opinions as the Rating Agency may require), to a change of the law governing the Notes and/or the Trust Deed, provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders of any Class. Any substitution agreed by the Trustee pursuant to this Condition 14(d) (*Substitution*) shall be binding on the Noteholders, and shall be notified by the Issuer to the Noteholders as soon as practicable in accordance with Condition 16 (*Notices*).

The Trustee may, subject to the satisfaction of certain conditions specified in the Trust Deed, including receipt of Rating Agency Confirmation and KBRA Confirmation, agree to a change in the place of residence of the Issuer for taxation purposes without the consent of the Noteholders of any Class, provided the Issuer does all such things as the Trustee may reasonably require in order that such change in the place of residence of the Issuer for taxation purposes is fully effective and complies with such other requirements which are in the interests of the Noteholders as it may reasonably direct.

The Issuer shall procure that, so long as the Notes are listed on the Global Exchange Market of Euronext Dublin any material amendments or modifications to the Conditions, the Trust Deed or such other conditions made pursuant to Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) shall be notified to Euronext Dublin.

(e) Entitlement of the Trustee and Conflicts of Interest

In connection with the exercise of its trusts, powers, duties and discretions (including but not limited to those referred to in this Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*)), the Trustee shall have regard to the interests of each Class of Noteholders as a Class and shall not have regard to the consequences of such exercise for individual Noteholders of such Class and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders except to the extent already provided for in Condition 9 (*Taxation*).

The Trust Deed provides that if there is any conflict of interest between or among the holders of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Subordinated

Notes, the interests of the holders of the Controlling Class will prevail. If the holders of the Controlling Class do not have an interest in the outcome of the conflict, the Trustee shall give priority to the interests of:

(i) the Class A Noteholders over the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Subordinated Noteholders;

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

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

(iv) the Class D Noteholders over the Class E Noteholders and the Subordinated Noteholders; and

(v) the Class E Noteholders over the Subordinated Noteholders.

If the Trustee receives conflicting or inconsistent requests from two or more groups of holders of a Class, given priority as described in this paragraph, each representing less than the majority by principal amount of such Class, the Trustee shall give priority to the group which holds the greater aggregate principal amount of Notes Outstanding of such Class. The Trust Deed provides further that, except as provided otherwise in any applicable Transaction Document or the Conditions of the Notes, the Trustee will act upon the directions of the holders of the Controlling Class acting by Ordinary Resolution (or other Class given priority as described in this paragraph) in such circumstances subject to being indemnified and/or secured and/or prefunded to its satisfaction, and shall not be obliged to consider the interests of and is exempted from any liability to the holders of any other Class of Notes.

In addition, the Trust Deed provides that, so long as any Note is Outstanding, the Trustee shall have no regard to the interests of any Secured Party other than the Noteholders or, at any time, to the interests of any other person and no Secured Party shall have any claim against the Trustee for so doing.

15. Indemnification of the Trustee

The Trust Deed and the Irish Security Agreement contain 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 or the Irish Security Agreement, unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer or any other party to any Transaction Document and any entity related to the Issuer or any other party to any Transaction Document without accounting for any profit. The Trustee is exempted from any liability in respect of any loss or theft of the Collateral from any obligation to insure, or to monitor the provisions of any insurance arrangements in respect of, the Collateral (for the avoidance of doubt, under the Trust Deed the Trustee is under no such obligation) and from any claim arising from the fact that the Collateral is held by the Custodian or is otherwise held in safe custody by a bank or other custodian. The Trustee shall not be responsible for the performance by the Custodian of any of its duties under the Agency Agreement or for the performance by the Collateral Manager of any of its duties under the Collateral Management and Administration Agreement, for the performance by the Collateral Administrator of its duties under the Collateral Management and Administration Agreement or for the performance by any other person appointed by the Issuer in relation to the Notes or by any other party to any Transaction Document. The Trustee shall not have any responsibility for the administration, management or operation of the Collateral including any 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 Global Exchange Market of Euronext Dublin and the rules of Euronext Dublin so require) shall be sent to the Company Announcements Office of Euronext Dublin or such other process as Euronext Dublin may require. Any such notice shall be deemed to have been given to the Noteholders:

(a) in the case of inland mail, three calendar days after the date of dispatch thereof;

(b) in the case of overseas mail, seven calendar days after the dispatch thereof; or

(c) in the case of electronic transmission, on the date of dispatch.

Notices will be valid and will be deemed to have been given, for so long as the Notes are admitted to trading on Euronext Dublin, when such notice is filed in the Company Announcements Office of Euronext Dublin or such other process as Euronext Dublin may require.

The Trustee shall be at liberty to sanction some other method of giving notice to the Noteholders (or a category of them) if, in its opinion, such other method is reasonable having regard to market practice then prevailing and to the rules of the stock exchange on which the Notes are then listed and provided that notice of such other method is given to the Noteholders in such manner as the Trustee shall require.

17. Additional Issuances

(a) The Issuer may from time to time, subject to the approval of (i) the Subordinated Noteholders (acting by Ordinary Resolution); (ii) in the case of the issuance of additional Class A Notes, subject to the approval of the Class A Noteholders (acting by Ordinary Resolution); (iii) the Retention Holder and (iv) 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 each such Class (unless otherwise provided), and will use the proceeds of sale thereof to purchase additional Collateral Obligations and, if applicable, enter into additional Hedge Transactions in connection with the Issuer's issuance of, and making payments on, the Notes and ownership of and disposition of the Collateral Obligations, provided that the following conditions are 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 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) in relation to an additional issuance of the Class B Notes, such additional issuance shall be (A) an additional issuance solely of the Class B-1 Notes or (B) if such additional issuance is in relation to both the Class B-1 Notes and the Class B-2 Notes, such additional Class B-1 Notes and Class B-2 Notes must be issued in a proportionate amount among the Class B-1 Notes and Class B-2 Notes so that the relative proportions of aggregate principal amount of the Class B-1 Notes and Class B-2 Notes existing immediately prior to such additional issuance remain unchanged immediately following such additional issuance;

(iv) such additional Notes must be of each Class of Notes and issued in a proportionate amount among the Classes so that the relative proportions of aggregate principal amount of the Classes of Notes existing immediately prior to such additional issuance remain unchanged immediately following such additional issuance (save with respect to Subordinated Notes as described in paragraph (c) below;

(v) 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;

(vi) the Issuer must notify the Rating Agencies then rating any Notes of such additional issuance and obtain Rating Agency Confirmation and KBRA Confirmation (in the case of each Rating Agency, to the extent such Rating Agency is rating any of the Notes);

(vii) the Coverage Tests (other than the Class E Par Value Test) are satisfied or if not satisfied the Coverage Tests (other than the Class E Par Value Test) will be maintained or improved after giving effect to such additional issuance of Notes;

(viii) if such additional issuance will take place on or after the expiry of the Reinvestment Period, the Class E Par Value Test is satisfied or if not satisfied the Class E Par Value Test will be maintained or improved after giving effect to such additional issuance of Notes;

(ix) the holders of the relevant Class of Notes in respect of which further Notes are issued shall have been notified in writing thirty calendar days prior to such issuance and shall have been afforded the opportunity to purchase additional Notes of the relevant Class in an amount not to exceed the percentage of the relevant Class of Notes each holder held immediately prior to the issuance (the "**Anti-Dilution Percentage**") of such additional Notes and on the same terms offered to investors generally;

(x) so long as the existing Notes of the Class of Notes to be issued are listed on the Global Exchange Market of Euronext Dublin) the additional Notes of such Class to be issued are in accordance with the requirements of Euronext Dublin and are listed on the Global Exchange Market of Euronext Dublin (for so long as the rules of Euronext Dublin so require);

(xi) 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;

(xii) 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)(xii) (*Additional Issuances*) will not be required with respect to any additional Notes that bear a different International Securities Identification Number (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;

(xiii) any issuance of additional Notes that are Rated 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 the original Notes and such additional Rated Notes; and

(xiv) the Retention Holder consenting to purchase a sufficient amount of each Class of Notes which is 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) Subject to the requirements in Condition 17(a) (*Additional Issuances*) above (except for the conditions in Condition 17(a)(vii), (xiii) and (xiv) (*Additional Issuances*)), the Issuer may issue and sell additional Subordinated Notes (without issuing Notes of any other Class) provided that:

(i) the subordination terms of such Subordinated Notes are identical to the terms of the previously issued Subordinated Notes;

(ii) the terms (other than the date of issuance, the issue price and the date from which interest will accrue) of such Subordinated Notes must be identical to the terms of the previously issued Subordinated Notes;

(iii) such additional Subordinated Notes are issued for a cash subscription price, the net proceeds to be:

(A) invested in Collateral Obligations or Eligible Investments or, pending such investment, deposited in, the Unused Proceeds Account prior to the expiry of the Initial Investment Period or the Principal Account after the expiry of the Initial Investment Period and in each case invested in Eligible Investments, provided that the Issuer or the Collateral Manager (acting on behalf of the Issuer) shall not be obliged to enter into any binding commitments to purchase Collateral Obligations with such proceeds, until such proceeds have been deposited into the Unused Proceeds Account or the Principal Account (as applicable); or

(B) used for other Permitted Uses;

(iv) the Issuer must notify the Rating Agencies then rating any Notes of such additional issuance;

(v) the holders of the Subordinated Notes shall have been notified in writing thirty calendar days prior to such issuance or such shorter period as may be approved by the Subordinated Noteholders (acting by Ordinary Resolution) by the Issuer and shall have been afforded the opportunity to purchase additional Subordinated Notes in an amount not to exceed the Anti-Dilution Percentage of such additional Subordinated Notes and on the same terms offered to investors generally; and

(vi) such additional issuance is in accordance with all applicable laws including, without limitation, the securities and banking laws and regulations of Ireland and do not adversely affect the Irish tax position of the Issuer.

(c) Upon the Collateral Manager having received legal advice from reputable legal counsel to the effect that the U.S. Retention Regulations have become applicable to the transaction described herein, the Issuer shall, subject to the consent of the Subordinated Noteholders (acting by Ordinary Resolution), at the direction of the Collateral Manager acting in its sole discretion, issue and sell such additional Notes of one or more Classes as may be required to ensure compliance with such rules, in each case having the same terms and conditions as existing Classes of Notes and which shall be consolidated and form a single series with the Outstanding Notes of each such Class. The proceeds of any such issuance hereunder shall be deposited in the Principal Account and shall constitute Principal Proceeds.

References in these Conditions to the "Notes" include (unless the context requires otherwise) any other notes issued pursuant to this Condition 17 (*Additional Issuances*) and forming a single series with the Notes. Any further securities forming a single series with Notes constituted by the Trust Deed or any deed supplemental to it shall be constituted by a deed supplemental to the Trust Deed.

18. Third Party Rights

No person shall have any right to enforce any term or condition of the Note under the Contracts (Rights of Third Parties) Act 1999.

19. Governing Law

(a) Governing Law

The Trust Deed and each Class of Notes and any dispute, controversy, proceedings or claim of whatever nature (whether contractual or non-contractual) arising out of or in any way relating to the Trust Deed or any Class of Notes are governed by and shall be construed in accordance with English law. The Irish Security Agreement and the Corporate Services Agreement shall be governed by and construed in accordance with Irish law.

(b) Jurisdiction

The courts of England are to have exclusive 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 Ocorian Corporate Services (UK) Limited (having an office, at the date hereof, at 11 Old Jewry, London, EC2R 8DU) as its agent in England to receive service of process in any Proceedings in England based on any of the Notes. If for any reason the Issuer ceases to have such an in England, it will promptly appoint a substitute process agent and notify the Trustee and the Noteholders of such appointment. Nothing herein shall affect the right to service of process in any other manner permitted by law.

USE OF PROCEEDS

The estimated net proceeds of the issue of the Notes after payment of fees, expenses and other amounts payable on or about the Issue Date (including, without duplication, amounts deposited into the Expense Reserve Account) are expected to be approximately €344,500,000. Such proceeds will be used by the Issuer in payment of all net amounts due and payable in connection with the acquisition of Collateral Obligations on or prior to the Issue Date and net amounts due and payable in connection with the Warehouse Facility (without any duplications) (as further described in the section of this Offering Circular titled "*The Portfolio – Acquisition of Collateral Obligations*") and to fund the First Period Reserve Account on the Issue Date. The remaining proceeds shall be retained in the Unused Proceeds Account.

FORM OF THE NOTES

References below to Notes and to the Global Certificates and the Definitive Certificates representing such Notes are to each respective Class of Notes, except as otherwise indicated.

Initial Issue of Notes

The Regulation S Notes of each Class (other than the Subordinated Notes) will be represented on issue by a Regulation S Global Certificate deposited with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg. Beneficial interests in a Regulation S Global Certificate may be held at any time only through Euroclear or Clearstream, Luxembourg. See "*Book Entry Clearance Procedures*". Beneficial interests in a Regulation S Global Certificate may not be held by a U.S. Person or U.S. Resident at any time. By acquisition of a beneficial interest in a Regulation S Global Certificate, the purchaser thereof will be deemed to represent, among other things, that it is not a U.S. Person, and that, if in the future it determines to transfer such beneficial interest, it will transfer such interest only to a person whom the seller reasonably believes (a) to be a non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, or (b) to be a person who takes delivery in the form of an interest in a Rule 144A Global Certificate. See "*Transfer Restrictions*".

The Rule 144A Notes of each Class (other than the Subordinated Notes) will be represented on issue by a Rule 144A Global Certificate deposited with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg. Beneficial interests in a Rule 144A Global Certificate may only be held at any time only through Euroclear or Clearstream, Luxembourg. See "*Book Entry Clearance Procedures*". By acquisition of a beneficial interest in a Rule 144A Global Certificate, the purchaser thereof will be deemed to represent, amongst other things, that it is a QIB/QP and that, if in the future it determines to transfer such beneficial interest, it will transfer such interest in accordance with the procedures and restrictions contained in the Trust Deed. See "*Transfer Restrictions*".

Beneficial interests in Global Certificates will be subject to certain restrictions on transfer set forth therein and in the Trust Deed and as set forth in Rule 144A and the Investment Company Act, and the Notes will bear the applicable legends regarding the restrictions set forth under "*Transfer Restrictions*". In the case of each Class of Notes (other than the Subordinated Notes), a beneficial interest in a Regulation S Global Certificate may be transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate in denominations greater than or equal to the minimum denominations applicable to interests in such Rule 144A Global Certificate only upon receipt by the Registrar or the Transfer Agent of a written certification (in the form provided in the Trust Deed) to the effect that the transferor reasonably believes that the transferee is a QIB/QP and that such transaction is in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. Beneficial interests in the Rule 144A Global Certificates may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate only upon receipt by the Registrar or the Transfer Agent of a written certification (in the form provided in the Trust Deed) from the transferor to the effect that the transfer is being made to a non-U.S. Person and in accordance with Regulation S.

Any beneficial interest in a Regulation S Global Certificate that is transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate will, upon transfer, cease to be an interest in such Regulation S Global Certificate and become an interest in the Rule 144A Global Certificate, and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in a Rule 144A Global Certificate for as long as it remains such an interest. Any beneficial interest in a Rule 144A Global Certificate that is transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate will, upon transfer, cease to be an interest in a Rule 144A Global Certificate and become an interest in the Regulation S Global Certificate and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in a Regulation S Global Certificate for so long as it remains such an interest. No service charge will be made for any registration of transfer or exchange of Notes, but the Registrar or the Transfer Agent may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Except in the limited circumstances described below, owners of beneficial interests in Global Certificates will not be entitled to receive physical delivery of certificated Notes.

On the Issue Date, an acquirer of a Class E Note in the form of a Rule 144A Global Certificate or a Regulation S Global Certificate 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 unless such acquirer: (i) receives the written consent of the Issuer; and (ii) provides an ERISA certificate to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person (in or substantially in the form of **Annex A** (*Form of ERISA Certificate*) and as set out in the Trust Deed. Other than on the Issue Date, an acquirer of a Class E Note in the form of a Rule 144A Global Certificate or a Regulation S Global Certificate 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 unless such acquirer: (i) receives the written consent of the Issuer; (ii) provides an ERISA certificate to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person (in or substantially in the form of **Annex A** (*Form of ERISA Certificate*) and as set out in the Trust Deed); and (iii) other than with respect to Retention Notes, holds such Class E Note in the form of a Definitive Certificate. Any Class E Note or Subordinated Note in the form of a Definitive Certificate shall be registered in the name of the holder thereof. Each purchaser and transferee understands and agrees that no transfer of the Class E Notes or Subordinated Notes (or any interest therein) will be permitted or recognised if it would cause the 25 per cent. Limitation to be exceeded with respect to the Class E Notes or Subordinated Notes (determined separately by Class).

The Class E Notes and the Subordinated Notes will be offered outside the United States to non-U.S. Persons in reliance on Regulation S and within the United States to persons who are both QIBs and QPs. The Notes are not issuable in bearer form.

The Subordinated Notes will only be issued in the form of Definitive Certificates.

Amendments to Terms and Conditions

Each Global Certificate contains provisions that apply to the Notes that they represent, some of which modify the effect of the Terms and Conditions of the Notes in definitive form (See "*Terms and Conditions of the Notes*"). The following is a summary of those provisions:

- *Payments:* Payments of principal and interest in respect of Notes represented by a Global Certificate will be made to the registered holder and, if no further payment falls to be made in respect of the relevant Notes, upon surrender of such Global Certificate to or to the order of the Principal Paying Agent or such other Agent as shall have been notified to the relevant Noteholders for such purpose. On each occasion on which a payment of interest (unless the Notes represented thereby do not bear interest) or principal is made in respect of the relevant Global Certificate, the Registrar shall note the same in the Register and, in relation to payments of principal, cause the aggregate principal amount of the Notes represented by a Global Certificate to be decreased accordingly.

- *Notices:* So long as any Notes are represented by a Global Certificate and such Global Certificate is held on behalf of a clearing system, notices to Noteholders shall be given by delivery of the relevant notice to that clearing system for communication by it to entitled account holders in substitution for delivery thereof as required by the Conditions of such Notes provided that such notice is also made to the Company Announcements Office of Euronext Dublin for so long as such Notes are listed on the Global Exchange Market of Euronext Dublin and the rules of Euronext Dublin so require. Such notice will be deemed to have been given to the Noteholders on the date of delivery of the relevant notice to the relevant clearing system.

- *Prescription:* Claims against the Issuer in respect of principal and interest on the Notes while the Notes are represented by a Global Certificate will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the date on which any payment first becomes due.

- *Meetings:* The holder of each Global Certificate will be treated as being one person for the purposes of any quorum requirements of, or the right to demand a poll at, a meeting of Noteholders and, at any such meeting, as having one vote in respect of each €1,000 of principal amount of Notes for which the relevant Global Certificate may be exchanged.

- *Trustee's Powers*: In considering the interests of Noteholders while the Global Certificates are held on behalf of a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its account holders with entitlements to each Global Certificate and may consider such interests as if such account holders were the holders of any Global Certificate.

- *Cancellation:* Cancellation of any Note required by the Terms and Conditions of the Notes to be cancelled will be effected by reduction in the principal amount of the Notes on the Register, with a corresponding notation made on the applicable Global Certificate.

- *Optional Redemption:* The Subordinated Noteholders' and the Controlling Class' option in Condition 7(b) (*Optional Redemption*) and Condition 7(g) (*Redemption following Note Tax Event*) (as applicable) may be exercised by the holder(s) of a Definitive Certificate or a Global Certificate (as applicable) representing Subordinated Notes or the Controlling Class (as applicable) giving notice to the Registrar or other Agent specified for such purpose of the principal amount of Subordinated Notes or Notes representing the Controlling Class (as applicable) in respect of which the option is exercised and presenting such Definitive Certificate or Global Certificate (as applicable) for endorsement of exercise within the time limit specified in Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*).

- *Record Date:* The Record Date will mean the close of business on the Clearing System Business Day before the relevant due date for payment of principal and interest in respect of such security.

  "**Clearing System Business Day**" means a day on which Euroclear and Clearstream, Luxembourg are open for business.

Exchange for Definitive Certificates

Exchange

Each Global Certificate will be exchangeable, free of charge to the holder, on or after its Definitive Exchange Date (as defined below), in whole but not in part, for Definitive Certificates if a Global Certificate is held (directly or indirectly) on behalf of Euroclear, Clearstream, Luxembourg or an alternative clearing system and any such clearing system is closed for business for a continuous period of fourteen calendar days (other than by reason of holiday, statutory or otherwise) or announces its intention to permanently cease business or does in fact do so, provided the relevant Noteholder provides a declaration in the form prescribed by section 64(7) of the TCA to the Issuer.

Interests in Global Certificates representing Class E Notes may be exchangeable for interests in Definitive Certificates representing the Class E Notes if a transferee is, or is acting on behalf of, a Benefit Plan Investor or a Controlling Person provided: (i) such transferee has obtained the written consent of the Issuer in respect of such transfer; and (ii) the transferee has provided the Issuer and a Transfer Agent with an ERISA certificate in or substantially in the form set out in **Annex A** (*Form of ERISA Certificate*) and as set out in the Trust Deed. Interests in Global Certificates representing Class E Notes may be exchangeable for interests in Definitive Certificates representing Class E Notes in accordance with the Conditions of the Notes as amended above.

The Registrar will not register the transfer of, or exchange of interests in, a Global Certificate for Definitive Certificates during the period from (but excluding) the Record Date to (and including) the date for any payment of principal or interest in respect of the Notes.

If only one of the Global Certificates (the "**Exchanged Global Certificate**") becomes exchangeable for Definitive Certificates in accordance with the above paragraphs, transfers of Notes may not take place between, on the one hand, persons holding Definitive Certificates issued in exchange for beneficial interests in the Exchanged Global Certificate and, on the other hand, persons wishing to purchase beneficial interests in the other Global Certificate.

"**Definitive Exchange Date**" means a day falling not less than thirty calendar days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Registrar and any Transfer Agent is located.

Delivery

In the event a Global Certificate is to be exchanged, the relevant Global Certificate shall be exchanged in full for Definitive Certificates and the Issuer will, at the cost of the Issuer (but against such indemnity as the Registrar or any relevant Transfer Agent may require in respect of any tax or other duty of whatever nature which may be levied or imposed in connection with such exchange), cause sufficient Definitive Certificates to be executed and delivered to the Registrar for completion, authentication and dispatch to the relevant Noteholders. A person having an interest in a Global Certificate must provide the Registrar with: (a) a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Certificates; and (b) in the case of the Rule 144A Global Certificate only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange or, in the case of simultaneous sale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Definitive Certificates issued in exchange for a beneficial interest in the Rule 144A Global Certificate shall bear the legends applicable to transfers pursuant to Rule 144A, as set out under "*Transfer Restrictions*" below.

Legends

The holder of a Class E Note or Subordinated Note represented by a Definitive Certificate in registered definitive form, as applicable, may transfer the Notes represented thereby in whole or in part in the applicable minimum denomination by surrendering such Note(s) at the specified office of the Registrar or any Transfer Agent, together with the completed form of transfer and to the extent applicable, written consent of the Issuer and a duly completed ERISA certificate (in or substantially in the form of **Annex A** (*Form of ERISA Certificate*) and as set out in the Trust Deed). Upon the transfer, exchange or replacement of a Definitive Certificate in registered definitive form, as applicable, bearing the legend referred to under "*Transfer Restrictions*" below, or upon specific request for removal of the legend on a Definitive Certificate in registered definitive form, as applicable, the Issuer will deliver only Definitive Certificates that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to the Issuer and the Registrar such satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by the Issuer that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act and the Investment Company Act.

Exchange of Definitive Certificates for Interests in Global Certificates

Regulation S

If a holder of Class E Notes represented by a Definitive Certificate wishes at any time to transfer its interest in such Notes to a person who wishes to take delivery thereof in the form of a beneficial interest in a Regulation S Global Certificate, such holder may effect such transfer only upon receipt by the Registrar of: (a) notification from the common depositary for Euroclear and Clearstream, Luxembourg of the Regulation S Global Certificate that the appropriate credit entry has been made in the accounts of the relevant participants of Euroclear and Clearstream, Luxembourg, (but in no case for less than the minimum authorised denomination applicable to such Notes); and (b) a certificate in the form of part 7 (*Form of Definitive Certificate to Regulation S Global Certificate Transfer Certificate of Class E*) of schedule 4 (*Transfer, Exchange and Registration Documentation*) of the Trust Deed or in such other form as the Registrar, relying upon the advice of counsel, may deem substantially similar in legal effect (a copy of which is provided to the Registrar) given by the holder of the beneficial interests in such Notes.

Each person who becomes an owner of a beneficial interest in a Regulation S Global Certificate will be deemed to have represented and agreed to the representations set forth in this Offering Circular relating to such Notes under the heading "*Transfer Restrictions*".

Rule 144A

If a holder of Class E Notes represented by a Definitive Certificate wishes at any time to transfer its interest in such Notes to a person who wishes to take delivery thereof in the form of a beneficial interest in a Rule 144A Global Certificate, such holder may effect such transfer only upon receipt by the Registrar of: (a) notification from the common depositary for Euroclear and Clearstream, Luxembourg of the Rule 144A Global Certificate that the appropriate credit entry has been made in the accounts of the relevant participants of Euroclear and Clearstream, Luxembourg (but in no case for less than the minimum authorised denomination applicable to Notes of such Class); and (b) a certificate in the form of part 6 (*Form of Definitive Certificate to Rule 144A Global Certificate Transfer Certificate of Class E Notes*) of schedule 4 (*Transfer, Exchange and Registration Documentation*) of the Trust Deed or in such other form as the Registrar, relying upon the advice of counsel, may deem substantially similar in legal effect (in each case, copies of which are provided to the Registrar as applicable) given by the proposed transferee.

Each person who becomes an owner of a beneficial interest in a Rule 144A Global Certificate will be deemed to have represented and agreed to the representations set forth in this Offering Circular relating to such Notes under the heading "*Transfer Restrictions*".

BOOK ENTRY CLEARANCE PROCEDURES

The information set out below has been obtained from sources that the Issuer believes to be reliable, but prospective investors are advised to make their own enquiries as to such procedures. The Issuer has taken reasonable care to ensure that this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information provided by such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. In particular, such information is subject to any change in or interpretation of the rules, regulations and procedures of 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 Global Certificates directly through Euroclear or Clearstream, Luxembourg if they are accountholders ("**Direct Participants**") or indirectly ("**Indirect Participants**" and together with Direct Participants, "**Participants**") through organisations which are accountholders therein.

Book Entry Ownership

Euroclear and Clearstream, Luxembourg

Each Regulation S Global Certificate and each Rule 144A Global Certificate will have an ISIN and a Common Code and will be registered in the name of, and deposited with, a nominee of the common depositary on behalf of, Euroclear and Clearstream, Luxembourg.

Relationship of Participants with Clearing Systems

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Note represented by a Global Certificate must look solely to Euroclear or Clearstream, Luxembourg (as the case may be) for his share of each payment made by the Issuer to the holder of such Global Certificate and in relation to all other rights arising under the Global Certificate, subject to and in accordance with the respective rules and procedures of Euroclear or Clearstream, Luxembourg. The Issuer expects that, upon receipt of any payment in respect of Notes represented by a Global Certificate, the common depositary by whom such Note is held, or nominee in whose name it is registered, will immediately credit the relevant Participants' or accountholders' accounts in the relevant Clearing System with payments in amounts proportionate to their respective beneficial interests in the principal amount of the relevant Global Certificate as shown on the records of the relevant Clearing System or its nominee. The Issuer also expects that payments by Direct Participants in any Clearing System to owners of beneficial interests in any Global Certificate held through such Direct Participants in any Clearing System will be governed by standing instructions and customary practices. Save as aforesaid, such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Certificate and the obligations of the Issuer will be discharged by payment to the registered holder, as the case may be, of such Global Certificate in respect of each amount so paid. None of the Issuer, the Trustee or any Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in any Global Certificate or for maintaining, supervising or reviewing any records relating to such ownership interests.

Settlement and Transfer of Notes

Subject to the rules and procedures of each applicable Clearing System, purchases of Notes held within a Clearing System must be made by or through Direct Participants, which will receive a credit for such Notes on the Clearing System's records. The ownership interest of each actual purchaser of each such Note (the "**Beneficial Owner**") will in turn be recorded on the Direct Participant's and Indirect Participant's records. Beneficial Owners will not receive written confirmation from any Clearing System of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant or Indirect Participant through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in Notes held within the Clearing System will be effected by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in such Notes, unless and until interests in any Global Certificate held within a Clearing System is exchanged for Definitive Certificates.

No Clearing System has knowledge of the actual Beneficial Owners of the Notes held within such Clearing System and their records will reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the Clearing Systems to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Trading between Euroclear and/or Clearstream, Luxembourg Participants

Secondary market sales of book entry interests in the Notes held through Euroclear or Clearstream, Luxembourg to purchasers of book entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional eurobonds.

RATINGS OF THE NOTES

General

It is a condition of the issue and sale of the Notes that the Rated Notes be issued with at least the following ratings: the Class A Notes: AAAsf from Fitch, AAA(sf) from KBRA and AAA(sf) from S&P; the Class B-1 Notes: AAsf from Fitch, AA(sf) from KBRA and AA(sf) from S&P; the Class B-2 Notes: AAsf from Fitch, AA(sf) from KBRA and AA(sf) from S&P; the Class C Notes: A-(sf) from KBRA and A-(sf) from S&P; the Class D Notes: BBB-(sf) from KBRA and BBB-(sf) from S&P; and the Class E Notes: BB-(sf) from KBRA and BB-(sf) from S&P. 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 other Rated Notes address the ultimate payment of principal and interest.

In respect of any Notes that are subject to a Refinancing in accordance with Condition 7(b)(v)(A) (*Refinancing in relation to a Redemption in Whole*), the ratings assigned to the Notes will not necessarily continue to be assigned to the Refinancing Obligations issued pursuant thereto.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the applicable rating agency.

As of the date of this Offering Circular, each of the Rating Agencies is established in the European Union ("**EU**") and is registered under Regulation (EC) No 1060/2009 (as amended) (the "**CRA Regulation**"). As such each Rating Agency is included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website in accordance with the CRA Regulation.

Fitch Ratings

The ratings assigned to the Rated Notes by Fitch are based upon Fitch's statistical analysis of historical default rates on debt obligations with similar characteristics to the Collateral Obligations and the various eligibility requirements that the Collateral Obligations are required to satisfy.

Fitch analyses the likelihood that each Collateral Obligation will default, based on historical default rates for similar debt obligations, the historical volatility of such default rates (which increases as securities with lower ratings are added to the portfolio) and an additional default assumption to account for future fluctuations in defaults. Fitch then determines the level of credit protection necessary based on a specific percentile of the portfolio default distribution determined by the Fitch "Portfolio Credit Model" which takes into account the correlation between assets in the portfolio based on the level of diversification by region, issuer and industry. The results of a statistical analysis are incorporated into a cash flow model built to mimic the structure of the transaction. In this regard, the results of several default scenarios, in conjunction with various qualitative tests (e.g. analysis of the strength of the Collateral Manager), are used to determine the credit enhancement required to support a particular rating.

Fitch's ratings of the Rated Notes were established under various assumptions and scenarios.

There can be no assurance that actual defaults on the Collateral Obligations will not exceed those assumed by Fitch in its analysis, or that recovery rates with respect thereto (and consequently loss rates) will not differ from those assumed by Fitch.

In addition to those quantitative tests, Fitch ratings take into account qualitative features of a transaction, including the experience of the Collateral Manager, the legal structure and the risks associated with such structure and other factors that Fitch deems relevant.

KBRA Ratings

The ratings assigned to the Class A Notes and the Class B Notes by KBRA address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class C Notes, the Class D Notes and the Class E Notes by KBRA address the ultimate payment of principal and interest.

KBRA's process for analysing structured credit transactions broadly consists of the following five components:

(a) Collateral Analysis: KBRA will review the collateral in the portfolio and establish an assumption for the credit quality, industry / sector classification and recovery rate for each asset.

(b) Portfolio Level Analysis: Create a model portfolio based on the collateral limitations outlined in the transaction documents and then calculate the expected gross default rate of the portfolio at each rating level. The calculation of the portfolio's expected default rates is based upon the evaluation of the portfolio's credit quality and diversity, as derived from the collateral analysis performed. The expected gross default rates are then used as inputs in the cash flow analysis process.

(c) Transaction and Structure Analysis: Review the transactions documents to evaluate the transaction's overall structure, including payment priorities, performance triggers, reinvestment provisions and events of default, amongst others. KBRA will also review the issuer to determine whether the risk of bankruptcy is sufficiently remote.

(d) Cash Flow Analysis: KBRA will use a cash flow model to test the resiliency of a transaction's structure against varying interest rate vectors, default timing vectors, weighted average spread assumptions and recovery rate assumptions, amongst other factors. The results of the cash flow analysis will provide insight into the expected losses of each tranche under the various cash flow scenarios tested.

(e) Collateral Manager Review: As part of the rating process, KBRA performs an analysis of the collateral manager's operations, experience and investment process, amongst other factors, to evaluate the manager's ability to maintain the portfolio according to the transaction's governing documents.

KBRA's ratings of the Rated Notes were established under various assumptions and scenarios.

There can be no assurance that actual defaults on the Collateral Obligations will not exceed those assumed by KBRA in its analysis, or that recovery rates with respect thereto (and consequently loss rates) will not differ from those assumed by KBRA.

S&P Ratings

S&P will rate the Rated Notes in a manner similar to the manner in which it rates other structured issues. This requires an analysis of the following:

(a) the credit quality of the portfolio of Collateral Obligations securing the Notes;

(b) the cash flow used to pay liabilities and the priorities of these payments; and

(c) legal considerations.

Based on these analyses, S&P determines the necessary level of credit enhancement needed to achieve a desired rating. In this connection, the S&P CDO Monitor Test is applied from the Effective Date until the end of the Reinvestment Period.

S&P's analysis includes the application of its proprietary default expectation computer model (the "**S&P CDO Monitor**"), which is used to estimate the default rate S&P projects the Portfolio is likely to experience and which will be provided to the Collateral Manager on or before the Issue Date. The S&P CDO Monitor calculates the cumulative default rate of a pool of Collateral Obligations and Eligible Investments consistent with a specified benchmark rating level based upon S&P's proprietary corporate debt default studies. The S&P CDO Monitor takes into consideration the rating of each Obligor, the number of Obligors, the Obligor industry concentration and the remaining weighted average maturity of each of the Collateral Obligations included in the Portfolio. The risks posed by these variables are accounted for by effectively adjusting the necessary default level needed to achieve a desired rating. The higher the desired rating, the higher the level of defaults the Portfolio must withstand. For example, the higher the Obligor industry concentration or the longer the weighted average maturity, the higher the default level is assumed to be.

Credit enhancement to support a particular rating is then provided on the results of the S&P CDO Monitor, as well as other more qualitative considerations such as legal issues and management capabilities. Credit enhancement is typically provided by a combination of over collateralisation/subordination, cash collateral/reserve account, excess spread/interest and amortisation. A cash flow model (the "**Transaction Specific Cash Flow Model**") is used to evaluate the portfolio and determine whether it can comfortably withstand the estimated level of default while fully repaying the class of debt under consideration.

There can be no assurance that actual losses on the Collateral Obligations will not exceed those assumed in the application of the S&P CDO Monitor or that recovery rates and the timing of recovery with respect thereto will not differ from those assumed in the Transaction Specific Cash Flow Model. None of S&P, the Issuer, the Collateral Manager, the Retention Holder, the Collateral Administrator, the Trustee or the Placement Agent, makes any representation as to the expected rate of defaults on the Portfolio or as to the expected timing of any defaults that may occur.

S&P's ratings of the Rated Notes will be established under various assumptions and scenario analyses. There can be no assurance that actual defaults on the Collateral Obligations will not exceed those assumed by S&P in its analysis, or that recovery rates with respect thereto (and, consequently, loss rates) will not differ from those assumed by S&P.

RULE 17G-5 COMPLIANCE

THE ISSUER, IN ORDER TO PERMIT THE RATING AGENCIES TO COMPLY WITH THEIR OBLIGATIONS UNDER RULE 17G-5 PROMULGATED UNDER THE EXCHANGE ACT ("**RULE 17G-5**"), HAS AGREED TO POST (OR HAVE ITS AGENT POST) ON A PASSWORD-PROTECTED INTERNET WEBSITE (THE "**RULE 17G-5 WEBSITE**"), AT THE SAME TIME SUCH INFORMATION IS PROVIDED TO THE RATING AGENCIES, ALL INFORMATION (WHICH WILL NOT INCLUDE ANY REPORTS FROM THE ISSUER'S INDEPENDENT PUBLIC ACCOUNTANTS) THAT THE ISSUER OR OTHER PARTIES ON ITS BEHALF, INCLUDING THE COLLATERAL MANAGER, PROVIDE TO THE RATING AGENCIES FOR THE PURPOSES OF DETERMINING THE INITIAL CREDIT RATING OF THE RATED NOTES OR UNDERTAKING CREDIT RATING SURVEILLANCE OF THE RATED NOTES; PROVIDED, HOWEVER, THAT, PRIOR TO THE OCCURRENCE OF AN EVENT OF DEFAULT, WITHOUT THE PRIOR WRITTEN CONSENT OF THE COLLATERAL MANAGER NO PARTY OTHER THAN THE ISSUER (OR ANY PERSON ACTING ON ITS BEHALF) MAY PROVIDE INFORMATION TO THE RATING AGENCIES ON THE ISSUER'S BEHALF. ON THE ISSUE DATE, THE ISSUER WILL ENGAGE U.S. BANK GLOBAL CORPORATE TRUST LIMITED, IN ACCORDANCE WITH THE COLLATERAL MANAGEMENT AND ADMINISTRATION AGREEMENT, TO ASSIST THE ISSUER IN COMPLYING WITH CERTAIN OF THE POSTING REQUIREMENTS UNDER RULE 17G-5 (IN SUCH CAPACITY, THE "**INFORMATION AGENT**"). ANY NOTICES OR REQUESTS TO, OR ANY OTHER WRITTEN COMMUNICATIONS WITH OR WRITTEN INFORMATION PROVIDED TO, THE RATING AGENCIES, OR ANY OF 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 AND ADMINISTRATION AGREEMENT, ANY TRANSACTION DOCUMENT RELATING THERETO, THE PORTFOLIO OR THE NOTES, WILL BE IN EACH CASE FURNISHED DIRECTLY TO THE RATING AGENCIES AFTER A COPY HAS BEEN DELIVERED TO THE INFORMATION AGENT OR THE ISSUER FOR POSTING TO THE RULE 17G-5 WEBSITE.

THE ISSUER

General

The Issuer was incorporated in Ireland as a designated activity company limited by shares on 23 August 2019 under the Companies Act 2014 (as amended) with the name Vendome Funding DAC,with company registration number 655722 and having its registered office at 4th Floor, Garryard House, 25/26 Earlsfort Terrace, Dublin 2, Ireland. The name of the Issuer was subsequently changed to Vendome Funding CLO 2020-1 DAC on 10 June 2020. The telephone number of the registered office of the Issuer is +353 (0) 1 633 6030 and the facsimile number is +353 (0) 1 633 5684.

The Issuer has been established as a special purpose vehicle for the purposes of acquiring financial assets, issuing financial instruments and the entering into of other legally binding arrangements.

The authorised share capital of the Issuer is €100,000,000 divided into 100,000,000 ordinary shares of €1.00 each. The Issuer has issued 1 ordinary share of €1.00 (the "**Share**"), which is fully paid up and is held by Ocorian Corporate Trustees (Ireland) Limited (the "**Share Trustee**") under the terms of a declaration of trust dated 20 September 2019 (the "**Declaration of Trust**") pursuant to which the Share Trustee holds the Share on trust for Irish charitable purposes until the Termination Date (as defined in the Declaration of Trust) and may not dispose or otherwise deal with the Share for so long as there are any Notes outstanding.

Octorian (Ireland) Limited (the "**Corporate Services Provider**"), an Irish company, acts as the corporate administrator for the Issuer. The office of the Corporate Services Provider services as the general business office of the Issuer. Through the office and pursuant to the terms of the corporate services agreement entered into on 1 November 2019 (the "**Corporate Services Agreement**") between the Issuer and the Corporate Services Provider, the Corporate Services Provider performs various management functions on behalf of the Issuer, including the provision of certain clerical, reporting, accounting, administrative and other services until termination of the Corporate Services Agreement. In consideration for the foregoing, the Corporate Services Provider receives various fees and other charges payable by the Issuer at rates agreed upon from time to time plus expenses. The terms of the Corporate Services Agreement provide that either party may terminate the Corporate Services Agreement upon the occurrence of certain stated events. In addition, either party may terminate the Corporate Services Agreement at any time by giving not less than three months' (or such shorter period agreed between the Issuer and the Corporate Services Provider) written notice to the other party.

The Corporate Services Provider's principal office is at 4th Floor, Garryard House, 25/26 Earlsfort Terrace, Dublin 2.

Business

The principal objects of the Issuer are set forth in Article 3 of its Constitution and include, inter alia, the power to carry on the business of entering into financial transactions, including but without limitation securitising, purchasing, acquiring, holding, collecting, discounting, financing, negotiating, managing, warehousing, selling, disposing of and otherwise trading or dealing directly or indirectly in real or personal property of whatsoever nature (including, without limitation, (i) securities, instruments or obligations of any nature whatsoever, howsoever described, (ii) derivatives, financial assets of whatsoever nature howsoever described, (iii) trade accounts, receivables and book debts of whatsoever nature howsoever described, (iv) foreign currencies, (v) commodities, and (vi) plant and machinery) and any proceeds arising therefrom or in relation thereto and any participation or interest (whether legal or equitable) therein and any certificates of participation or interest (whether legal or equitable) therein and any agreements in connection therewith. Cash flow derived from the Collateral securing the Notes will be the Issuer's only source of funds to fund payments in respect of such Notes.

So long as any of the Notes are outstanding, the Issuer will be subject to the restrictions set out in the Conditions and in the Trust Deed. In particular, the Issuer has undertaken not to carry out any business other than the issuing of the Notes and acquiring, holding and disposing of the Portfolio in accordance with the Conditions and the Collateral Management and Administration Agreement, entering into the Trust Deed, the Agency Agreement, the Placement Agency Agreement, the Irish Security Agreement, any Hedge Agreements, the Risk Retention Letter, the Collateral Acquisition Agreements, the Participation Agreements, the Corporate Services Agreement and any Reporting Delegation Agreement, and exercising the rights and performing the obligations under each such agreement and all other transactions incidental thereto. The Issuer will not have any substantial liabilities other than in connection with the Notes and any secured obligations. The Issuer will not have any subsidiaries and, save in respect of the fees and expenses generated in connection with the issue of the Notes (referred to below), any related profits and the proceeds of any deposits and investments made from such fees or from amounts representing the proceeds of the Issuer's issued share capital, the Issuer will not be able to accumulate any surpluses.

The Issuer has, and will have, no material assets other than the Portfolio held from time to time, the Balances standing to the credit of the Accounts and the benefit of the Trust Deed, the Collateral Management and Administration Agreement, the Agency Agreement, the Placement Agency Agreement, the Irish Security Agreement, any Hedge Agreements, the Risk Retention Letter, the Collateral Acquisition Agreements, the Participation Agreements, the Corporate Services Agreement and any Reporting Delegation Agreement entered into by or on behalf of the Issuer from time to time, such fees (as agreed) payable to it in connection with the issue of the Notes, the sum of €1.00 representing the proceeds of its issued and paid up share capital and the remainder of the amounts standing to the credit of the Issuer Irish Account. The only assets of the Issuer available to meet claims of the holders of the Notes and the other Secured Parties are the assets comprised in the Collateral.

The Notes are obligations of the Issuer alone and are not the obligations of, or guaranteed in any way by, the Directors or the company secretary of the Issuer, the Trustee, and the Agents, the Collateral Manager, the Placement Agent, the Hedge Counterparty or any obligor under any part of the Portfolio.

Directors and Company Secretary

The Issuer's Constitution provides that the board of directors of the Issuer will consist of at least two directors.

The Directors of the Issuer as at the date of this Offering Circular are Conor Blake and David McGuinness. Conor Blake and David McGuinness are employees of the Corporate Services Provider. The business address of the Directors is 4th Floor, Garryard House, 25/26 Earlsfort Terrace, Dublin 2. The Directors of the Issuer may engage in other activities and have other directorships. None of the Directors of the Issuer has any actual or potential conflict between their duties to the Issuer and their private interest or other duties.

The company secretary is Ocorian (Ireland) Limited of 4th Floor, Garryard House, 25/26 Earlsfort Terrace, Dublin 2.

Business Activity

Prior to the Issue Date, the Issuer entered into the Warehouse Facility in order to enable the Issuer to acquire certain Collateral Obligations on or before the Issue Date. Amounts owing under the Warehouse Facility will be fully repaid on the Issue Date using the proceeds from the issuance of the Notes.

The Issuer has not previously carried on any business or activities other than those incidental to its incorporation, the authorisation and entry into of the Warehouse Facility, the acquisition of the Portfolio, the authorisation and issue of the Notes and activities incidental to the exercise of its rights in compliance with its obligations under the Trust Deed, the Collateral Management and Administration Agreement, the Agency Agreement, the Placement Agency Agreement, any Hedge Agreements, the Risk Retention Letter, the Irish Security Agreement, the Collateral Acquisition Agreements, the Participation Agreements, the Corporate Services Agreement and any Reporting Delegation Agreement entered into in connection with the issue of the Notes and the purchase of the Portfolio.

Indebtedness

The Issuer has no indebtedness as at the date of this Offering Circular, other than that which the Issuer has incurred or shall incur in relation to the transactions contemplated herein (including the funding provided pursuant to the Warehouse Facility, which will be repaid in full on the Issue Date).

Subsidiaries

The Issuer has no subsidiaries.

Administrative Expenses of the Issuer

The Issuer is expected to incur certain Administrative Expenses (as defined in Condition 1 (*Definitions*) of the Terms and Conditions of the Notes).

Financial Statements

Since its date of incorporation, and save as disclosed herein, the Issuer has not commenced operations and no financial statements of the Issuer have been prepared as at the date of this Offering Circular. The Issuer intends to publish its financial statements in respect of the period ending on 31 December 2020. The Issuer will not prepare interim financial statements. The financial year of the Issuer ends on 31 December in each year.

The Issuer's profit and loss account and balance sheet can be obtained free of charge from the registered office of the Issuer. The Issuer must hold its first annual general meeting within 18 months of the date of its incorporation and thereafter the gap between its annual general meetings must not exceed 15 months. One annual general meeting must be held in each calendar year.

The Issuer intends to appoint Ernst & Young, Chartered Accountants ("**EY**") as its auditors on or as soon as reasonably practicable following the Issue Date. EY are chartered accountants and are members of the Institute of Chartered Accountants and registered auditors qualified to practice in Ireland.

THE COLLATERAL MANAGER

The information appearing in this section has been prepared by the Collateral Manager and has not been independently verified by the Issuer, the Placement Agent or any other party. The Issuer confirms that where information has been sourced from a third party, such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information which has been published by the Collateral Manager, no facts have been omitted which would render the reproduced information inaccurate or misleading. None of the Placement Agent or any other party other than the Collateral Manager assumes any responsibility for the accuracy or completeness of such information.

General

The Collateral Manager, CBAM CLO Management Europe, LLC ("**CBAM**"), is a limited liability company incorporated in Delaware with its registered office at 3500 S Dupont HYW, Dover, 19901, Delaware, United States of America. CBAM was established in 1 June 2020 and will perform certain collateral management and administration functions relating to the Portfolio. CBAM is registered as an investment adviser with the U.S. Securities and Exchange Commission.

The personnel of the Collateral Manager and, where applicable and as described further below, CBAM U.S., have extensive experience in all areas of credit analysis, credit derivative markets, portfolio management, execution, analytics and modelling.

While the Collateral Manager will be responsible for the portfolio management and credit decisions with respect to managing the Collateral on behalf of the Issuer, certain day to day functions, including credit research, IT, legal and compliance, operations, finance and risk management support have been outsourced to CBAM U.S., of which it is a fully owned subsidiary, pursuant to a supply and services agreement with CBAM U.S. dated on or about the Issue Date (the "**Supply and Services Agreement**"). By way of compensation for these services CBAM U.S. will receive a services fee on a commercial and arm's length basis. Notwithstanding the foregoing, the Collateral Manager may not assign its material rights or delegate its material responsibilities under the Collateral Management and Administration Agreement except in the circumstances set out in "*Description of the Collateral Management and Administration Agreement - Delegation, Assignment or Transfer*" below.

Governance

CBAM is governed by a board of managers, appointed by the equity owner of CBAM. The board of managers retains substantive decision-making authority, including the power to commit capital on behalf of CBAM, amend or terminate the Supply and Services Agreement with CBAM U.S., approve conflicts of interest, and monitor and take action with respect to key risks associated with the collateral management/origination business conducted by CBAM.

Investment Committee

The Collateral Manager has established an investment committee ("**Collateral Manager Investment Committee**") in order to: (i) assess specific opportunities for investment by the Collateral Manager in CLOs and other authorised investments by the Collateral Manager, and (ii) make determinations from time to time in the Collateral Manager's capacity as collateral manager for European CLOs with respect to acquisition, disposition, allocation of credits, exchange, restructuring or other material investment decisions of the collateral manager contemplated by the terms of the relevant European CLO including the origination of assets, in each case in accordance with its investment strategy and process.

The Collateral Manager Investment Committee will be comprised of individuals as provided by CBAM U.S. through one or more secondment or similar arrangements.

CBAM Partners, LLC

CBAM Partners, LLC ("**CBAM U.S.**") is a privately-owned alternative asset manager. CBAM U.S. offers investment advisory services primarily focused on credit and value-oriented investments to a variety of institutional clients through separately managed accounts, CLOs and private funds. CBAM U.S. is a registered investment adviser under the Investment Advisers Act.

CBAM U.S. employs an investment approach based on fundamental, credit, and value analysis along with active portfolio management. CBAM U.S. identifies investment opportunities in the markets through industry and company analysis using information from borrowers, underwriters, sales and trading desks, among others. In evaluating potential investments, CBAM typically focuses on, among other things, industry dynamics, competitive environments, performance history and prospects, investment sponsors and quality of management, projected cash flow, quality and value of underlying collateral, downside protection and relative value opportunities within a borrower's capital structure and the market.

CBAM employs an investment approach based on fundamental, credit, and value analysis along with active portfolio management. CBAM identifies investment opportunities in the markets through industry and company analysis using information from borrowers, underwriters, sales and trading desks, among others. In evaluating potential investments, CBAM typically focuses on, among other things, industry dynamics, competitive environments, performance history and prospects, investment sponsors and quality of management, projected cash flow, quality and value of underlying collateral, downside protection and relative value opportunities within a borrower's capital structure and the market.

Investment Professionals

Set forth below is information regarding the background and principal occupations of certain of the principal officers and key personnel of the Collateral Manager seconded from CBAM U.S., including those individuals who are expected to be primarily responsible for managing the Portfolio under the Collateral Management and Administration Agreement.

Don Young, Partner

Don has 26 years of experience managing CLOs and hedge funds. Prior to co-founding CBAM U.S., he managed the Performing Credit business for Och-Ziff which included $7.5B of CLOs. Prior to joining Och-Ziff, Mr. Young was a Senior Portfolio Manager at Octagon Credit Investors. Earlier, he was a Senior Portfolio Manager at Primus Asset Management, Inc. Prior to joining Primus, Mr. Young was a Principal at Octagon Credit Investors as well as Senior Vice President at Bank of the West.

Mike Damaso, Partner

Mike has 20 years of corporate credit management experience. Prior to co-founding CBAM U.S., Mr. Damaso spent 13 years at Guggenheim Investments where he was a Senior Managing Director, Portfolio Manager and Chairman of the Investment Committee overseeing Guggenheim's $68 billion corporate credit platform. Prior to joining Guggenheim, Mr. Damaso worked in a credit research capacity at JH Whitney & Co and Banc One Capital Markets. Mr. Damaso is also Vice Chairman of A24, a film and television production and distribution company conceived in early 2012 and built in partnership with Eldridge Industries.

Jay Garrett, Managing Director

Prior to co-founding CBAM U.S., Jay was a Vice President at MatlinPatterson Asset Management within the Firm's Senior Credit platform where he assisted in the buildout of leveraged credit investing, including the management of CLOs. Prior to joining MatlinPatterson in 2013, Mr. Garrett spent five years as an Investment Professional at Ahab Capital Management, where he was an investor in the public and private debt and equity markets. Prior to joining Ahab, Mr. Garrett was an Associate at Bear Stearns within the Firm's CLO management group.

Jean-Philippe Levilain, Head of Credit Europe

Jean-Philippe joined CBAM U.S. in September 2019 to serve as Senior portfolio manager and President of CBAM Europe. He has 22 years of experience in the European Leverage Loan market. Prior to joining CBAM U.S., JP managed AXA IM's Global Leveraged Loan platform, based in the US and acted as Senior PM for AXA IM's US CLO suite. Prior to establishing the US business in 2012, Jean-Philippe was a Senior PM and Head of the European loan team. Before that, he spent seven years with BNP Paribas, and held several positions as a loan trader and credit analyst. Jean-Philippe graduated from the Institut d'Etudes Politiques de Paris and obtained a postgraduate degree in Finance from the University of Paris I, Pantheon-Sorbonne.

THE COLLATERAL ADMINISTRATOR

The information appearing in this section has been prepared by the Collateral Administrator and has not been independently verified by the Issuer, the Placement Agent or any other party. The Issuer has taken reasonable care to ensure 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 Administrator, no facts have been omitted which would render the reproduced information inaccurate or misleading. None of the Placement Agent or any other party other than the Collateral Administrator assume any responsibility for the accuracy or completeness of such information.

U.S. Bank Global Corporate Trust Limited

U.S. Bank Global Corporate Trust Limited is a limited liability company registered in England and Wales with company number 05521133 having its registered office at 125 Old Broad Street, Fifth Floor, London EC2N 1AR.

THE RETENTION HOLDER AND EU RETENTION AND TRANSPARENCY REQUIREMENTS

Description of the Retention Holder

The Collateral Manager shall act as the Retention Holder for the purposes of the EU Retention Requirements, subject as provided below.

The Retention

Background

On the Issue Date, the Collateral Manager in its capacity as Retention Holder, acting for its own account, will sign the Risk Retention Letter addressed to the Issuer, the Trustee, the Collateral Administrator and the Placement Agent.

The Retention Holder intends to hold the requisite risk retention in its capacity as "originator" pursuant to the EU Retention Requirements.

The Retention Holder reasonably believes that it has established, and will manage, the CLO transaction described in this Offering Circular. The Retention Holder will also represent and warrant in the Risk Retention Letter, that the Originator Requirement (as defined below) has been satisfied on the Issue Date.

"**Originated Assets**" means Collateral Obligations (i) which the Retention Holder has undertaken to acquire from the Issuer pursuant to the Conditional Sale Agreement in the event that any such Collateral Obligation becomes a Defaulted Obligation during the relevant Seasoning Period for such Collateral Obligation, and (ii) which the Retention Holder or its related entities were directly or indirectly involved in the original agreement which created such Collateral Obligations.

"**Originator Requirement**" means the requirement which will be satisfied if, on the Issue Date:

(a) the Aggregate Principal Balance of all Originated Assets that have been originated by the Retention Holder; 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.

Undertakings

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

(a) covenant and undertake:

    (i) to subscribe for, hold and retain, on an ongoing basis, in its capacity as originator for so long as any Class of Notes remains Outstanding, a material net economic interest in the form specified in Article 6(3)(a) of the Securitisation Regulation, of not less than 5 per cent. of the outstanding nominal value of each of the tranches sold or transferred to investors on the Issue Date within the meaning of the EU Retention Requirements (where for such purpose the Class B-1 Notes and the Class B-2 Notes shall be considered a single "tranche") (the "**Retention Notes**") and not less than 5 per cent. of the principal amount of any outstanding Reinvestment Amounts (together, the "**Retention**");

    (ii) that neither it nor its Affiliates will transfer the Retention or sell, hedge or otherwise mitigate its credit risk under or associated with the Retention or the underlying portfolio of Collateral Obligations, except (i) with respect to such hedging or mitigation of credit risk, to the extent permitted by the EU Retention Requirements, and (ii) with respect to such transfer or sale, as provided below;

(iii) subject to any overriding regulatory requirements, to take such further reasonable action, provide such information relating to its holding of the Retention, and enter into such other agreements, in each case as may reasonably be required by the Issuer to satisfy the EU Retention Requirements in force as at the Issue Date for so long as any Class of Notes remains Outstanding, provided that as regards the provision of information (i) such information is in the possession of the Retention Holder, and (ii) only to the extent the same is not subject to a duty of confidentiality, at the cost and expense of the party requesting such further action;

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

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

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

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

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

(vi) that it shall immediately notify the Issuer, the Collateral Manager, the Trustee, the Collateral Administrator and the Placement Agent in writing (which may be by way of e-mail) if for any reason:

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

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

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

(vii) that it is not an entity that has been established or that operates for the sole purpose of securitising exposures as further defined and set out in the Securitisation Regulation;

(b) acknowledge and confirm that the Retention Holder reasonably believes that it has established and is managing the transaction contemplated by the Transaction Documents; and

(c) represent that, in relation to each Collateral Obligation acquired by the Issuer in satisfaction of the Originator Requirement, the Retention Holder either:

(i) assumed the credit risk with respect to such Collateral Obligation during the relevant Seasoning Period for such Collateral Obligation by committing to purchase such Collateral Obligation from the Issuer in the event that such Collateral Obligation became a Defaulted Obligation within the relevant Seasoning Period for such Collateral Obligation; or

(ii) either itself or through related entities, directly or indirectly, was involved in the original agreement which created such asset.

Notwithstanding the above, the Retention Holder may transfer the Retention only:

(a) if and to the extent such transfer would not cause the transaction described in this Offering Circular to cease to be compliant with the EU Retention Requirements; and

(b) if such transfer is to a Person which will commit to retain the Retention subject to and in accordance with the EU Retention Requirements and such Person enters into an agreement on terms substantially identical (*mutatis mutandis*) to those outlined above.

Without limitation to the above, upon a resignation or removal of the Collateral Manager pursuant to the Collateral Management and Administration Agreement:

(a) subject to satisfaction of the requirements in paragraphs (a) and (b) immediately above, the Retention may be transferred to the replacement collateral manager on the basis that such replacement collateral manager shall be the Retention Holder; or

(b) otherwise, the Collateral Manager shall remain the Retention Holder and be bound by the retention undertakings described above, notwithstanding that it will no longer act as collateral manager with respect to the transaction described in this Offering Circular.

The Issuer, the Trustee, the Collateral Administrator (in the case of the Collateral Administrator, solely in connection with the Retention Holder's covenants referred to in sub-paragraphs (a)(v) and (vi) above) and the Placement Agent are each parties to the Risk Retention Letter solely for the purposes of obtaining the benefit of the representations, warranties, covenants and undertakings contained therein and under no circumstances shall any of them be deemed to have undertaken any obligations thereunder or by virtue of their entry into the Risk Retention Letter.

With respect to the EU Retention Requirements, each prospective investor in the Notes is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction are sufficient to comply with the EU Retention Requirements or any other regulatory requirement. None of the Issuer, the Collateral Manager, any Collateral Manager Related Person, the Retention Holder, the Placement Agent, the Collateral Administrator, the Trustee, their respective Affiliates or any other Person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose and no such Person shall have any liability to any prospective investor or any other Person with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy the EU Retention Requirements or any other applicable legal, regulatory or other requirements. Each prospective investor in the Notes which is subject to the EU Retention Requirements or any other regulatory requirement should consult with its own legal, accounting and other advisors and/or its regulator to determine whether, and to what extent, such information is sufficient for such purposes and any other requirements of which it is uncertain. See "*Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence Requirements*" above, and "*Description of the Collateral Management and Administration Agreement*" below. The Retention Holder may, to the extent permitted under the EU Retention Requirements but will not have any obligation to, change the quantum, method or nature of its holding of the Retention 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.

Origination of Collateral Obligations

General

By way of background, the Securitisation Regulation definition of an "originator" refers to an entity which:

(a) itself or through related entities, directly or indirectly, was involved in the original agreement which created the obligations or potential obligations of the debtor or potential debtor giving rise to the exposures being securitised; or

(b) purchases a third party's exposures on its own account and then securitises them.

Article 3(4)(a) of the regulatory technical standards adopted by the EU Commission on 13 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 EU Retention and Transparency Requirements may be fulfilled in full by a single originator in circumstances where the relevant originator has established and is managing the scheme.

Origination

The Retention Holder has entered into a conditional sale agreement (the "**Conditional Sale Agreement**") between the Retention Holder (as purchaser) and the Issuer (as seller). Pursuant to the terms of the Conditional Sale Agreement, the Issuer shall, in the event any asset the subject of such Conditional Sale Agreement (each an "**Originated Asset**") becomes a Defaulted Obligation within 15 Business Days (the "**Seasoning Period**") of the date upon which the Issuer (or the Retention Holder on its behalf) entered into a binding commitment to acquire such Collateral Obligation, have the right to require the Retention Holder to purchase from it the relevant Originated Asset for the same purchase price as the Issuer committed to purchase and settle such Originated Asset. The Retention Holder will ensure that, on or before the Issue Date, Originated Assets with an aggregate notional amount of not less than five per cent. of the Target Par Amount have been subject to the Seasoning Period under the terms of the Conditional Sale Agreement.

Transparency Requirements

The following description of the transparency requirements consists of a summary of certain provisions of the transparency requirements which does not purport to be complete and is qualified by reference to the detailed provisions of the Collateral Management and Administration Agreement. Capitalised terms used in this section and not defined in this Offering Circular shall have the meaning given to them in the Collateral Management and Administration Agreement.

In accordance with Article 7(2) of the Securitisation Regulation, each of the originator, the sponsor and the Issuer are required to designate amongst themselves one entity to fulfil the reporting obligations of Article 7(1) of the Securitisation Regulation. Pursuant to the Collateral Management and Administration Agreement, the Issuer has undertaken to be designated as the entity (the "**Designated Reporting Entity**") responsible to fulfil the reporting obligations of Article 7(1) of the Securitisation Regulation and to adhere to its obligations in respect thereof.

The Collateral Manager will at the expense of the Issuer and in accordance with the Collateral Management and Administration Agreement, undertake to reasonably assist the Issuer in complying with its obligations under the EU Transparency Requirements, including by providing to the Collateral Administrator (or any applicable third party reporting entity), subject to any confidentiality undertaking given by the Collateral Manager or to which the Collateral Manager is subject, any reports, data and other information, (i) which are in the possession of the Collateral Manager, (ii) which are not subject to legal or contractual restrictions on disclosure (unless the relevant information can be summarised or disclosed in an anonymised form, in accordance with such legal or contractual restrictions on disclosure), and (iii) to which the Collateral Administrator (or any applicable third party reporting entity) does not otherwise have access or which are not otherwise in the Collateral Administrator's possession, required for compliance by the Issuer with the EU Transparency Requirements provided that the Collateral Manager shall not be responsible or liable for failing to provide any reports, data and other information that the Collateral Manager is unable to procure or source using reasonable efforts.

Prior to the adoption of final disclosure templates in respect of the EU Transparency Requirements, the Issuer (with reasonable assistance of the Collateral Manager) intends to fulfil the reporting requirements contained in subparagraphs (a) and (e) of Article 7(l) of the Securitisation Regulation through the Monthly Reports and the Payment Date Reports (as applicable), see "*Description of the Reports*" and as soon as reasonably practicable following the adoption of the final reporting templates pursuant to the EU Transparency Requirements, the Issuer and the Collateral Manager will propose in writing to the Collateral Administrator the form, content, timing and method of distribution of the additional reporting templates and information relating thereto. The Collateral Administrator shall consult with the Issuer and the Collateral Manager and, if it agrees (in its sole and absolute discretion) to assist the Issuer with such reporting on such proposed terms, shall confirm in writing to the Issuer and the Collateral Manager. If the Collateral Administrator agrees to assist the Issuer with such reporting, the Collateral Administrator shall make such information, including each Loan Report and each Investor Report, available via a secured website (available at https://pivot.usbank.com (or such other website as may be notified by the Collateral Administrator to the Issuer, the Trustee, the Collateral Manager, the Placement Agent and each Hedge Counterparty and as notified by the Issuer (with reasonable assistance, if the Issuer so requires, from the Collateral Manager) to each Rating Agency and the Noteholders from time to time)) (or by such other method of dissemination as is required or permitted by the Securitisation Regulation, the Irish STS Regulations or the relevant Competent Authority (as instructed by the Issuer (or the Collateral Manager on its behalf) and as agreed with the Collateral Administrator)) to any person who certifies to the Collateral Administrator (which certification may be given electronically and upon which certification the Collateral Administrator may rely absolutely) that it is (i) the Issuer, (ii) the Trustee, (iii) the Collateral Manager, (iv) the Placement Agent, (v) a Hedge Counterparty, (vi) a Rating Agency, (vii) a Noteholder, (viii) a Competent Authority, (ix) a potential investor in the Notes or (x) Intex. If the Collateral Administrator does not agree to assist the Issuer with such reporting, the Issuer and the Collateral Manager shall appoint another entity to make such information available.

For the avoidance of doubt, if the Collateral Administrator agrees to assist the Issuer with such information and reporting on behalf of the Issuer, the Collateral Administrator will not assume any statutory responsibility for the Issuer's obligations as the entity responsible for fulfilling the reporting obligations under the EU Transparency Requirements. In making available such information and reporting, the Collateral Administrator also assumes no responsibility or liability to any third party, including the Noteholders and any potential Noteholders (including for their use or onward disclosure of any such information or documentation), and shall have the benefit of the powers, protections and indemnities granted to it under the Transaction Documents.

The Issuer with reasonable assistance of the Collateral Manager shall procure that (i) any disclosure as required by Articles 7(1)(f) and 7(1)(g) of the Securitisation Regulation is published without delay and (ii) copies of the relevant Transaction Documents required to be disclosed pursuant to Article 7 of the Securitisation Regulation and this Offering Circular in final form are made available as soon as is reasonably practicable following the issuance of the Notes).

Retention Holder Credit Granting and Selection of Assets

Comparable Assets

The Retention Holder has not selected Originated Assets to be transferred to, or acquired by, the Issuer with the intention of rendering losses on such assets, over a maximum period of four years, higher than the losses over the same period on comparable assets held on the balance sheet of the originator.

Credit Granting Criteria

As an entity established in a country outside of the European Union, the Retention Holder reasonably believes, in light of the information available to it, that it has granted all credits in respect of each Originated Asset on the basis of sound and well-defined criteria and has clearly established processes for approving, amending, renewing and financing those credits and has effective systems in place to apply those criteria and processes to ensure that credit-granting is based on a thorough assessment of the obligors' creditworthiness.

See further "*Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence Requirements*" above.

THE PORTFOLIO

Terms used and not otherwise defined herein or in this Offering Circular 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 and Administration Agreement, the Collateral Manager is required or, as the case may be, authorised, to act in specific circumstances in relation to the Portfolio on behalf of the Issuer and to carry out the duties and functions described below. In addition, the Collateral Administrator is required to perform certain calculations in relation to the Portfolio on behalf of the Issuer, in each case to the extent and in accordance with the information provided to it by the Collateral Manager.

Acquisition of Collateral Obligations

The Collateral Manager will determine and will use reasonable endeavours to cause to be acquired by the Issuer a portfolio of Secured Senior Loans, Secured Senior Bonds, Corporate Rescue Loans, Unsecured Senior Obligations, Mezzanine Obligations, Second Lien Loans and High Yield Bonds during the Initial Investment Period, the Reinvestment Period and thereafter. The Issuer anticipates that, by or on the Issue Date, the Collateral Manager on its behalf will have purchased or committed to purchase Collateral Obligations, the Aggregate Principal Balance of which equals at least approximately €347,000,000, representing approximately 99% per cent. of the Target Par Amount (as defined in the Conditions of the Notes). A portion of the Collateral Obligations will be sourced from one or more funds managed by the Collateral Manager. The net proceeds of the issue of the Notes remaining after payment of certain fees and expenses incurred in connection with the issue of the Notes payable on or about the Issue Date and following completion of the issue of the Notes (including, without duplication, amounts deposited into the Expense Reserve Account and the First Period Reserve Account) are expected to be approximately €342,700,000. Such remaining net proceeds shall be retained in the Unused Proceeds Account.

During the Initial Investment Period, the Collateral Manager acting on behalf of the Issuer, shall use all commercially reasonable efforts to purchase Collateral Obligations with an Aggregate Principal Balance (provided that, for the purposes of determining the Aggregate Principal Balance as provided above, any repayments or prepayments of any Collateral Obligations not subsequently reinvested subsequent to the Issue Date shall be disregarded and the Principal Balance of a Collateral Obligation which is a Defaulted Obligation will be the lower of its Fitch Collateral Value and its S&P Collateral Value) (together with any Collateral Obligations previously acquired) equal to at least the Target Par Amount out of the Balance standing to the credit of the Unused Proceeds Account and any Principal Proceeds in the Principal Account (without duplication including Eligible Investments).

The Issuer does not expect and is not required to satisfy the Collateral Quality Tests, Portfolio Profile Tests, the Coverage Tests or the Reinvestment Overcollateralisation Test prior to the Effective Date. The Collateral Manager may declare that the Initial Investment Period has ended and the Effective Date has occurred prior to 20 September 2020 (or, if such day is not a Business Day, the next following Business Day), subject to the Effective Date Determination Requirements being satisfied.

Any Trading Gains realised in respect of any Collateral Obligation that the Collateral Manager determines, in its discretion, shall be paid in to the Interest Account if after giving effect to such designation as Interest Proceeds, and the distribution thereof in accordance with the Priorities of Payments: (1) the Aggregate Collateral Balance (for which purposes, the Principal Balance of each Defaulted Obligation shall be the lesser of its Fitch Collateral Value and its S&P Collateral Value) is greater than or equal to the Reinvestment Target Par Balance; (2) the Class E Par Value Test is satisfied; (3) for so long as any Notes rated by Fitch are Outstanding, the Fitch Maximum Weighted Average Rating Factor Test is satisfied; (4) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Fitch CCC Obligations or S&P CCC Obligations; and (5) the aggregate cumulative amount of Trading Gains designated as Interest Proceeds and deposited into the Interest Account is no greater than 1 per cent. of the Target Par Amount, then the Collateral Manager may, in its discretion, determine that any such Trading Gains shall be paid into the Interest Account upon receipt.

On or after the Effective Date, but before the first Payment 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, in respect of any transfer to the Interest Account on the first Payment Date (i) the Aggregate Collateral Balance equals or exceeds the Target Par Amount immediately prior to and following such transfer (provided that, for the purposes of determining the Aggregate Collateral Balance, the Principal Balance of a Collateral Obligation which is a Defaulted Obligation will be the lower of its Fitch Collateral Value and its S&P Collateral Value); and (ii) the amount paid to the Interest Account from the Unused Proceeds Account pursuant to Condition 3(j)(iii)(4) (*Unused Proceeds Account*) and to the Interest Account from the Principal Account pursuant to Condition 3(j)(i)(5) (*Principal Account*) in aggregate shall not exceed 1 per cent. of the Target Par Amount.

Within ten Business Days following the Effective Date or, otherwise, as soon as reasonably practicable (which may be longer), the Collateral Administrator shall issue a report (the "**Effective Date Report**") containing the information required in a Monthly Report, confirming whether the Issuer has acquired or entered into a binding commitment to acquire Collateral Obligations having an Aggregate Collateral Balance which equals or exceeds the Target Par Amount (provided that, for the purposes of determining the Aggregate Collateral Balance as provided above, any repayments or prepayments of any Collateral Obligations subsequent to the Issue Date shall be disregarded and the Principal Balance of a Collateral Obligation which is a Defaulted Obligation will be the lower of its Fitch Collateral Value and its S&P Collateral Value); and the Issuer will provide, or cause the Collateral Manager to provide confirmation of receipt to the Trustee and the Collateral Administrator (with a copy to the Collateral Manager, if applicable), of an accountants' certificate confirming the Aggregate Principal Balance of all Collateral Obligations purchased or committed to be purchased as at such date, the computations and results of the Portfolio Profile Tests, the Collateral Quality Tests and the Coverage Tests by reference to such Collateral Obligations.

The Collateral Manager (acting on behalf of the Issuer) shall promptly, following receipt of the Effective Date Report, request that each of the Rating Agencies (to the extent not previously received) confirm its Initial Ratings of the Rated Notes; **provided** that if the Effective Date S&P Condition is satisfied then such Rating Agency Confirmation shall be deemed to have been given by S&P.

If the Effective Date S&P Condition is not satisfied within 35 Business Days following the Effective Date, the Collateral Manager shall promptly notify S&P.

If (i) (a) the Effective Date Determination Requirements are not satisfied and Rating Agency Confirmation and KBRA Confirmation has not been received in respect of such failure, and (b) either the Collateral Manager (acting on behalf of the Issuer) does not present a Rating Confirmation Plan to the Rating Agencies, or Rating Agency Confirmation and KBRA Confirmation is not received in respect of a Rating Confirmation Plan presented by the Collateral Manager upon request therefor by the Collateral Manager; or (ii) the Effective Date S&P Condition is not satisfied and following a request therefor from the Collateral Manager following the Effective Date, Rating Agency Confirmation from S&P is not received, an Effective Date Rating Event shall have occurred, **provided** that any downgrade or withdrawal of the Initial Ratings of the Rated Notes which is not directly related to a request for confirmation thereof or which occurs after confirmation thereof by the Rating Agencies shall not constitute an Effective Date Rating Event.

If an Effective Date Rating Event has occurred and is continuing on the Business Day prior to the Payment Date next following the Effective Date, the Rated Notes shall be redeemed, pursuant to Condition 7(e) (*Redemption upon Effective Date Rating Event*) on such Payment Date and thereafter on each Payment Date (to the extent required) out of Interest Proceeds and thereafter out of Principal Proceeds subject to the Priorities of Payment, until the earlier of (x) the date on which the Effective Date Rating Event is no longer continuing and (y) the date on which the Rated Notes have been redeemed in full. The 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 has occurred and is continuing the Collateral Manager (acting on behalf of the Issuer) may prepare and present to the Rating Agencies a Rating Confirmation Plan setting forth the timing and manner of acquisition of additional Collateral Obligations and/or any other intended action which is intended to cause confirmation or reinstatement of the Initial Ratings. The Collateral Manager (acting on behalf of the Issuer) is under no obligation whatsoever to present a Rating Confirmation Plan to the Rating Agencies.

Eligibility Criteria

Each Collateral Obligation must, at the time of entering into a binding commitment to acquire such obligation by, or on behalf of, the Issuer, satisfy the following criteria (the "**Eligibility Criteria**") as determined by the Collateral Manager in its reasonable discretion:

(a) it is a Secured Senior Loan, a Secured Senior Bond, a Corporate Rescue Loan, an Unsecured Senior Obligation, a Mezzanine Obligation, a Second Lien Loan or a High Yield Bond;

(b) it is (i) either: (x) denominated in Euro; or (y) denominated in a Qualifying Currency other than Euro and no later than the settlement date of the acquisition thereof the Issuer (or the 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 and Administration Agreement and, (ii) in all cases not convertible into or payable in any other currency;

(c) if such obligation were a Collateral Obligation other than a Corporate Rescue Loan, it would not constitute a Defaulted Obligation or a Credit Impaired Obligation;

(d) it is not a lease (including, for the avoidance of doubt, a finance lease);

(e) it is not a Structured Finance Security, a pre-funded letter of credit or a Synthetic Security;

(f) it provides for a fixed amount of principal payable on scheduled payment dates and/or at maturity and does not by its terms provide for earlier amortisation or prepayment in each case at a price of less than par;

(g) it is not a Zero Coupon Security;

(h) it is not convertible into equity and it does not constitute Margin Stock;

(i) it is an obligation in respect of which, following acquisition thereof by the Issuer by the selected method of transfer, payments will not be subject to withholding tax imposed by any jurisdiction (other than withholding imposed under FATCA and withholding taxes on commitment fees, amendment fees, waiver fees, consent fees, extension fees, or similar fees) under current market practice unless either: (i) such withholding tax can be eliminated or reclaimed by application being made under an applicable double tax treaty or otherwise; or (ii) the Obligor is required to make "gross-up" payments to the Issuer that cover the full amount of any such withholding on an after-tax basis;

(j) it is not a debt obligation whose repayment is subject to substantial non-credit related risk;

(k) 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 Obligation; or (v) which may arise as a result of an undertaking to participate in a financial restructuring of a Collateral Obligation where such undertaking is contingent upon the redemption in full of such Collateral Obligation on or before the time by which the Issuer is obliged to enter into the Restructured Obligation and where the Restructured Obligation satisfies the Eligibility Criteria and for the avoidance of doubt, the Issuer is not liable to pay any amounts in respect of a Restructured Obligation, provided that, in respect of (v) only, the imposition of any present or future, actual or contingent, monetary liabilities or obligations of the Issuer following such restructuring shall not exceed the redemption amounts from such restructured Secured Senior Loan, Second Lien Loan or similar obligation;

(l) it will not require the Issuer or the Collateral to be registered as an investment company under the Investment Company Act;

(m) it is not subject to a tender offer, voluntary redemption, exchange offer, conversion or other similar action for a price less than its par amount plus all accrued and unpaid interest;

(n) the Stated Maturity thereof falls prior to the Maturity Date of the Notes;

(o) its acquisition by the Issuer will not result in the imposition of stamp duty, stamp duty reserve tax or any other transfer duty or tax payable by or otherwise receivable from the Issuer, unless such stamp duty or stamp duty reserve tax may be considered as part of the purchase price of such Collateral Obligation;

(p) upon acquisition, both (i) the Collateral 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 if any Collateral 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;

(q) it is a "qualifying asset" for the purposes of Section 110 of the Taxes Consolidation Act 1997 of Ireland;

(r) it 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);

(s) it is capable of being sold, novated, assigned or participated to the Issuer, together with any associated security, in accordance with the provisions of the relevant Collateral Obligation without any breach of applicable selling or transfer restrictions or of any legal or contractual provisions or regulatory requirements and the Issuer does not require any authorisations, consents (other than those which it reasonably believes will be obtained or effected) as a result of or in connection with any such sale, assignment, novation or participation under any applicable law and the relevant Obligor cannot transfer its rights and/or obligations without the consent of the Issuer;

(t) it has not been called for, and is not subject to a pending redemption;

(u) it is not an obligation in respect of which interest payments are scheduled to decrease (although, other than with respect to Step-Down Coupon Securities, interest payments may decrease due to unscheduled events such as a decrease of the index relating to a Floating Rate Collateral Obligation, the change from a default rate of interest to a non-default rate or an improvement in the Obligor’s financial condition);

(v) it must require the consent of at least 50 per cent. of the lenders to the Obligor thereunder for any change in the principal repayment profile or interest applicable on such obligation (for the avoidance of doubt, excluding any changes originally envisaged in the loan documentation), provided that in the case of a Collateral 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;

(w) it is not a Project Finance Loan;

(x) if it is a "registration-required obligation" as defined in section 163(f) of the Code, it is in registered form for U.S. federal income tax purposes;

(y) it is not a Deferring Security;

(z) it is not a Current Pay Obligation and is not a PIK Security (except if such PIK Security is a Restructured Obligation);

(aa) it is not an obligation issued by an Obligor which is a Climate Risks Excluded Obligor, a Controversial Weapons Excluded Obligor, a Palm Oil Excluded Obligor or a Tobacco Excluded Obligor;

(bb) it is not an obligation issued by an Obligor which has a total indebtedness of less than €150,000,000 (or its equivalent in another currency);

(cc) it is not an Annual Obligation;

(dd) other than in the case of a Corporate Rescue Loan, it has an S&P Rating and, for so long as Fitch assigns a rating in respect of an Outstanding Class of Rated Notes, it has a Fitch Rating of not lower than "CCC-";

(ee) it is acquired by the Issuer for a purchase price equal to or greater than 60 per cent. of its Principal Balance;

(ff) it does not have an "(sf)" subscript assigned by Fitch;

(gg) it does not have an "f", "r", "p", "pi", "(sf)", "q" or "t" subscript assigned by S&P; and

(hh) it is not a specified mortgage (within the meaning of Section 110 of the TCA), units in an IREF (within the meaning of Part 27 of the TCA) or shares that derive their value, or the greater part of their value, directly or indirectly from Irish land.

Other than in relation to any (a) Issue Date Collateral Obligation (which must satisfy the Eligibility Criteria on the Issue Date) and (b) Collateral Obligation which is the subject of a restructuring (whether effected by way of an amendment to the terms of such Collateral Obligation (including but not limited to an amendment of its maturity date) or by way of substitution of new obligations and/or change of Obligor) which must satisfy the Restructured Obligation Criteria on the applicable Restructuring Date, the subsequent failure of any Collateral Obligation to satisfy any of the Eligibility Criteria shall not prevent any obligation which would otherwise be a Collateral Obligation from being a Collateral Obligation so long as such obligation satisfied the Eligibility Criteria, when the Issuer or the Collateral Manager on behalf of the Issuer entered into a binding agreement to purchase such obligation.

“**Climate Risks Excluded Obligor**” means any of the following Obligors, as reasonably determined by the Collateral Manager making reasonable efforts and in its sole discretion based on the information available to the Collateral Manager:

(a) Obligors that derive 30 per cent. or more of their revenue from thermal coal;

(a) Obligors that extract more than 20 million tonnes of coal per year;

(b) Obligors whose primary business activity is the generation of electricity, and either:

  (i) 30 per cent. or more of such Obligor's electricity generation is from coal; or

  (ii) such Obligor has announced plans to expand its coal power generation capacity by more than 3000 megawatts by 2024;

(c) Obligors that derive 50 per cent. or more of their revenue from coal; or

(d) Obligors that derive 20 per cent. or more of their revenue from the extraction or transportation of tar sands.

In addition, Affiliates of Climate Risks Excluded Obligors may also constitute Climate Risks Excluded Obligors, if so determined by the Collateral Manager in its sole discretion, where such Affiliates have the same industry classification (according to Bloomberg Industry Classification Systems) as the excluded Obligor.

"**Controversial Weapons Excluded Obligor**" means any of the following Obligors (or their Affiliates), as reasonably determined by the Collateral Manager making reasonable efforts and in its sole discretion based on the information available to the Collateral Manager that:

(a) produce, use, store, trade, maintain, transport or finance Controversial Weapons or components specifically designed or customised for such Controversial Weapons;

(b) support, provide assistance or research in furtherance of, or produce or market technology dedicated exclusively to, the production, use, storage, trade, maintenance, transportation or financing of Controversial Weapons;

(c) are incorporated in countries that are not state parties to the Treaty on the Non-Proliferation of Nuclear Weapons of 1968 (as amended from time to time);

(d) own 50 per cent. or more of the share capital of any Obligor excluded by paragraphs (a), (b) or (c) above; and

(e) are Affiliates of any Obligor excluded by paragraphs (a), (b) or (c) above, other than those covered by paragraph (d) above, where such Affiliate's operations include the production, use or distribution of Controversial Weapons.

"**Controversial Weapons**" means any of the following weapons which are prohibited under applicable international treaties or conventions: nuclear, chemical or biological weapons, cluster munitions, anti-personnel mines or inhumane conventional weapons restricted under the Inhumane Weapons Convention.

"**Non-Emerging Market Country**" means any of Austria, Belgium, Bermuda, Canada, the Channel Islands, Denmark, Estonia, Finland, France, Germany, Iceland, Ireland, Italy, Japan, Liechtenstein, Lithuania, Luxembourg, Malta, The Netherlands, Norway, Poland, Portugal, Slovenia, Spain, Sweden, Switzerland, United Kingdom or United States and any other country, the foreign currency issuer credit rating of which is rated, at the time of acquisition of the relevant Collateral Obligation, at least "BBB-" by Fitch (*provided that* Rating Agency Confirmation is received from Fitch and KBRA Confirmation is received in respect of any such other country which is not in the Euro zone) or any other country in respect of which, at the time of acquisition of the relevant Collateral Obligation, Rating Agency Confirmation and KBRA Confirmation is received.

"**Palm Oil Excluded Obligor**" means any of the following Obligors, as reasonably determined by the Collateral Manager making reasonable efforts and in its sole discretion based on the information available to the Collateral Manager:

(a) Obligors that either:

  (i) derive at least five per cent. of their revenues from palm oil production, whether directly or indirectly through Affiliates, or

  (ii) own over 30,000 hectares of palm oil plantations, provided that in the case of significant ESG-related controversies (as determined by the Collateral Manager in its sole discretion) this threshold may be reduced in respect of any particular Obligor; and

(b) in the case of either (i) or (ii) above, that meet one or more of the following criteria:

(i) the Obligor has not achieved or committed to achieve a Roundtable on Sustainable Palm Oil certification or other internationally recognised certification;

(ii) the Obligor has disclosed (for example, in its annual reports) pending or threatened litigation in relation to the ESG-related impact of its operations, including unresolved disputes over land rights;

(iii) the Obligor is unable to: (i) produce any relevant consent, licence, authorisation or certificate that is required for its operations, and/or (ii) evidence that its operations, and any providers it relies on, comply with the relevant local standards and regulations, promptly following the request of the Collateral Manager or a third party ESG data provider;

(iv) the Obligor has not undertaken social or environmental impact assessments;

(v) the Obligor has not consulted with potentially affected stakeholders prior to commencing its operations; or

(vi) the Obligor has been finally judicially determined to have undertaken illegal logging.

"**Project Finance Loan**" means a loan obligation under which the obligor is obliged to make payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of payments) on revenues arising from infrastructure assets, including, without limitation:

(a) the sale of products, such as electricity, water, gas or oil, generated by one or more infrastructure assets in the utility industry by a special purpose entity; and

(b) fees charged in respect of one or more highways, bridges, tunnels, pipelines or other infrastructure assets by a special purpose entity,

in each case, where the sole activity of such special purpose entity is the ownership and/or management of such asset or assets and the acquisition and/or development of such asset by the special purpose entity was effected primarily with the proceeds of debt financing made available to it on a limited recourse basis.

"**Qualifying Currency**" means Euro, Sterling, U.S. Dollars, Czech Koruna, Danish Krone, Norwegian Krone, Swedish Krone, Canadian Dollars, Australian Dollars, New Zealand Dollars, Swiss Francs, Japanese Yen, Polish Zloty or any other currency in respect of which Rating Agency Confirmation and KBRA Confirmation has been received.

"**Step-Down Coupon Security**" means a security: (a) which does not pay interest over a specified period of time ending on its maturity, but which does provide for the payment of interest before such specified period; or (b) the interest rate of which decreases over a specified period of time other than due to the decrease of the floating rate index applicable to such security.

"**Step-Up Coupon Security**" means a security: (a) which does not pay interest over a specified period of time ending prior to its maturity, but which does provide for the payment of interest after the expiration of such specified period; or (b) the interest rate of which increases over a specified period of time other than due to the increase of the floating rate index applicable to such security.

"**Structured Finance Security**" means any debt security which 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 asset-backed security.

"**Synthetic Security**" means a security or swap transaction (other than a letter of credit or a Participation) that has payments of interest or principal on a reference obligation or the credit performance of a reference obligation.

"**Tobacco Excluded Obligor**" means an Obligor where, in the reasonable opinion of the Collateral Manager (acting in a commercially reasonable manner), more than 50 per cent. of its revenues of the consolidated group to which the relevant Obligor belongs are derived from the production of tobacco or tobacco products.

"**Zero Coupon Security**" means a security (other than a Step-Up Coupon Security) that, at the time of determination, does not provide for periodic payments of interest.

Restructured Obligations

If a Collateral Obligation becomes the subject of a restructuring whether effected by way of an amendment to the terms of such Collateral Obligation (including but not limited to an amendment of its maturity date) or by way of substitution of new obligations and/or change of Obligor and, for the avoidance of doubt, such restructuring is in connection with an insolvency, bankruptcy, reorganisation, debt restructuring or workout of the Obligor thereof, such obligation shall only constitute a Restructured Obligation if such obligation has an S&P Rating and, for so long as Fitch assigns a rating in respect of an Outstanding Class of Rated Notes, a Fitch Rating and satisfies each of the criteria comprising the Eligibility Criteria other than the criteria set out at paragraphs (c), (i), (n), (dd) and (ee) on the related Restructuring Date, provided that in the case of an obligation which, as a result of such restructuring, would have a Stated Maturity falling on or after the Maturity Date of the Notes (a "**Long-Dated Restructured Obligation**"), not more than 5 per cent. of the Aggregate Collateral Balance (for which purpose, the Principal Balance of each Defaulted Obligation shall be the lower of its Fitch Collateral Value and its S&P Collateral Value) shall consist of Long-Dated Restructured Obligations (such applicable criteria, the "**Restructured Obligation Criteria**").

For the avoidance of doubt, a Cashless Loan shall be treated as the acquisition by the Issuer of a new Collateral Obligation and not as the acquisition of a Restructured Obligation. Whilst PIK Securities are not eligible to be Collateral Obligations under the Eligibility Criteria, up to 5 per cent. of the Aggregate Collateral Balance may consist of PIK Securities provided that such PIK Securities are Restructured Obligations only.

"**Cashless Loan**" means a loan obligation which is the reconstitution of a Collateral Obligation that does not involve the receipt by the Issuer of a principal repayment in exchange for the new loan obligation. For the avoidance of doubt a Collateral Obligation, or Participation thereof that is the subject of a Maturity Amendment (as defined below) shall not by virtue of the Maturity Amendment alone, constitute a Cashless Loan.

Notwithstanding the foregoing, and notwithstanding any other provision of the Collateral Management and Administration Agreement which imposes any restrictions or conditions on the sale or disposal of Collateral Obligations, the Collateral Manager, acting on behalf of the Issuer, shall use commercially reasonable endeavours to sell each Collateral Obligation in the event that it determines in its sole discretion, at any time after the date of acquisition thereof, that such Collateral Obligation (contrary to the opinion of the Collateral Manager at such time) did not in fact satisfy one or more of the Eligibility Criteria at the time of acquisition thereof, provided that this shall not in any way lessen the obligation of the Collateral Manager to ensure that each Collateral Obligation satisfies each of the Eligibility Criteria upon the Issuer (or the Collateral Manager on its behalf) entering into a binding commitment to purchase such obligation in accordance with the standard of care specified in the Collateral Management and Administration Agreement.

Management of the Portfolio

Overview

The Collateral Manager (acting on behalf of the Issuer) is permitted, in certain circumstances and subject to certain requirements set out in the Collateral Management and Administration Agreement, to sell Collateral Obligations and Exchanged Equity Securities and to reinvest the Sale Proceeds (other than accrued interest on such Collateral Obligations included in Interest Proceeds by the Collateral Manager) thereof in Substitute Collateral Obligations.

Prior to any proposed sale of any Collateral Obligations and/or Exchanged Equity Securities, or reinvestment in Substitute Collateral Obligations, the Collateral Manager shall notify the Collateral Administrator of all necessary details (to the extent available to the Collateral Manager) of the Collateral Obligation or Exchanged Equity Security proposed to be sold (as applicable) and the proposed Substitute Collateral Obligation to be purchased.

The Collateral Administrator (on behalf of the Issuer) shall determine and shall provide confirmation of whether the Portfolio Profile Tests and Reinvestment Criteria which are required to be satisfied, maintained or improved (as applicable) in connection with any such sale or reinvestment are satisfied, maintained or improved (as applicable) or, if any such criteria are not satisfied, maintained or improved (as applicable), shall notify the Issuer and the Collateral Manager of the reasons and the extent to which such criteria are not so satisfied, maintained or improved (as applicable).

The Collateral Manager will determine and use reasonable endeavours to cause to be purchased by the Issuer, Collateral Obligations (including all Substitute Collateral Obligations) taking into account the Eligibility Criteria and, where applicable, the Reinvestment Criteria and will monitor the performance of the Collateral Obligations on an ongoing basis to the extent practicable using sources of information reasonably available to it and provided that the Collateral Manager shall not be responsible for determining whether or not the terms of any individual Collateral Obligation have been observed.

The activities referred to below that the Collateral Manager may undertake on behalf of the Issuer are subject to the Issuer's monitoring of the performance of the Collateral Manager under the Collateral Management and Administration Agreement.

Sale of Collateral Obligations

Sale of Non-Eligible Issue Date Collateral Obligations

The Collateral Manager, acting on behalf of the Issuer, shall sell any Issue Date Collateral Obligations which do not comply with the Eligibility Criteria on the Issue Date (each a "**Non-Eligible Issue Date Collateral Obligation**"). Any Sale Proceeds received in connection therewith may be reinvested in Substitute Collateral Obligations or credited to the Principal Account pending such reinvestment.

Terms and Conditions applicable to the Sale of Credit Impaired Obligations, Credit Improved Obligations and Defaulted Obligations

Credit Impaired Obligations, Credit Improved Obligations and Defaulted Obligations may be sold at any time by the Collateral Manager (acting on behalf of the Issuer) subject to:

(a) the Collateral Manager's knowledge, without the need for inquiry or investigation, that no Event of Default has occurred which is continuing; and

(b) the Collateral Manager certifying to the Trustee and the Collateral Administrator (upon which certificate the Trustee and the Collateral Administrator may rely absolutely and without enquiry or liability) that it believes, in its reasonable business judgment, that such security constitutes a Credit Impaired Obligation, a Credit Improved Obligation or a Defaulted Obligation as the case may be.

Terms and Conditions applicable to the Sale of Exchanged Equity Securities

Any Exchanged Equity Security may be sold at any time by the Collateral Manager in its discretion (acting on behalf of the Issuer) and the Sale Proceeds (other than accrued interest on such Collateral Obligations included in Interest Proceeds by the Collateral Manager) reinvested in Substitute Collateral Obligations, subject to the Collateral Manager's knowledge, having made all reasonable enquiries to ensure the same is true, no Event of Default having occurred which is continuing.

In addition to any discretionary sale of Exchanged Equity Securities as provided above, the Collateral Manager shall be required by the Issuer to use its commercially reasonable efforts to sell (on behalf of the Issuer) any Exchanged Equity Security which constitutes Margin Stock, as soon as practicable upon its receipt or upon its becoming Margin Stock (as applicable).

Mandatory Sales

Prior to the time that (x) the Issuer would acquire or receive an asset in connection with a workout or restructuring of a Collateral Obligation, or (y) any Collateral Obligation is modified in any manner, in each case, that would cause the Issuer to violate the U.S. Tax Guidelines, the Issuer shall sell the right to receive such asset, or the Collateral Obligation that is the subject of the workout, restructuring, or modification, unless the Issuer has received written advice of nationally recognised U.S. tax counsel experienced in such matters to the effect that the acquisition, ownership, and disposition of such asset or Collateral Obligation, or that the modification of such Collateral Obligation, as the case may be, 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 or otherwise subject to U.S. federal income tax on a net basis.

Discretionary Sales

The Issuer or the Collateral Manager (acting on behalf of the Issuer) may dispose of any Collateral Obligation (other than a Credit Improved Obligation, a Credit Impaired Obligation, a Defaulted Obligation or an Exchanged Equity Security, each of which may only be sold in the circumstances provided above) at any time provided that:

(a) no Event of Default has occurred which is continuing;

(b) on and following the Effective Date, after giving effect to such sale, the Aggregate Principal Balance outstanding of all Collateral Obligations sold as described in this paragraph during the preceding 12 calendar months (or, for the first twelve calendar months after the Effective Date, during the period commencing on the Effective Date and ending on the date of determination) is not greater than 30 per cent. of the Aggregate Collateral Balance as of the first day of such twelve calendar month period (or as of the Effective Date, as the case may be);

(c) either:

(i) during the Reinvestment Period, the Collateral Manager reasonably believes prior to such sale that it will be able to enter into one or more binding commitments to reinvest all or a portion of the proceeds of such sale in one or more additional Collateral Obligations within 60 calendar days after the settlement of such sale in accordance with the Reinvestment Criteria (to the extent applicable); or

(ii) any time, either: (A) the Sale Proceeds from such sale are at least equal to the Principal Balance of such Collateral Obligation; or (B) after giving effect to such sale, the Aggregate Principal Balance outstanding of all Collateral Obligations (excluding the Collateral Obligation being sold but including, without duplication, the Sale Proceeds of such sale) (for which purpose, the Principal Balance of each Defaulted Obligation shall be the lower of its Fitch Collateral Value and its S&P Collateral Value) plus, without duplication, the amounts on deposit in the Principal Account and the Unused Proceeds Account (including Eligible Investments therein) will be greater than (or equal to) the Reinvestment Target Par Balance (as defined below); and

(d) during the Reinvestment Period, the Collateral Manager uses all reasonable efforts to reinvest such Sale Proceeds within 90 Business Days of the settlement of such sale and in any case, prior to the expiry of the Reinvestment Period. In the event such Sale Proceeds are not reinvested before the Payment Date falling immediately after the end of such 90 Business Day period, such amounts shall only remain credited to the Principal Account, as applicable, for the purpose of reinvestment to the extent no payments are required to be made on such Payment Date in respect of a failure to satisfy any Coverage Test (to the extent applicable on such Payment Date).

For the purposes of determining the percentage of Collateral Obligations sold during any such period as discretionary sales in accordance with the foregoing, the amount of any Collateral Obligations sold will be reduced to the extent of any purchases of Collateral Obligations of the same obligor (which are *pari passu* or senior to such sold Collateral Obligation) made within 30 calendar days of such sale so long as any such Collateral Obligation was sold with the intention of purchasing a Collateral Obligation of the same obligor (which would be *pari passu* or senior to such sold Collateral Obligation); provided that for the purposes of such determination, Secured Senior Loans and Secured Senior Bonds shall be deemed to be *pari passu*.

Sale of Collateral Prior to Maturity Date

If: (i) any redemption of the Rated Notes in whole is scheduled to occur prior to the Maturity Date; (ii) notification is received from the Trustee of enforcement of the security over the Collateral; or (iii) the Maturity Date occurs or is shortly to occur, the Collateral Manager (acting on behalf of the Issuer) shall (or in the case of (ii) if requested by the Trustee following the enforcement of such security), as far as practicable, arrange for liquidation of the Collateral in order to procure that the proceeds thereof are in immediately available funds by the Business Day prior to the applicable Redemption Date or Maturity Date as applicable and sell all or part of the Portfolio, as applicable, in accordance with Condition 7 (*Redemption and Purchase*) and the Collateral Management and Administration Agreement but without regard to the limitations set out in "*Sale of Collateral Obligations*" above or the Reinvestment Criteria (which will include any limitations or restrictions set out in the Conditions of the Notes and the Trust Deed).

Reinvestment of Collateral 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 Obligation which has been restructured on and following the point at which such restructuring has become binding on the holders thereof (whether or not such obligation would constitute a "**Restructured Obligation**"), provided that, for the avoidance of doubt, if a restructured obligation (whether or not constituting a "**Restructured Obligation**") is subsequently sold by the Collateral Manager or Unscheduled Principal Proceeds or Scheduled Principal Proceeds are received in connection with such restructured obligation, any reinvestment of the Sale Proceeds, Unscheduled Principal Proceeds or Scheduled Principal Proceeds (as applicable) shall be subject to the Reinvestment Criteria.

During the Reinvestment Period

During the Reinvestment Period, the Collateral Manager (acting on behalf of the Issuer) may, at its discretion, reinvest any Principal Proceeds in the purchase of Substitute Collateral Obligations provided that immediately after entering into a binding commitment to acquire such Collateral Obligation and taking into account existing commitments, the criteria set out below, must be satisfied:

(a) to the Collateral Manager's knowledge, no Event of Default has occurred that is continuing at the time of such purchase;

(b) following the Effective Date (or in the case of the Interest Coverage Tests, the Determination Date preceding the second Payment Date following the Effective Date) the Coverage Tests (other than the Class E Par Value Test) are satisfied or if (other than with respect to the reinvestment of any proceeds received upon the sale of, or as a recovery on, any Defaulted Obligation) as calculated immediately prior to sale or prepayment (in whole or in part) of the relevant Collateral Obligation the Principal Proceeds of which are being reinvested, any Coverage Test (to the extent applicable) was not satisfied, the coverage ratio relating to such test will be maintained or improved after giving effect to such reinvestment than it was immediately prior to sale or prepayment (in whole or in part) of the relevant Collateral Obligation;

(c) in the case of a Substitute Collateral Obligation purchased with Sale Proceeds of a Credit Impaired Obligation or a Defaulted Obligation either:

(i) the Aggregate Principal Balance of all Substitute Collateral Obligations purchased with such Sale Proceeds shall at least equal such Sale Proceeds; or

(ii) the sum of:

(A) the Aggregate Principal Balance of all Collateral Obligations (excluding all of the Collateral Obligations being sold but including, without duplication, the Collateral Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Obligation) (for which purpose, the Principal Balance of each Defaulted Obligation shall be the lower of its Fitch Collateral Value and its S&P Collateral Value); and

(B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments representing Principal Proceeds (save for interest accrued on Eligible Investments)) is greater than the Reinvestment Target Par Balance;

(d) in the case of a Substitute Collateral Obligation purchased with Sale Proceeds of a Credit Improved Obligation, Scheduled Principal Proceeds or Unscheduled Principal Proceeds either:

(i) the Aggregate Principal Balance shall be maintained or improved after giving effect to such reinvestment when compared with the Aggregate Principal Balance immediately prior to the sale of the relevant Credit Improved Obligation (for which purpose, the Principal Balance of each Defaulted Obligation shall be its Market Value); or

(ii) the sum of:

(A) the Aggregate Principal Balance of all Collateral Obligations (excluding all of the Collateral Obligations being sold but including, without duplication, the Collateral Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Obligation) (for which purpose, the Principal Balance of each Defaulted Obligation shall be the lower of its Fitch Collateral Value and its S&P Collateral Value); and

(B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments representing Principal Proceeds (save for interest accrued on Eligible Investments)) is greater than the Reinvestment Target Par Balance;

(e) either: (i) each of the Portfolio Profile Tests and the Collateral Quality Tests will be satisfied; or (ii) if any of the Portfolio Profile Tests or Collateral Quality Tests are not satisfied, such test will be maintained or improved after giving effect to such reinvestment when compared with the position immediately prior to sale or prepayment (in whole or in part) of the relevant Collateral Obligation;

(f) the date on which the Issuer (or the Collateral Manager acting on behalf of the Issuer) enters into a binding commitment to purchase such Collateral Obligation occurs during the Reinvestment Period;

(g) with respect to the reinvestment of Sale Proceeds (other than Sale Proceeds from Credit Improved Obligations, Credit Impaired Obligations, Defaulted Obligations and Exchanged Equity Securities) either:

(i) the Aggregate Principal Balance of all Collateral Obligations shall be maintained or improved after giving effect to such reinvestment when compared with the Aggregate Principal Balance immediately prior to the sale that generates such Sale Proceeds; or

(ii) after giving effect to such sale, the sum of: (A) the Aggregate Principal Balance of all Collateral Obligations (for which purpose, the Principal Balance of each Defaulted Obligation shall be its Market Value and excluding all of the Collateral Obligations being sold but including, without duplication, the Substitute Collateral Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Obligations); and (B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments representing Principal Proceeds (save for interest accrued on Eligible Investments)),

is greater than the Reinvestment Target Par Balance; and

(h) notwithstanding anything to the contrary, if the balance in the Principal Account after giving effect to (A) all expected debits and credits in connection with such purchase and all other sales and purchases (as applicable) previously or simultaneously committed to, and (B) without duplication of amounts in the preceding paragraph (A), anticipated receipts of Principal Proceeds, would be a negative amount, the absolute value of such amount is not greater than 5 per cent. of the Adjusted Collateral Principal Amount as of the Measurement Date immediately preceding the trade date for such purchase,

provided that, for the avoidance of doubt, with respect to any Collateral Obligations for which the trade date has occurred during the Reinvestment Period but which settle after such date, the purchase of such Collateral Obligations shall be treated as a purchase made during the Reinvestment Period.

Following the Expiry of the Reinvestment Period

Following the expiry of the Reinvestment Period, Unscheduled Principal Proceeds, Sale Proceeds from the sale of Credit Impaired Obligations and Sale Proceeds from the sale of Credit Improved Obligations, only, may be reinvested by the Collateral Manager (acting on behalf of the Issuer) in one or more Substitute Collateral Obligations, in each case provided that:

(a) the Aggregate Principal Balance of Substitute Collateral Obligations equals or exceeds, in the case of Sale Proceeds from the sale of Credit Impaired Obligations, such Sale Proceeds;

(b) (i) in the case of Unscheduled Principal Proceeds and Sale Proceeds from the sale of Credit Improved Obligations, the Aggregate Principal Balance of Substitute Collateral Obligations equals or exceeds the Aggregate Principal Balance of the related Collateral Obligations that produced such Unscheduled Principal Proceeds or Sale Proceeds, as the case may be or (ii) in the case of Sale Proceeds from the sale of Credit Improved Obligations, the Aggregate Collateral Balance (for such purpose, the Principal Balance of all Defaulted Obligations shall be the lower of their Fitch Collateral Value and their S&P Collateral Value) after giving effect to such purchases is greater than or equal to the Reinvestment Target Par Balance;

(c) either:

(i) such Substitute Collateral Obligations (which may include multiple acquisitions as part of a Trading Plan) have the same or a higher S&P Rating as the Collateral Obligation that produced such Unscheduled Principal Proceeds or Sale Proceeds; or

(ii) for so long as any Notes rated by S&P are Outstanding, the S&P CDO SDR is no greater following such reinvestment;

(d) each Coverage Test is satisfied after giving effect to such reinvestment;

(e) either:

(i) if the Weighted Average Life Test was not satisfied on the last day of the Reinvestment Period, the Weighted Average Life Test shall be satisfied immediately after giving effect to such reinvestment; or

(ii) if the Weighted Average Life Test was satisfied on the last day of the Reinvestment Period, the Weighted Average Life Test shall be satisfied after giving effect to such reinvestment, or if not satisfied, maintained or improved immediately after giving effect to such reinvestment, when compared with the result of such test immediately prior to the sale or prepayment (in whole or in part) of the relevant Collateral Obligation);

(f) either:

(i) if the Fitch Maximum Weighted Average Rating Factor Test was not satisfied on the last day of the Reinvestment Period, the Fitch Maximum Weighted Average Rating Factor Test shall be satisfied immediately after giving effect to such reinvestment; or

(ii) if the Fitch Maximum Weighted Average Rating Factor Test was satisfied on the last day of the Reinvestment Period, the Fitch Maximum Weighted Average Rating Factor Test shall be satisfied after giving effect to such reinvestment, or if not satisfied, maintained or improved immediately after giving effect to such reinvestment, when compared with the result of such test immediately prior to the sale or prepayment (in whole or in part) of the relevant Collateral Obligation);

(g) either: (i) the Portfolio Profile Tests and the Collateral Quality Tests (other than the S&P CDO Monitor Test, the Fitch Maximum Weighted Average Rating Factor Test and the Weighted Average Life Test) are satisfied after giving effect to such reinvestment; or (ii) if any such test was not satisfied immediately prior to such reinvestment, such test will be satisfied after giving effect to such reinvestment or will be maintained or improved after giving effect to such reinvestment when compared with the results of such tests immediately prior to the sale or prepayment (in whole or in part) of the relevant Collateral Obligation;

(h) to the Collateral Manager's knowledge (without the need for inquiry or investigation), no Event of Default has occurred that is continuing at the time of such reinvestment;

(i) the Stated Maturity of each Substitute Collateral Obligation is the same as or earlier than the Stated Maturity of the Collateral Obligation that produced such Unscheduled Principal Proceeds or Sale Proceeds;

(j) a Restricted Trading Period is not currently in effect;

(k) for so long as Fitch assigns a rating in respect of an Outstanding Class of Rated Notes, after giving effect to such reinvestment, not more than 7.5 per cent. of the Aggregate Collateral Balance (for which purpose, the Principal Balance of each Defaulted Obligation shall be zero) shall consist of obligations which are Fitch CCC Obligations;

(l) after giving effect to such reinvestment, not more than 7.5 per cent. of the Aggregate Collateral Balance (for which purpose, the Principal Balance of each Defaulted Obligation shall be zero) shall consist of obligations which are S&P CCC Obligations; and

(m) notwithstanding anything to the contrary, if the balance in the Principal Account after giving effect to (A) all expected debits and credits in connection with such purchase and all other sales and purchases (as applicable) previously or simultaneously committed to, and (B) without duplication of amounts in the preceding paragraph (A), anticipated receipts of Principal Proceeds, would be a negative amount, the absolute value of such amount is not greater than 5 per cent. of the Adjusted Collateral Principal Amount as of the Measurement Date immediately preceding the trade date for such purchase.

Following the expiry of the Reinvestment Period, any Unscheduled Principal Proceeds, any Sale Proceeds from the sale of Credit Impaired Obligations and any Sale Proceeds from the sale of Credit Improved Obligations that have not been reinvested as provided above prior to the end of the Due Period in which such proceeds were received shall be paid into the Principal Account and disbursed in accordance with the Principal Proceeds Priority of Payment on the following Payment Date (subject as provided in the proviso 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, Sale Proceeds from the sale of any Credit Impaired Obligations and Sale Proceeds from the sale of any Credit Improved Obligations are paid into the Principal Account and designated for reinvestment in Substitute Collateral Obligations, in which case such Principal Proceeds shall not be so disbursed in accordance with the Principal Proceeds Priority of Payments for so long as they remain so designated for reinvestment but for no longer than the end of the following Due Period; provided that, in each case where any of the applicable Reinvestment Criteria are not satisfied as of the Payment Date next following receipt of such Sale Proceeds or Unscheduled Principal Proceeds, all such funds shall be paid into the Principal Account and disbursed in accordance with the Principal Proceeds Priority of Payments set out in Condition 3(c)(ii) (*Application of Principal Proceeds*) and such funds shall be applied only in redemption of the Notes in accordance with the Priorities of Payments.

Amendments to Stated Maturities of Collateral Obligations

The Issuer (or the Collateral Manager on the Issuer's behalf) may vote in favour of a Maturity Amendment only if, after giving effect to such Maturity Amendment:

(a) the Stated Maturity after such amendment of the Collateral Obligation that is the subject of such Maturity Amendment is not later than 18 months prior to the Maturity Date of the Rated Notes and the Weighted Average Life Test is satisfied;

(b)

(i) such Maturity Amendment relates to an exchange or restructuring of a Defaulted Obligation (including, in the commercially reasonable judgment of the Collateral Manager, to prevent a Collateral Obligation from becoming a Defaulted Obligation within three months);

(ii) the extended maturity date of the obligation to be held by the Issuer following such exchange or restructuring will not be later than the Maturity Date of the Rated Notes; and

(iii) the Aggregate Principal Balance of all Collateral Obligations subject to Maturity Amendments to which the Collateral Manager has consented pursuant to this paragraph (b) would be less than, in aggregate, 10 per cent. of the Target Par Amount; or

(c)

(i) in its commercially reasonable judgment, the Collateral Manager believes that the market value of the relevant Collateral Obligation following such Maturity Amendment will be greater than the market value of the Collateral Obligation immediately prior to such Maturity Amendment;

(ii) the extended maturity date of the amended Collateral Obligation will not be later than the Maturity Date of the Rated Notes; and

(iii) either (x) the Collateral Manager will use commercially reasonable efforts to sell the amended Collateral Obligation within 30 Business Days of the date of amendment (or, if the Collateral Manager is unable to sell such amended Collateral Obligation within such period, such longer period as may be necessary in the reasonable commercial judgement of the Collateral Manager) or (y) the Controlling Class (acting by way of Ordinary Resolution) has consented to the Collateral Manager retaining (rather than selling) such amended Collateral Obligation.

If the Issuer or the Collateral Manager has not voted in favour of a Maturity Amendment which would contravene the requirements of this section but the Stated Maturity has been extended, by way of scheme or arrangement or otherwise, the Issuer or the Collateral Manager (acting on behalf of the Issuer) may (but shall not be required to) sell such Collateral Obligation provided that in any event the Collateral Manager shall dispose of such Collateral Obligation prior to the Maturity Date. Such proceeds shall constitute Sale Proceeds and may be reinvested in accordance with and subject to the Reinvestment Criteria.

"**Maturity Amendment**" means with respect to any Collateral Obligation, any waiver, modification, amendment or variance (including in relation to an exchange or restructuring of a Defaulted Obligation) that would extend the Stated Maturity of such Collateral Obligation. For the avoidance of doubt, a waiver, modification, amendment or variance that would extend the Stated Maturity of the credit facility of which a Collateral Obligation is part, but would not extend the Stated Maturity of the Collateral Obligation held by the Issuer, does not constitute a Maturity Amendment.

Expiry of the Reinvestment Criteria Certification

Immediately preceding the end of the Reinvestment Period, the Collateral Manager will deliver to the Trustee and the Collateral Administrator a schedule of Collateral Obligations purchased by the Issuer with respect to which purchases the trade date has occurred but the settlement date has not yet occurred and will certify to the Trustee that sufficient Principal Proceeds are available (including for this purpose, cash on deposit in the Principal Account, any scheduled distributions of Principal Proceeds, as well as any Principal Proceeds that will be received by the Issuer from the sale of Collateral Obligations for which the trade date has already occurred but the settlement date has not yet occurred) to effect the settlement of such Collateral Obligations.

Reinvestment Overcollateralisation Test

If on any Determination Date falling on and after the Effective Date and prior to the expiry of the Reinvestment Period, the Class E Par Value Ratio is less than 108.69 per cent., on the relevant Payment Date, Interest Proceeds shall be paid to the Principal Account, for the acquisition of additional Collateral Obligations in an amount equal to the lesser of: (a) 50 per cent. of all remaining Interest Proceeds available for payment pursuant to paragraph (T) of the Interest Proceeds Priority of Payments; and (b) the amount which, after giving effect to the payment of all amounts payable in respect of paragraphs (A) to (S) (inclusive) of the Interest Proceeds Priority of Payments, would be sufficient to cause the Reinvestment Overcollateralisation Test to be met as of the relevant Determination Date after giving effect to any payments made pursuant to paragraph (T) of the Interest Proceeds Priority of Payments, such amounts to be applied during the Reinvestment Period to purchase additional Collateral Obligations.

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 (the amount of all Principal Proceeds having been determined by the Collateral Administrator on each Determination Date and notified to the Collateral Manager) which the Collateral Manager determines in its discretion (acting on behalf of the Issuer, and subject to the terms of Collateral Management and Administration Agreement as described above) shall remain designated for reinvestment in accordance with the Reinvestment Criteria, on or after the following Payment Date in which event such Principal Proceeds shall not constitute Principal Proceeds which are to be paid into the Payment Account and disbursed on such Payment Date in accordance with the Priorities of Payment.

The Collateral Manager (acting on behalf of the Issuer) may direct that the proceeds of sale of any Collateral Obligation which represents accrued interest be designated as Interest Proceeds and paid into the Interest Account save for: (a) Purchased Accrued Interest; (b) any interest received in respect of any Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation other than Defaulted Mezzanine Excess Amounts; and (c) any interest received in respect of a Defaulted Obligation for so long as it is a Defaulted Obligation other than Defaulted Obligation Excess Amounts.

Accrued Interest

Amounts included in the purchase price of any Collateral Obligation comprising accrued interest thereon may be paid from the Interest Account, the Principal Account or the Unused Proceeds Account at the discretion of the Collateral Manager (acting on behalf of the Issuer) but subject to the terms of the Collateral Management and Administration Agreement and Condition 3(j) (*Payments to and from the Accounts*). Notwithstanding the foregoing, in any Due Period, all payments of interest and proceeds of sale received during such Due Period in relation to any Collateral Obligation, in each case, to the extent that such amounts represent accrued and/or capitalised interest in respect of such Collateral Obligation (including, in respect of a Mezzanine Obligation, any accrued interest which, as at the time of purchase, had been capitalised and added to the principal amount of such Mezzanine Obligation in accordance with its terms), which was purchased at the time of acquisition thereof with Principal Proceeds and/or principal amounts from the Unused Proceeds Account shall constitute Purchased Accrued Interest and shall be deposited into the Principal Account as Principal Proceeds.

Block Trades

The requirements described herein with respect to the Portfolio shall be deemed to be satisfied upon any sale and/or purchase of Collateral Obligations on any day if such Collateral Obligations satisfy such requirements in aggregate rather than on an individual basis.

For the purpose of calculating compliance with the Reinvestment Criteria, at the election of the Collateral Manager in its sole discretion, any proposed investment (whether a single Collateral Obligation or a group of Collateral Obligations) identified by the Collateral Manager as such at the time (the "**Initial Trading Plan Calculation Date**") when compliance with the Reinvestment Criteria is required to be calculated (a "**Trading Plan**") may be evaluated after giving effect to all sales and reinvestments proposed to be entered into within the twenty Business Days following the date of determination of such compliance (such period, the "**Trading Plan Period**"); provided that: (a) no Trading Plan may result in the purchase of Collateral Obligations having an Aggregate Principal Balance that exceeds 5 per cent. of the Aggregate Collateral Balance as of the first day of the Trading Plan Period (provided that, for the purposes of determining the Aggregate Principal Balance, the Principal Balance of a Collateral Obligation which is a Defaulted Obligation will be the lower of its Fitch Collateral Value and its S&P Collateral Value); (b) no Trading Plan Period may include a Determination Date; (c) no more than one Trading Plan may be in effect at any time during a Trading Plan Period; (d) if the Reinvestment Criteria are satisfied prospectively after giving effect to a Trading Plan, but are not satisfied upon the completion of the related Trading Plan, Rating Agency Confirmation and KBRA Confirmation is obtained with respect to the effectiveness of additional Trading Plans (it being understood that Rating Agency Confirmation and KBRA Confirmation shall only be required once following any failure of a Trading Plan); (e) no Trading Plan may be entered into if any of the Collateral Obligations which form part of such Trading Plan have a Stated Maturity shorter than 6 months; and (f) no Trading Plan may be entered into if the differential between the shortest and the longest Stated Maturities of the related Collateral Obligations forming part of such Trading Plan exceeds 3 years and *provided further* that no Trading Plan may result in the averaging of the purchase price of a Collateral Obligation or Collateral Obligations purchased at separate times for purposes of determining whether any particular Collateral Obligation is a Discount Obligation or a Swapped Non-Discount Obligation.

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, Unfunded Revolver Reserve Account, the Collection Account or 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.

Collateral Enhancement Obligations

The Collateral Manager, acting on behalf of the Issuer, may from time to time, purchase Collateral Enhancement Obligations independently or as part of a unit with the Collateral Obligations being so purchased.

All funds required in respect of the purchase price of any Collateral Enhancement Obligations, and all funds required in respect of the exercise price of any rights or options thereunder, may only be paid out of Contributions and the balance standing to the credit of the Collateral Enhancement Account at the relevant time. Pursuant to Condition 3(j)(vi) (*Collateral Enhancement Account*), such Balance shall be comprised of all sums deposited therein from time to time which will comprise interest and/or principal payable in respect of the Subordinated Notes which the Collateral Manager acting on behalf of the Issuer, determines shall be paid into the Collateral Enhancement Account pursuant to the Priorities of Payment rather than being paid to the Subordinated Noteholders.

Collateral Enhancement Obligations may be sold at any time and all Collateral Enhancement Obligation Proceeds received by the Issuer shall be deposited into the Principal Account for allocation in accordance with the Principal Proceeds Priority of Payments.

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

Exercise of Warrants and Options

The Collateral Manager, acting on behalf of the Issuer, may at any time, exercise a warrant or option attached to a Collateral Obligation or comprised in a Collateral Enhancement Obligation and shall, on behalf of the Issuer, instruct the Account Bank to make any necessary payment pursuant to a duly completed form of instruction.

Margin Stock

The Collateral Management and Administration Agreement requires that the Collateral Manager, on behalf of the Issuer, shall use reasonable endeavours to sell any Collateral Obligation, Exchanged Equity Security or Collateral Enhancement Obligation which is or at any time becomes Margin Stock as soon as practicable following such event.

Non-Euro Obligations

Subject to the satisfaction of certain conditions in the Collateral Management and Administration Agreement, the Collateral Manager shall from time to time be authorised to purchase, on behalf of the Issuer, Non-Euro Obligations provided that any such Non-Euro Obligation shall only constitute a Collateral Obligation that satisfies paragraph (b) of the Eligibility Criteria if the Collateral Manager, on behalf of the Issuer, enters, as soon as practicable following entry into a binding commitment to purchase such Collateral Obligation and no later than the settlement date of the acquisition of the relevant Collateral Obligation, into an Asset Swap Transaction (which shall relate to the purchased Collateral Obligation) pursuant to which the currency risk arising from receipt of cash flows from such Non-Euro Obligations, including interest and principal payments, is hedged through the swapping of such cash flows for Euro payments to be made by an Asset Swap Counterparty. Subject to the satisfaction of the Hedging Condition, the Collateral Manager (on behalf of the Issuer) shall be authorised to enter into spot exchange transactions, as necessary, but solely to fund the Issuer’s payment obligations under any Asset Swap Transaction. Rating Agency Confirmation and KBRA Confirmation shall be required in relation to entry into each Asset Swap Transaction unless such Asset Swap Transaction is a Form Approved Asset Swap. See the "*Hedging Arrangements*" section of this Offering Circular.

Revolving Obligations and Delayed Drawdown Collateral Obligations

The Collateral Manager, acting on behalf of the Issuer, may from time to time acquire Collateral Obligations which are Revolving Obligations or Delayed Drawdown Collateral Obligations.

Such Revolving Obligations and Delayed Drawdown Collateral Obligations may only be acquired if they are capable of being drawn in a single currency only (being Euros) and are not payable in or convertible into another currency.

Each Revolving Obligation and Delayed Drawdown Collateral Obligation will, pursuant to its terms, require the Issuer to make one or more future advances or other extensions of credit (including extensions of credit made on an unfunded basis pursuant to which the Issuer may be required to reimburse the provider of a guarantee or other ancillary facilities made available to the obligor thereof if any default by the obligor thereof in respect of its reimbursement obligations in connection therewith occurs). Such Revolving Obligations and Delayed Drawdown Collateral Obligations may or may not provide that they may be repaid and reborrowed from time to time by the Obligor thereunder.

Upon acquisition of any Revolving Obligations and Delayed Drawdown Collateral Obligations, the Issuer shall deposit into the applicable Unfunded Revolver Reserve Account amounts equal to the combined aggregate principal amounts of the Unfunded Amounts under each of the Revolving Obligations and Delayed Drawdown Collateral Obligations.

To the extent required, the Issuer, or the Collateral Manager acting on its behalf, may direct that amounts standing to the credit of the Unfunded Revolver Reserve Account be deposited with a third party from time to time as collateral for any payment obligations of the Issuer in relation to a Revolving Obligation or a Delayed Drawdown Collateral Obligation, as applicable, including but not limited to reimbursement or indemnification obligations owed by the Issuer to any other lender in connection with a Revolving Obligation or a Delayed Drawdown Collateral Obligation, as applicable and upon receipt of an Issuer Order (as defined in the Collateral Management and Administration Agreement) the Trustee shall be deemed to have released such amounts from the security granted thereover pursuant to the Trust Deed.

Participations

The Collateral Manager acting on behalf of the Issuer, may from time to time acquire Collateral Obligations from Selling Institutions by way of Participation provided that at the time such Participation is taken:

(a) the percentage of the Aggregate Collateral Balance that represents Participations entered into by the Issuer with a single Selling Institution will not exceed the individual and aggregate percentages set forth in the Bivariate Risk Table determined by reference to the credit rating of such third party or any guarantor thereof; and

(b) the percentage of the Aggregate Collateral Balance that represents Participations entered into by the Issuer with Selling Institutions or any guarantor thereof, each having the same credit rating (taking the lowest rating assigned thereto by any Rating Agency), will not exceed the aggregate third party credit exposure limit set forth in the Bivariate Risk Table for such credit rating,

and for the purpose of determining the foregoing, account shall be taken of each sub participation from which the Issuer, directly or indirectly derives its interest in the relevant Collateral Obligation.

Each Participation entered into pursuant to a participation agreement shall be substantially in the form of:

(a) the LSTA Model Participation Agreement for par/near par trades (as published by the Loan Syndications and Trading Association Inc. from time to time);

(b) the LMA Funded Participation (Par) (as published by the Loan Market Association from time to time); or

(c) such other documentation provided such agreement contains limited recourse and non-petition language substantially the same as that set out in the Trust Deed.

Assignments

The Collateral Manager acting on behalf of the Issuer, may from time to time acquire Collateral Obligations from Selling Institutions by way of Assignment provided that at the time such Collateral Obligation is acquired by way of Assignment the Collateral Manager, acting on behalf of the Issuer, shall have complied, to the extent within their control, with any requirements relating to such Assignment set out in the relevant loan documentation for such Collateral Obligation (including, without limitation, with respect to the form of such Assignment and obtaining the consent of any person specified in the relevant loan documentation).

Bivariate Risk Table

The following is the bivariate risk table (the "**Bivariate Risk Table**") and as referred to in "*Portfolio Profile Tests*" below and "*Participations*" above. For the purposes of the limits specified in the Bivariate Risk Table, the individual third party credit exposure limit shall be determined by reference to the Aggregate Principal Balance of all Participations (excluding any Defaulted Obligations) entered into by the Issuer with the same counterparty (such amount in respect of such entity, the "**Third Party Exposure**") and the applicable percentage limits shall be determined by reference to the lower of the Fitch or S&P ratings applicable to such counterparty and the aggregate third party credit exposure limit shall be determined by reference to the aggregate of Third Party Exposure of all such counterparties which share the same rating level or have a lower rating level, as indicated in the Bivariate Risk Table.

Bivariate Risk Table

Long-Term Issuer Credit Rating of Selling Institution	Individual Third Party Credit Exposure Limit[1]	Aggregate Third Party Credit Exposure Limit[1]
Fitch		
AAA	10%	10%
AA+	10%	10%
AA	10%	10%
AA-	10%	10%
A+	5%	10%
A	5%	5%
A- or below	0%	0%

Long-Term/Short Term Senior Unsecured Debt Rating of Selling Institution	Individual Third Party Credit Exposure Limit[1]	Aggregate Third Party Credit Exposure Limit[1]
S&P		
AAA	5%	5%
AA+	5%	5%
AA	5%	5%
AA-	5%	5%
A+	5%	5%
A[2]	5%	5%
A- or below	0%	0%

1 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.

2 A Selling Institution having an S&P credit rating of "A" must also have a short-term S&P rating of "A-1" otherwise its " Aggregate Third Party Credit Exposure Limit " and " Individual Third Party Credit Exposure Limit " (set forth above) shall be 0%.

Eligible Investments - Principal Reductions

Subject to the standard of care required under the Collateral Management and Administration Agreement, the Collateral Manager shall monitor, on an on-going basis during each Due Period, all Eligible Investments that provide for Principal Reductions in accordance with their terms, in order to determine whether, in the Collateral Manager's reasonable determination, the aggregate amount of anticipated Principal Reductions for the applicable Due Period will exceed the amount then on deposit in the Principal Reduction Reserve Account. If such a determination is made, the Collateral Manager shall promptly notify the Collateral Administrator and shall, as soon as reasonably practicable, (i) dispose of such Eligible Investments, (ii) procure the transfer of funds from the Collateral Enhancement Account and/or the Contribution Account to the Principal Reduction Reserve Account and/or (iii) deposit the proceeds from the issue of additional Subordinated Notes in accordance with Condition 17 (*Additional Issuances*) into the Principal Reduction Reserve Account, in each case in accordance with the Conditions, to the extent necessary to ensure that the aggregate amount of anticipated Principal Reductions for the applicable Due Period no longer exceeds the amount then on deposit in the Principal Reduction Reserve Account.

The Collateral Manager shall, in accordance with the Collateral Management and Administration Agreement and the Conditions, as soon as reasonably practicable, procure that the Collateral Administrator shall transfer to the Principal Account funds standing to the credit of the Principal Reduction Reserve Account following the occurrence of a Principal Reduction in respect of an Eligible Investment held by the Issuer, in the amount of such Principal Reduction.

Portfolio Profile Tests and Collateral Quality Tests

Measurement of Tests

The Portfolio Profile Tests and the Collateral Quality Tests will be used as criteria for purchasing Collateral Obligations. The Collateral Administrator will measure the Portfolio Profile Tests and the Collateral Quality Tests on each Measurement Date (save as otherwise provided herein).

Substitute Collateral Obligations in respect of which a binding commitment has been made to purchase such Substitute Collateral Obligations but such purchase has not been settled shall nonetheless be deemed to have been purchased for the purposes of the Portfolio Profile Tests and the Collateral Quality Tests at any time as if such purchase had been completed. Collateral 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 Obligations in the calculation of the Collateral Quality Tests and Portfolio Profile Tests at any time as if such sale had been completed. See "*Reinvestment of Collateral Obligations*" above.

Notwithstanding the foregoing, the failure of the Portfolio to meet the requirements of the Portfolio Profile Tests at any time shall not prevent any obligation which would otherwise be a Collateral Obligation from being a Collateral Obligation.

Portfolio Profile Tests

The Portfolio Profile Tests will consist of each of the following:

(a) not less than 90 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Secured Senior Loans or Secured Senior Bonds (which term, for the purposes of this paragraph (a), shall comprise the aggregate of the Aggregate Principal Balance of the Secured Senior Loans and Secured Senior Bonds and the Balances standing to the credit of the Principal Account and the Unused Proceeds Account, in each case as at the relevant Measurement Date);

(b) not less than 70 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Secured Senior Loans (which term, for the purposes of this paragraph (b), shall comprise the aggregate of the Aggregate Principal Balance of the Secured Senior Loans and the Balances standing to the credit of the Principal Account and the Unused Proceeds Account, in each case as at the relevant Measurement Date);

(c) not more than 10 per cent. of the Aggregate Collateral Balance shall consist of Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and High Yield Bonds;

(d) with respect to any Collateral Obligations, not more than 2.5 per cent. of the Aggregate Collateral Balance shall be the obligation of any single Obligor, provided that up to 5 Obligors may each represent up to 3 per cent.;

(e) with respect to Secured Senior Loans and Secured Senior Bonds, not more than 2.5 per cent. of the Aggregate Collateral Balance shall be the obligation of any single Obligor, provided that up to 5 Obligors may each represent up to 3 per cent.;

(f) with respect to Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and High Yield Bonds not more than 1.5 per cent. of the Aggregate Collateral Balance shall be the obligation of any single Obligor, provided that up to 3 Obligors (including any exceptions pursuant to (e) above) may each represent up to 2 per cent. of the Aggregate Collateral Balance;

(g) not more than 5 per cent. of the Aggregate Collateral Balance shall consist of Participations;

(h) for so long as Fitch assigns a rating in respect of an Outstanding Class of Rated Notes, not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Fitch CCC Obligations;

(i) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are S&P CCC Obligations;

(j) not more than 10 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Fixed Rate Collateral Obligations;

(k) not more than 5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Current Pay Obligations;

(l) not more than 10 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Unfunded Amounts or Funded Amounts under Revolving Obligations or Delayed Drawdown Collateral Obligations;

(m) not more than 5 per cent. of the Aggregate Collateral Balance shall consist of Corporate Rescue Loans and not more than 2 per cent. of the Aggregate Collateral Balance shall consist of Corporate Rescue Loans issued by a single Obligor;

(n) not more than 5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are PIK Securities, provided that such PIK Securities are Restructured Obligations;

(o) not more than 40 per cent. of the Aggregate Collateral Balance shall consist of Cov-Lite Loans;

(p) for so long as Fitch assigns a rating in respect of an Outstanding Class of Rated Notes, not more than 10 per cent. of the Aggregate Collateral Balance shall consist of Obligors who are Domiciled in countries or jurisdictions with a country ceiling below "AAA" by Fitch unless Rating Agency Confirmation from Fitch is obtained;

(q) not more than 20 per cent. of the Aggregate Collateral Balance shall consist of Obligors who are Domiciled in countries or jurisdictions with a country rating below "A-" by S&P unless Rating Agency Confirmation from S&P is obtained;

(r) for so long as Fitch assigns a rating in respect of an Outstanding Class of Rated Notes, not more than 15 per cent. of the Aggregate Collateral Balance shall consist of obligations comprising any one Fitch industry category provided that: (i) any three Fitch industry categories may comprise up to 40 per cent. of the Aggregate Collateral Balance in aggregate; and (ii) one Fitch industry category may comprise up to 17.5 per cent. of the Aggregate Collateral Balance;

(s) not more than 17.5 per cent. of the Aggregate Collateral Balance shall consist of obligations comprising any one S&P Industry Classification Group;

(t) the limits set forth in the Bivariate Risk Table determined by reference to the ratings of Selling Institutions shall be satisfied;

(u) not more than 25 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Non-Euro Obligations;

(v) not more than 2.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Bridge Loans; and

(w) not more than 5 per cent. of the Aggregate Collateral Balance shall consist of obligations issued by Obligors each of which has a total current indebtedness of equal to or more than €150,000,000 and less than €200,000,000 (or its equivalent in another currency).

The percentage requirements applicable to different types of Collateral Obligations specified in the Portfolio Profile Tests shall be determined by reference to the Aggregate Principal Balance of such type of Collateral Obligations. 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 at any time as if such purchase had been completed. Collateral 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 Obligations in the calculation of the Portfolio Profile Tests at any time as if such sale had been completed.

"**Bridge Loan**" shall mean any Collateral Obligation that: (a) is incurred in connection with a merger, acquisition, consolidation, sale of all or substantially all of the assets of a person, restructuring or similar transaction; (b) by its terms, is required to be repaid within one year of the incurrence thereof with proceeds from additional borrowings or other refinancings (provided, however, that any additional borrowing or refinancing having a term of more than one year may be included as a Bridge Loan if one or more financial institutions shall have provided the obligor with a binding written commitment to provide the same); and (c) prior to its purchase by the Issuer, has a Fitch Rating and an S&P Rating, or if the Bridge Loan is not rated by Fitch and S&P, Rating Agency Confirmation has been obtained.

"**S&P Industry Classification Group**" means an industry classification group set out in the table below or as otherwise modified, amended or replaced by S&P from time to time:

Asset Type Code	Description
1020000	Energy Equipment and Services
1030000	Oil, Gas and Consumable Fuels
1033403	Mortgage real estate investment trusts (REITs)
2020000	Chemicals
2030000	Construction Materials
2040000	Containers and packaging
2050000	Metals and Mining
2060000	Paper and Forest Products
3020000	Aerospace and Defense
3030000	Building Products
3040000	Construction and Engineering
3050000	Electrical Equipment
3060000	Industrial Conglomerates
3070000	Machinery
3080000	Trading Companies and Distributors
3110000	Commercial Services and Supplies
3210000	Air Freight and Logistics
3220000	Airlines
3230000	Marine
3240000	Road and Rail
3250000	Transportation Infrastructure
4011000	Auto Components
4020000	Automobiles
4110000	Household Durables
4120000	Leisure Products
4130000	Textiles, Apparel and Luxury Goods
4210000	Hotels, Restaurants and Leisure
4300001	Entertainment
4300002	Interactive media and services
4310000	Media
4410000	Distributors
4420000	Internet and Direct Marketing Retail
4430000	Multiline Retail
4440000	Specialty Retail
5020000	Food and Staples Retailing
5110000	Beverages
5120000	Food Products
5130000	Tobacco
5210000	Household Products
5220000	Personal Products
6020000	Healthcare Equipment and Supplies
6030000	Healthcare Providers and Services
6110000	Biotechnology
6120000	Pharmaceuticals
7011000	Banks
7020000	Thrifts and Mortgage Finance
7110000	Diversified Financial Services
7120000	Consumer Finance
7130000	Capital Markets
7210000	Insurance
7310000	Real Estate Management and Development

Asset Type Code	Description
7311000	Equity REITS
8030000	IT services
8040000	Software
8110000	Communications Equipment
8120000	Technology Hardware, Storage and Peripherals
8130000	Electronic Equipment, Instruments and Components
8210000	Semiconductors and Semiconductor Equipment
9020000	Diversified Telecommunication Services
9030000	Wireless Telecommunication Services
9520000	Electric Utilities
9530000	Gas Utilities
9540000	Multi-Utilities
9550000	Water Utilities
9551701	Diversified Consumer Services
9551702	Independent Power and Renewable Electricity Producers
9551727	Life Sciences Tools and Services
9551729	Health Care Technology
9612010	Professional Services
1000-1099	Reserved

The percentage requirements applicable to different types of Collateral Obligations specified in the Portfolio Profile Tests shall be determined by reference to the Aggregate Principal Balance of such type of Collateral Obligations, excluding Defaulted Obligations

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; and

(iii) the Fitch Minimum Weighted Average Spread Test;

(b) so long as any Notes rated by S&P are Outstanding (from the Effective Date and until the expiry of the Reinvestment Period only), the S&P CDO Monitor Test; and

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

each as defined in the Collateral Management and Administration Agreement.

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

If the Aggregate Collateral Balance is higher than the Reinvestment Target Par Balance, the Collateral Manager will have the ability to exclude Collateral Obligations with an Aggregate Principal Balance equal to the excess of the Aggregate Collateral Balance over the Reinvestment Target Par Balance from each Collateral Quality Test provided that the Aggregate Collateral Balance of such Collateral Obligations so excluded up to 2.0 per cent. of the Reinvestment Target Par Balance (such Collateral Obligations, "**Excess Par Collateral Obligations**"). The Collateral Manager shall, on any Measurement Date, designate Excess Par Collateral Obligations for the purposes of the Collateral Quality Tests being tested on such Measurement Date, by written notice to the Collateral Administrator (which notice may be by e-mail) and, for the avoidance of doubt, if any Collateral Obligation is designated as an Excess Par Collateral Obligation, any such Excess Par Collateral Obligation shall be excluded from all Collateral Quality Tests on such Measurement Date. If the Collateral Manager designates Excess Par Collateral Obligations on a Measurement Date in accordance with the foregoing, such Collateral Obligations shall remain as Excess Par Collateral Obligations until the Collateral Manager notifies the Collateral Administrator (which notice may be by e-mail), on any following Measurement Date, that any alternative Collateral Obligations shall constitute the Excess Par Collateral Obligations.

Fitch Test Matrices

Subject to the provisions provided below, the Collateral Manager will have the option to elect which of the cases set out in the matrices set out below (each such matrix to have a different concentration limit for the largest 10 Obligors by Principal Balance and for Fixed Rate Collateral Obligations applicable to it) (each such matrix a "**Fitch Test Matrix**" and together 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 Fitch Minimum Weighted Average Spread Test. For any given case:

(a) the percentage of the Aggregate Collateral Balance consisting of Fixed Rate Collateral Obligations as of such Measurement Date is less than or equal to the maximum percentage of Fixed Rate Collateral Obligations specified in such Fitch Tests Matrix;

(b) the applicable column for performing the Fitch Maximum Weighted Average Rating Factor Test will be the column (or linear interpolation between two adjacent columns in a given matrix and/or two columns (or interpolated columns) in adjacent matrices, as applicable) in the applicable Fitch Test Matrix (or adjacent matrices in the case of an interpolation) selected by the Collateral Manager;

(c) the applicable row for performing the Fitch Minimum Weighted Average Spread Test will be the row (or linear interpolation between two adjacent rows in a given matrix and/or two rows (or interpolated rows) in adjacent matrices, as applicable) in the applicable Fitch Test Matrix (or adjacent matrices in the case of an interpolation) selected by the Collateral Manager; and

(d) the applicable column and row for performing the Fitch Minimum Weighted Average Recovery Rate Test will be the column and row (or interpolated rows and/or columns as described in (b) and (c) above, as applicable) in the applicable Fitch Test Matrix (or adjacent matrices in the case of an interpolation) selected by the Collateral Manager in relation to (b) and (c) above.

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, the Fitch Minimum Weighted Average Spread Test and the concentration limits applicable to the largest 10 Obligors by Principal Balance and for Fixed Rate Collateral Obligations applicable to the case to which the Collateral Manager desires to change are satisfied or, in the case of any such tests or concentration limits 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.

Solely for the purposes of determining satisfaction of the Reinvestment Criteria (both during and following the expiry of the Reinvestment Period), the concentration limits for the largest 10 Obligors by Principal Balance and for Fixed Rate Collateral Obligations applicable to the case set out in a Fitch Test Matrix (or a linear interpolation between any two adjacent Fitch Tests Matrices in the case of a linear interpolation) selected by the Collateral Manager in accordance with the foregoing paragraphs, shall be deemed to be a "Collateral Quality Test" for so long as such case remains the case selected by the Collateral Manager.

Maximum 15% Top 10 Obligors
Maximum 0% Fixed Rate Collateral Obligations

Weighted Average Spread	Weighted Average Rating Factor													
	29	30	31	32	33	34	35	36	37	38	39	40	41	42
2.80%	60.30%	61.70%	63.10%	64.40%	65.70%	66.90%	68.10%	69.30%	70.40%	71.60%	72.70%	73.80%	74.90%	75.80%
3.00%	58.60%	60.20%	61.60%	63.00%	64.30%	65.60%	66.80%	68.00%	69.20%	70.30%	71.50%	72.60%	73.70%	74.80%
3.20%	57.00%	58.60%	60.20%	61.60%	63.00%	64.30%	65.50%	66.80%	68.00%	69.20%	70.30%	71.50%	72.60%	73.60%
3.40%	55.30%	57.00%	58.70%	60.30%	61.60%	63.00%	64.30%	65.60%	66.80%	68.00%	69.10%	70.20%	71.40%	72.50%
3.60%	53.70%	55.40%	57.10%	58.80%	60.30%	61.70%	63.10%	64.40%	65.60%	66.80%	68.00%	69.10%	70.20%	71.40%
3.80%	52.00%	53.80%	55.60%	57.30%	58.90%	60.50%	61.90%	63.20%	64.40%	65.70%	66.80%	68.00%	69.10%	70.20%
4.00%	50.30%	52.20%	54.00%	55.80%	57.50%	59.10%	60.60%	61.90%	63.20%	64.50%	65.70%	66.90%	68.00%	69.10%
4.20%	48.60%	50.60%	52.40%	54.20%	55.90%	57.60%	59.20%	60.70%	62.00%	63.30%	64.60%	65.80%	67.00%	68.10%
4.40%	46.80%	48.80%	50.70%	52.50%	54.30%	56.00%	57.60%	59.20%	60.70%	62.00%	63.30%	64.60%	65.80%	67.00%
4.60%	45.00%	47.00%	49.00%	50.80%	52.60%	54.40%	56.10%	57.70%	59.30%	60.70%	62.10%	63.40%	64.60%	65.80%
4.80%	43.10%	45.20%	47.20%	49.20%	51.00%	52.80%	54.50%	56.20%	57.80%	59.40%	60.80%	62.10%	63.40%	64.70%
5.00%	41.20%	43.40%	45.50%	47.50%	49.40%	51.20%	53.00%	54.70%	56.40%	58.00%	59.60%	61.10%	62.40%	63.70%
5.20%	38.80%	41.70%	43.90%	45.90%	47.90%	49.80%	51.70%	53.40%	55.20%	56.80%	58.40%	59.90%	61.30%	62.60%
5.40%	35.40%	40.00%	42.30%	44.40%	46.40%	48.40%	50.20%	52.00%	53.70%	55.40%	57.00%	58.60%	60.10%	61.40%
5.60%	31.90%	36.60%	40.50%	42.70%	44.80%	46.80%	48.70%	50.50%	52.20%	53.90%	55.60%	57.20%	58.80%	60.30%

Maximum 15% Top 10 Obligors
Maximum 10% Fixed Rate Collateral Obligations

Weighted Average Spread	Weighted Average Rating Factor													
	29	30	31	32	33	34	35	36	37	38	39	40	41	42
2.80%	60.30%	61.70%	63.10%	64.40%	65.70%	66.90%	68.10%	69.30%	71.10%	72.90%	74.60%	76.10%	77.50%	78.80%
3.00%	58.60%	60.20%	61.60%	63.00%	64.30%	65.60%	66.80%	68.00%	69.50%	71.30%	73.10%	74.80%	76.30%	77.70%
3.20%	57.00%	58.60%	60.20%	61.60%	63.00%	64.30%	65.50%	66.80%	68.00%	69.70%	71.60%	73.40%	75.10%	76.50%
3.40%	55.30%	57.00%	58.70%	60.30%	61.60%	63.00%	64.30%	65.60%	66.80%	68.20%	69.90%	71.80%	73.60%	75.30%
3.60%	53.70%	55.40%	57.10%	58.80%	60.30%	61.70%	63.10%	64.40%	65.60%	66.80%	68.60%	70.20%	72.10%	73.90%
3.80%	52.10%	53.90%	55.60%	57.30%	59.00%	60.50%	61.90%	63.20%	64.50%	65.70%	67.20%	68.90%	70.60%	72.40%
4.00%	50.50%	52.40%	54.20%	56.00%	57.70%	59.30%	60.80%	62.10%	63.40%	64.60%	65.90%	67.60%	69.30%	71.00%
4.20%	49.00%	51.00%	52.80%	54.60%	56.30%	57.90%	59.50%	61.00%	62.30%	63.60%	64.80%	66.30%	68.00%	69.70%
4.40%	47.40%	49.40%	51.20%	53.10%	54.80%	56.50%	58.10%	59.70%	61.10%	62.50%	63.70%	65.00%	66.80%	68.50%
4.60%	45.80%	47.80%	49.70%	51.60%	53.30%	55.10%	56.70%	58.40%	59.90%	61.30%	62.60%	63.90%	65.50%	67.20%
4.80%	44.10%	46.20%	48.10%	50.10%	51.90%	53.60%	55.30%	57.00%	58.60%	60.10%	61.50%	62.80%	64.30%	66.00%
5.00%	42.40%	44.50%	46.60%	48.50%	50.40%	52.20%	53.90%	55.60%	57.30%	58.90%	60.40%	61.70%	63.20%	64.80%
5.20%	40.70%	42.90%	45.00%	47.00%	49.00%	50.80%	52.60%	54.30%	56.00%	57.70%	59.30%	60.80%	62.10%	63.80%
5.40%	38.30%	41.40%	43.60%	45.70%	47.70%	49.60%	51.40%	53.20%	54.90%	56.60%	58.20%	59.70%	61.10%	62.70%
5.60%	35.20%	39.80%	42.20%	44.30%	46.30%	48.20%	50.10%	51.90%	53.60%	55.30%	56.90%	58.50%	60.00%	61.60%

Maximum 27.5% Top 10 Obligors
Maximum 0% Fixed Rate Collateral Obligations

Weighted Average Spread	Weighted Average Rating Factor													
	29	30	31	32	33	34	35	36	37	38	39	40	41	42
2.80%	62.80%	64.10%	65.40%	66.70%	67.90%	69.00%	70.20%	71.30%	72.50%	73.60%	74.70%	75.60%	76.60%	77.50%
3.00%	61.40%	62.70%	64.10%	65.30%	66.60%	67.80%	68.90%	70.10%	71.30%	72.40%	73.50%	74.60%	75.50%	76.50%
3.20%	59.90%	61.40%	62.70%	64.00%	65.30%	66.50%	67.80%	68.90%	70.10%	71.20%	72.30%	73.40%	74.50%	75.50%
3.40%	58.40%	60.00%	61.40%	62.70%	64.00%	65.30%	66.60%	67.80%	68.90%	70.00%	71.20%	72.30%	73.40%	74.40%
3.60%	56.80%	58.40%	60.00%	61.50%	62.80%	64.10%	65.40%	66.60%	67.80%	68.90%	70.00%	71.10%	72.20%	73.30%
3.80%	55.20%	56.90%	58.60%	60.20%	61.60%	62.90%	64.20%	65.40%	66.60%	67.80%	68.90%	70.00%	71.10%	72.20%
4.00%	53.70%	55.40%	57.10%	58.80%	60.30%	61.70%	63.00%	64.20%	65.50%	66.70%	67.80%	68.90%	70.00%	71.10%
4.20%	52.00%	53.80%	55.50%	57.20%	58.90%	60.40%	61.70%	63.10%	64.30%	65.50%	66.70%	67.90%	69.00%	70.00%
4.40%	50.30%	52.10%	53.90%	55.60%	57.30%	58.90%	60.40%	61.80%	63.10%	64.30%	65.60%	66.80%	67.90%	69.00%
4.60%	48.60%	50.50%	52.30%	54.00%	55.70%	57.40%	59.00%	60.50%	61.80%	63.10%	64.40%	65.60%	66.80%	67.90%
4.80%	46.80%	48.80%	50.60%	52.40%	54.20%	55.90%	57.50%	59.10%	60.50%	61.90%	63.20%	64.40%	65.70%	66.90%
5.00%	45.10%	47.10%	49.00%	50.80%	52.60%	54.30%	56.00%	57.70%	59.30%	60.80%	62.10%	63.40%	64.70%	65.90%
5.20%	43.40%	45.50%	47.50%	49.40%	51.30%	53.10%	54.80%	56.50%	58.10%	59.60%	61.00%	62.30%	63.60%	64.80%
5.40%	41.90%	44.00%	46.00%	48.00%	49.80%	51.60%	53.40%	55.00%	56.70%	58.30%	59.80%	61.20%	62.50%	63.70%
5.60%	40.10%	42.30%	44.40%	46.40%	48.30%	50.10%	51.90%	53.60%	55.30%	56.90%	58.50%	60.00%	61.30%	62.60%

Maximum 27.5% Top 10 Obligors
Maximum 10% Fixed Rate Collateral Obligations

Weighted Average Spread	Weighted Average Rating Factor													
	29	30	31	32	33	34	35	36	37	38	39	40	41	42
2.80%	62.80%	64.10%	65.40%	66.70%	67.90%	69.30%	71.10%	72.90%	74.60%	76.10%	77.50%	78.80%	80.10%	81.20%
3.00%	61.40%	62.70%	64.10%	65.30%	66.60%	67.80%	69.50%	71.30%	73.10%	74.80%	76.30%	77.70%	79.00%	80.30%
3.20%	59.90%	61.40%	62.70%	64.00%	65.30%	66.50%	67.90%	69.70%	71.60%	73.40%	75.10%	76.50%	77.90%	79.20%
3.40%	58.40%	60.00%	61.40%	62.70%	64.00%	65.30%	66.60%	68.20%	69.90%	71.80%	73.60%	75.30%	76.70%	78.10%
3.60%	56.80%	58.40%	60.00%	61.50%	62.80%	64.10%	65.40%	66.80%	68.60%	70.20%	72.10%	73.90%	75.50%	77.00%
3.80%	55.30%	57.00%	58.60%	60.20%	61.60%	62.90%	64.20%	65.50%	67.20%	68.90%	70.60%	72.40%	74.10%	75.80%
4.00%	53.90%	55.60%	57.30%	59.00%	60.50%	61.80%	63.10%	64.40%	65.90%	67.60%	69.30%	71.00%	72.80%	74.50%
4.20%	52.40%	54.20%	55.90%	57.60%	59.20%	60.70%	62.10%	63.30%	64.60%	66.30%	68.00%	69.70%	71.40%	73.20%
4.40%	50.90%	52.70%	54.50%	56.20%	57.80%	59.40%	60.90%	62.20%	63.50%	65.00%	66.80%	68.50%	70.10%	71.90%
4.60%	49.30%	51.20%	53.00%	54.70%	56.40%	58.00%	59.60%	61.00%	62.30%	63.90%	65.50%	67.20%	68.90%	70.60%
4.80%	47.80%	49.70%	51.50%	53.30%	55.00%	56.70%	58.30%	59.80%	61.20%	62.70%	64.30%	66.00%	67.70%	69.40%
5.00%	46.20%	48.10%	50.00%	51.90%	53.60%	55.30%	56.90%	58.50%	60.10%	61.60%	63.20%	64.80%	66.50%	68.30%
5.20%	44.60%	46.60%	48.60%	50.50%	52.20%	54.00%	55.70%	57.40%	59.00%	60.50%	62.10%	63.80%	65.50%	67.20%
5.40%	43.20%	45.30%	47.30%	49.20%	51.10%	52.90%	54.60%	56.20%	57.90%	59.40%	61.00%	62.70%	64.30%	66.00%
5.60%	41.70%	43.90%	45.90%	47.90%	49.70%	51.50%	53.30%	54.90%	56.60%	58.20%	59.90%	61.60%	63.20%	64.80%

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, 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 Obligation by its Fitch Rating Factor, dividing such sum by the Aggregate Principal Balance of all such Collateral Obligations and rounding the result down to the nearest two decimal places. For the purposes of determining the Principal Balance and the Aggregate Principal Balance of all Collateral Obligations in this definition, the Principal Balance of each Defaulted Obligation shall be excluded.

"**Fitch Rating Factor**" means, in respect of any Collateral Obligation, the number set out in the table below opposite the Fitch Rating in respect of such Collateral Obligation. The following table provides certain probabilities of default relating to Fitch Rating Factors. The information is subject to change and any probabilities of default in respect of Fitch Rating Factors may not at any time necessarily reflect the below table.

Fitch Rating	**Fitch Rating Factor**
AAA	0.19
AA+	0.35
AA	0.64
AA-	0.86
A+	1.17
A	1.58
A-	2.25
BBB+	3.19
BBB	4.54
BBB-	7.13
BB+	12.19
BB	17.43
BB-	22.80
B+	27.80
B	32.18
B-	40.60
CCC+	62.80
CCC	62.80
CCC-	62.80
CC	100.00
C	100.00
D	100.00

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, 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 Obligation by the Fitch Recovery Rate in relation thereto and dividing such sum by the Aggregate Principal Balance of all Collateral Obligations and rounding up to the nearest 0.1 per cent. For the purposes of determining the Principal Balance and the Aggregate Principal Balance of all Collateral Obligations in this definition, the Principal Balance of each Defaulted Obligation shall be excluded.

"**Fitch Recovery Rate**" means, with respect to a Collateral Obligation, the recovery rate determined in accordance with paragraphs (a) and (b) below or (in any case) such other recovery rate as Fitch may notify the Collateral Manager from time to time:

(a) if such Collateral Obligation has a public Fitch recovery rating, or a recovery rating is assigned by Fitch in the context of 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

Fitch recovery rating	Fitch recovery rate (%)
RR2	80
RR3	60
RR4	40
RR5	20
RR6	5

(b) if such Collateral Obligation (A) has no public Fitch recovery rating and (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, (x) if such Collateral Obligation is a Secured Senior Bond, the recovery rate applicable to such Secured Senior Bond shall be the recovery rate corresponding to the Fitch recovery rating of "RR3" in the table set out under (a) above or (y) otherwise the recovery rate applicable will be determined in accordance with the table below, where the Collateral Obligation shall be categorised as "Strong Recovery" if it is a Secured Senior Loan, "Moderate Recovery" if it is an Unsecured Senior Obligation and otherwise "Weak Recovery", and shall fall into the country group corresponding to the country in which the Obligor thereof is Domiciled:

	Group A	Group B	Group C
Strong Recovery	80	70	35
Moderate Recovery	45	45	25
Weak Recovery	20	20	5

The country group of a Collateral Obligation shall be determined, by reference to the country where the Obligor thereof is Domiciled, in accordance with the below:

Group A: Australia, Bermuda, Canada, Cayman Islands, New Zealand, Puerto Rico, United States.

Group B: Austria, Barbados, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Gibraltar, Hong Kong, Iceland, Ireland, Israel, Italy, Japan, Jersey, Latvia , Liechtenstein, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Singapore, Slovakia, Slovenia, South Korea, Spain, Sweden, Switzerland, Taiwan, United Kingdom.

Group C: Albania, Argentina, Asia Others, Bahamas, Bosnia and Herzegovina, Brazil, Bulgaria, Chile, China, Colombia, Costa Rica, Croatia, Cyprus, Dominican Republic, Eastern Europe Others, Ecuador, Egypt, El Salvador, Greece, Guatemala, Hungary, India, Indonesia, Iran, Jamaica, Kazakhstan, Liberia, Macedonia, Malaysia, Malta, Marshall Islands, Mauritius, Mexico, Middle East and North Africa Others, Moldova, Morocco, Other Central America, Other South America, Other Sub Saharan Africa, Pakistan, Panama, Peru, Philippines, Qatar, Romania, Russia, Saudi Arabia, Serbia and Montenegro, South Africa, Thailand, Tunisia, Turkey, Ukraine, Uruguay, Venezuela, Vietnam.

The Fitch Minimum Weighted Average Spread Test

The "**Fitch Minimum Weighted Average Spread Test**" will be satisfied if, as at any Measurement Date from (and including) the Effective Date, the Weighted Average Spread as at such Measurement Date plus the Weighted Average Coupon Adjustment Percentage as at such Measurement Date equals or exceeds the Fitch Minimum Weighted Average Spread as at such Measurement Date.

The "**Fitch Minimum Weighted Average Spread**", as of any Measurement Date, means the weighted average spread (expressed as a percentage) applicable to the current Fitch Tests Matrix selected by the Collateral Manager (or interpolating between the two rows containing the closest values and/or two adjacent columns (as applicable).

The "**Weighted Average 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) other than in respect of the S&P CDO Monitor Test, the Aggregate Excess Funded Spread; by

(b) an amount equal to the sum of the Aggregate Principal Balance of all Floating Rate Collateral Obligations as of such Measurement Date (in each case, excluding Defaulted Obligations and Deferring Securities (but only in respect of any interest which has been deferred and capitalised thereon); and in each case for the purposes of calculating the Weighted Average Spread;

(i) the spread of any Collateral Obligation shall exclude:

(1) any amount which the Issuer or the Collateral Manager has actual knowledge that payment of interest on such Collateral Obligation which is due and payable will not be paid by the Obligor thereof; and

(2) any interest that will be withheld because of tax reasons and which is neither grossed up, indemnified nor recoverable under any applicable double tax treaty; and

(ii) the Weighted Average Spread shall be expressed as a percentage and shall be rounded up to the next 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 Obligation (including, for any PIK Security and any Mezzanine Obligation, only the required current cash pay interest required by the Underlying Instruments thereon, and excluding Non-Euro Obligations, Defaulted Obligations, Deferring Securities and the unfunded portion of any Delayed Drawdown Collateral Obligation and Revolving Obligation) that bears interest at a spread over EURIBOR, (i) the stated interest rate spread on such Collateral Obligation above EURIBOR or each other applicable floating rate of interest multiplied by (ii) the Principal Balance of such Collateral Obligation (excluding the unfunded portion of any Delayed Drawdown Collateral Obligation or Revolving Obligation);

(b) in the case of each Floating Rate Collateral Obligation (including, for any PIK Security and any Mezzanine Obligation, only the required current cash pay interest required by the Underlying Instruments thereon, and excluding Non-Euro Obligations, Defaulted Obligations, Deferring Securities and the unfunded portion of any Delayed Drawdown Collateral Obligation and Revolving Obligation) that bears interest at a spread over an index other than EURIBOR-based index, (i) the excess of the sum of such spread and such index over EURIBOR with respect to the Rated Notes as of the immediately preceding Interest Determination Date (which spread or excess may be expressed as a negative percentage) multiplied by (ii) the Principal Balance of each such Collateral Obligation (excluding the unfunded portion of any Delayed Drawdown Collateral Obligation or Revolving Obligation);

(c) in the case of each Floating Rate Collateral Obligation which is a Non-Euro Obligation (including, for any PIK Security and any Mezzanine Obligation, only the required current cash pay interest required by the Underlying Instruments thereon, and excluding Defaulted Obligations, Deferring Securities and the unfunded portion of any Delayed Drawdown Collateral Obligation and Revolving Obligation) and an Asset Swap Obligation, (i) the stated interest rate spread over EURIBOR payable by the applicable Asset Swap Counterparty to the Issuer under the related Asset Swap Transaction multiplied by (ii) the Principal Balance of such Non-Euro Obligation;

(d) in the case of each Floating Rate Collateral Obligation which is a Non-Euro Obligation (including, for any PIK Security and any Mezzanine Obligation, only the required current cash pay interest required by the Underlying Instruments thereon, and excluding Defaulted Obligations, Deferring Securities and the unfunded portion of any Delayed Drawdown Collateral Obligation and Revolving Obligation) and not subject to a Asset Swap Transaction, the difference between (i) the interest amount payable by the relevant Obligor converted to Euro at the applicable Spot Rate and (ii) the product of (x) EURIBOR multiplied by (y) the Principal Balance of such Non-Euro Obligation;

(e) solely for the purposes of the S&P CDO Monitor Test, in the case of each Floating Rate Collateral Obligation that bears interest at a spread over EURIBOR and that is a Deferring Security, (i) zero minus EURIBOR (subject to a maximum of zero) multiplied by (ii) the Principal Balance of such Collateral Obligations;

(f) solely for the purposes of the S&P CDO Monitor Test, in the case of each Floating Rate Collateral Obligation that bears interest at a spread over an index other than a EURIBOR-based index and that is a Deferring Security, (i) zero minus the excess of the sum of such spread and such index over EURIBOR with respect to the Rated Notes as of the immediately preceding Interest Determination Date (which spread or excess may be expressed as a negative percentage subject to a maximum of zero) multiplied by (ii) the Principal Balance of such Collateral Obligations; and

(g) solely for the purposes of the S&P CDO Monitor Test, in the case of each Floating Rate Collateral Obligation which is a Non-Euro Obligation and that is a Deferring Security, (i) zero minus the stated interest rate spread over EURIBOR payable by the applicable Hedge Counterparty to the Issuer under the related Hedge Transaction (subject to a maximum of zero) multiplied by (ii) the Principal Balance of such Collateral Obligation,

provided that, (1) if a Floating Rate Collateral Obligation is subject to a floor that is greater than or equal to zero, the spread shall include, if positive: (x) the EURIBOR (or such other floating rate of interest) floor value **minus** (y) the greater of (a) zero and (b)(i) if the relevant interest period of such Floating Rate Collateral Obligation is the same length as the applicable interest period of the Floating Rates Notes, EURIBOR as if calculated in accordance with Condition 6(e)(i) (*Floating Rate of Interest*) on such Interest Determination Date, or (ii) if the relevant interest period of the Floating Rate Collateral Obligation is not the same length as the applicable interest period of the Floating Rate Notes, EURIBOR as if calculated in accordance with Condition 6(e)(i) (*Floating Rate of Interest*) on such Interest Determination Date had the interest period of the Floating Rate Notes been the same as the relevant interest period of such Floating Rate Collateral Obligation; and (2) if a Floating Rate Collateral Obligation is subject to a floor that is less than zero or is not subject to a floor, the spread shall equal to the stated interest rate spread plus the higher of (I) the EURIBOR (or such other floating rate of interest) floor value, provided that any asset which has no EURIBOR (or such other floating rate of interest) floor shall be deemed to have a EURIBOR (or such other floating rate of interest) floor equal to lower of (x) zero and (y) EURIBOR (as determined in accordance with (I) above but without regard to any zero floor) and (II) the lower of (x) EURIBOR (as determined in accordance with (I) above but without regard to any zero floor) and (y) zero (any such adjustment pursuant to this paragraph, the "**EURIBOR Floor Adjustment**"),

provided further that, to the extent that a floor is in respect of a Non-Euro Obligation and the floor is not included in the payments made by the Issuer to the Hedge Counterparty, for the purposes of paragraph (c) above, the additional interest amount in respect of such additional margin shall be determined by multiplying (1)(x) in the case of Non-Euro Obligations denominated in U.S. Dollars, Sterling, Danish Krone, Swiss Francs, Swedish Krona, or Norwegian Krone, 85.0 per cent.; and (y) in the case of Non-Euro Obligations denominated in each other Qualifying Currency, 50.0 per cent., in each case in respect of such additional interest amount by (2) the Spot Rate and not the Applicable Exchange Rate.

The margin shall be deemed to be (x) in respect of a Step-Down Coupon Security, the lowest margin that is permissible pursuant to and in accordance with the Underlying Instruments relating thereto and (y) in respect of a Step-Up Coupon Security, the margin applicable as at the relevant Measurement Date.

The amounts receivable in respect of a Collateral Obligation shall, in each case, be adjusted to exclude any amounts that will be subject to a withholding tax deduction and neither grossed up, indemnified nor recoverable under any applicable double tax treaty.

The "**Aggregate Unfunded Spread**" is, as of any Measurement Date, the sum of the products obtained by multiplying (i) for each Delayed Drawdown Collateral Obligation and Revolving Obligation (other than Defaulted Obligations), the current per annum rate payable by way of such commitment fee then in effect as of such date and (ii) the undrawn commitments of each such Delayed Drawdown Collateral Obligation and Revolving Obligation as of such date.

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

(a) the EURIBOR applicable to the Rated Notes during the Accrual Period in which such Measurement Date occurs; by

(b) the amount (not less than zero) equal to (i) the Aggregate Principal Balance of the Collateral Obligations (excluding (x) for any Deferring Security, any interest that has been deferred and capitalised thereon and (y) Defaulted Obligations) as of such Measurement Date minus (ii) the Target Par Amount minus (iii) the aggregate amount of Principal Proceeds received from the issuance of additional Notes pursuant to the Trust Deed.

The "**Weighted Average Coupon Adjustment Percentage**" means a percentage equal as of any Measurement Date, to a number obtained by multiplying (a) the number equal to the Weighted Average Fixed Coupon minus the Reference Weighted Average Fixed Coupon, by (b) the number obtained by dividing an amount equal to the sum of the Aggregate Principal Balance of all Fixed Rate Collateral Obligations, by an amount equal to the sum of (x) the Aggregate Principal Balance of all Floating Rate Collateral Obligations and which product may, for the avoidance of doubt, be negative, in each case excluding Defaulted Obligations and Deferring Securities (but only in respect of any interest which has been deferred and capitalised thereon).

The "**Reference Weighted Average Fixed Coupon**" means, if any of the Collateral Obligations are Fixed Rate Collateral Obligations 3.75 per cent. and otherwise zero per cent.

The "**Weighted Average Fixed Coupon**", as of any Measurement Date, is the number expressed as a percentage obtained by dividing:

(a) the amount equal to the Aggregate Coupon; by

(b) an amount equal to the sum of the Aggregate Principal Balance of all Fixed Rate Collateral Obligations as of such Measurement Date (excluding Defaulted Obligations and Deferring Securities (but only in respect of any interest which has been deferred and capitalised thereon)),

in each case adjusted for any withholding tax deducted in respect of the relevant obligation which is neither grossed up, indemnified nor recoverable under any applicable double tax treaty or otherwise, and in each case rounding the result up to the nearest 0.01 per cent.

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

(a) in the case of each Fixed Rate Collateral Obligation which is a Non-Euro Obligation (including, for any Mezzanine Obligation or PIK Security, only the required 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 Obligations and Revolving Obligations), the product of (x) stated coupon on such Non-Euro Obligation expressed as a percentage and (y) the Principal Balance of such Collateral Obligation; and

(b) with respect to all other Fixed Rate Collateral Obligations (including, for any Mezzanine Obligation or PIK Security, only the required 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 Obligations and Revolving Obligations), the sum of the products obtained by multiplying, in the case of each Fixed Rate Collateral Obligation, (x) the stated coupon on such Collateral Obligation expressed as a percentage and (y) the the Principal Balance of such Collateral Obligation.

Further, the coupon shall be deemed to be (x) in respect of a Step-Down Coupon Security, the lowest coupon that is permissible pursuant to and in accordance with the Underlying Instruments relating thereto; and (y) in respect of a Step-Up Coupon Security, the margin applicable as at the relevant Measurement Date.

The S&P CDO Monitor Test

The "**S&P CDO Monitor Test**" will be satisfied on any date of determination on or after the Effective Date and during the Reinvestment Period if, after giving effect to the purchase of any additional Collateral Obligation, the S&P CDO Monitor Adjusted BDR is equal to or greater than the S&P CDO Monitor SDR. The S&P CDO Monitor Test shall only be applicable to the junior-most Class of Notes rated "AAA (sf)" by S&P as of the Issue Date. For the avoidance of doubt, Excess Par Collateral Obligations shall be excluded from the inputs to the S&P CDO Monitor Test (and, as a result, the inputs to the S&P CDO Monitor BDR, the S&P CDO Monitor Adjusted BDR, and the S&P CDO Monitor SDR).

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

S&P CDO Monitor BDR * (OP / NP) + (NP - OP) / (NP * (1 – S&P Weighted Average Recovery Rate)), where OP = Target Par Amount; and NP = the sum of the Aggregate Principal Balances of the S&P CLO Specified Assets, Principal Proceeds, and the sum of the products of the lower of the S&P Recovery Rate or the Market Value of each obligation with an S&P Rating below "CCC-" and the Principal Balance of the relevant obligation, or such other formula published by S&P that the Collateral Manager provides to the Collateral Administrator.

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

S&P CDO Monitor BDR = C0 + (C1 * S&P Weighted Average Spread) + (C2 * S&P Weighted Average Recovery Rate) or such other formula published by S&P that the Collateral Manager provides to the Collateral Administrator.

As at the Issue Date, C0, C1 and C2 have the following values: C0 = 0.18052984814591; C1 = 3.81633756410816 and C2 = 0.944031320352603.

"**S&P Weighted Average Spread**" means the aggregate of the Weighted Average Spread plus the Weighted Average Coupon Adjustment Percentage.

"**S&P CDO Monitor SDR**" means the value calculated based on the following formula (or such other published formula by S&P that the Collateral Manager provides to the Collateral Administrator):

0.247621 + (SPWARF/9162.65) – (DRD/16757.2) – (ODM/7677.8) – (IDM/2177.56) – (RDM/34.0948) + (WAL/27.3896)

Where

Term	Meaning
SPWARF	S&P Weighted Average Rating Factor
DRD	S&P Default Rate Dispersion
ODM	S&P Obligor Diversity Measure
IDM	S&P Industry Diversity Measure
RDM	S&P Regional Diversity Measure
WAL	S&P Weighted Average Life

"**S&P CLO Specified Assets**" means Collateral Obligations with an S&P Rating equal to or higher than "CCC-".

"**S&P Default Rate Dispersion**" means the value calculated by multiplying the Principal Balance for each S&P CLO Specified Asset by the absolute value of the difference between the S&P Global Ratings Factor for such S&P CLO Specified Asset and the S&P Weighted Average Rating Factor, then summing the results for all S&P CLO Specified Assets, and dividing this amount by the Aggregate Principal Balance of the S&P CLO Specified Assets.

"**S&P Global Ratings Factor**" means, for each S&P CLO Specified Asset, the five year asset default rate given the S&P CLO Specified Asset's S&P Rating and the default table in S&P's Corporate CDO Criteria (see below as currently published by S&P on 21 June 2019 in "Global Methodology And Assumptions For CLOs And Corporate CDOs", or such other published table by S&P that the Collateral Manager provides to the Collateral Administrator) multiplied by 10,000.

S&P Rating	S&P Global Ratings Factor
AAA	13.51
AA+	26.75
AA	46.36
AA-	63.90
A+	99.50
A	146.35
A-	199.83
BBB+	271.01
BBB	361.17
BBB-	540.42
BB+	784.92
BB	1233.63
BB-	1565.44
B+	1982.00
B	2859.50
B-	3610.11
CCC+	4641.40

S&P Rating	S&P Global Ratings Factor
CCC	5293.00
CCC-	5751.10
CC	10000.00
SD	10000.00
D	10000.00

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

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

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

"**S&P Recovery Rate**" means, in respect of each Collateral Obligation and each Class of Rated Notes, an S&P Recovery Rate determined in accordance with the Collateral Management and Administration Agreement or as advised by S&P. Extracts of the S&P Recovery Rates applicable under the Collateral Management and Administration Agreement as at the Issue Date are set out in Annex B (*S&P Recovery Rates*) of this Offering Circular.

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

"**S&P Weighted Average Life**" means the value calculated by determining the number of years between the current date and the maturity date of each S&P CLO Specified Asset, then multiplying each S&P CLO Specified Asset's Principal Balance by such number of years, and then summing this amount of all S&P CLO Specified Assets, and dividing this amount by the Aggregate Principal Balance of all S&P CLO Specified Assets.

"**S&P Weighted Average Rating Factor**" means the value calculated by multiplying the Principal Balance for each S&P CLO Specified Asset by its S&P Global Ratings Factor, then summing the results of all S&P CLO Specified Assets, and then dividing this result by the Aggregate Principal Balance of the S&P CLO Specified Assets.

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 an amount equal to the number of years (rounded up to the nearest quarter, which shall be determined by rounding up to the nearest 0.25 years) during the period from such Measurement Date to 6 January 2027.

"**Average Life**" is, on any Measurement Date with respect to any Collateral Obligation, the quotient obtained by dividing (i) the sum of the products of (a) the number of years (rounded to the nearest one-hundredth thereof) from such Measurement Date to the respective dates of each successive scheduled distribution of principal of such Collateral Obligation and (b) the respective amounts of principal of such scheduled distributions by (ii) the sum of all successive scheduled distributions of principal on such Collateral Obligation.

"**Weighted Average Life**" is, as of any Measurement Date with respect to all Collateral Obligations other than Defaulted Obligations, the number of years (rounded down to the nearest one-hundredth thereof) following such date obtained by summing the products obtained by multiplying (a) the Average Life at such time of each such Collateral Obligation by (b) the Principal Balance of such Collateral Obligation and dividing such sum by the Aggregate Principal Balance at such time of all Collateral Obligations other than Defaulted Obligations.

Rating Definitions

Fitch Ratings Definitions

The "**Fitch Rating**" of any Collateral Obligation will be determined in accordance with the below methodology (with the sub-paragraph earliest in this definition applying in the case where more than one sub-paragraph would otherwise be applicable):

(a) with respect to any Collateral Obligation in respect of which there is a Fitch issuer default rating, including credit opinions, whether public or privately provided to the Collateral Manager following notification by the Collateral Manager that the Issuer has entered into a binding commitment to acquire such Collateral Obligation (the "**Fitch Issuer Default Rating**"), the Fitch Rating shall be such Fitch Issuer Default Rating;

(b) if the Obligor thereof has an outstanding long-term financial strength rating from Fitch (the "**Fitch LTSR**"), then the Fitch Rating shall be one notch lower than such Fitch LTSR;

(c) if in respect of any other obligation of the Obligor or its Affiliates, there is a publicly available rating by Fitch, then the Fitch Rating shall be the Fitch IDR Equivalent determined by applying the Fitch Rating Mapping Table (as defined below) to such rating;

(d) if in respect of the Collateral Obligation there is a Moody's CFR, a Moody’s Long Term Issuer Rating, or an S&P Issuer Credit Rating, then the Fitch Rating shall be the rating that corresponds to the lowest thereof;

(e) if in respect of the Collateral Obligation, there is an Insurance Financial Strength Rating, then the Fitch Rating shall be one notch lower than such Insurance Financial Strength Rating;

(f) if in respect of the Collateral Obligation there is a Moody’s/S&P Corporate Issue Rating, then the Fitch Rating shall be the Fitch IDR Equivalent determined by applying the Fitch Rating Mapping Table (as defined below) to such rating;

(g) if a Fitch Rating cannot otherwise be assigned, the Collateral Manager, on behalf of the Issuer, shall apply to Fitch for a credit opinion which shall then be the Fitch Rating or shall agree a rating with Fitch which shall then be the Fitch Rating, provided that pending receipt from Fitch of any credit opinion, the applicable Collateral Obligation shall either be deemed to have a Fitch Rating of "B-", subject to the Collateral Manager believing (in its reasonable judgement) that such credit assessment will be at least "B-" or the rating specified as applicable thereto by Fitch pending receipt of such credit assessment; provided further that if no credit opinion from Fitch is expected (in the opinion of the Collateral Manager) to become available for the relevant Collateral Obligation and (i) the relevant Collateral Obligation is not a Defaulted Obligation, or a Collateral Obligation with a Moody's CFR or Moody’s Long Term Issuer Rating (in each case without regard to whether any such ratings are publicly available) of "Caa1" or lower and, if the relevant Collateral Obligation has only a Moody’s Issue Rating, the Fitch IDR Equivalent rating determined by applying the Fitch Rating Mapping Table to such Moody’s Issue Rating, is higher than "Caa1"; (ii) the relevant Collateral Obligation has a private rating by Moody’s; and (iii) the relevant Collateral Obligation does not form part of the Fitch Deemed Rating Excess (as defined below), then the Fitch Rating of the relevant Collateral Obligation shall be deemed to be "B-" (provided that the Collateral Manager may elect in its sole discretion to assign any such Collateral Obligation a Fitch Rating of "CCC"), and if any of the clauses (i) to (iii) in the foregoing proviso are not met, then the relevant Collateral Obligation will be deemed to have a Fitch Rating of "CCC" (except where a Fitch IDR Equivalent rating has been determined in accordance with paragraph (i) above and such rating is lower than "CCC", in which case the relevant Collateral Obligation shall be deemed to be a Defaulted Obligation for the purposes of this definition of "Fitch Rating"); or

(h) if such Collateral 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 (i) if a debt security or obligation of the Obligor has been in default for the past two years, the Fitch Rating of such Collateral Obligation shall be treated as "D" (except if such Collateral Obligation is a Corporate Rescue Loan, in which case the Fitch Rating shall be determined in accordance with paragraph (h) above), (ii) with respect to any Current Pay Obligation that is rated "C", "CC", "D" or "RD", the Fitch Rating of such Current Pay Obligation will be "CCC", and **provided further** that (v) for the purposes of calculating the Fitch Maximum Weighted Average Rating Factor Test when determining whether the Effective Date Determination Requirements are satisfied only, if the applicable Collateral Obligation has been put on negative outlook by Fitch, then the rating used to determine the Fitch Rating above shall be one rating subcategory below such rating by Fitch, (w) for the purposes of calculating the Fitch Maximum Weighted Average Rating Factor Test when determining whether the Effective Date Determination Requirements are satisfied only (A) if the applicable Collateral Obligation has been put on negative outlook by Moody’s and the Fitch Rating is derived from Moody’s, then the Fitch Rating shall be one rating subcategory below what would otherwise be the Fitch Rating and (B) if the applicable Collateral Obligation has been put on negative outlook by S&P and the Fitch Rating is derived from S&P, then the Fitch Rating shall be one rating subcategory below what would otherwise be the Fitch Rating; *provided that* if both (A) and (B) apply, then the Fitch Rating shall be the lower of that derived from (A) and (B), (x) if the applicable Collateral Obligation has been put on rating watch negative or negative credit watch for possible downgrade by Fitch, then the rating used to determine the Fitch Rating above shall be one rating subcategory below such rating by Fitch, (y) if the applicable Collateral Obligation has been put on rating watch negative or negative credit watch for possible downgrade by S&P or Moody’s and the Fitch Rating is derived from S&P or Moody’s, then the Fitch Rating shall be one rating subcategory below what would otherwise be the Fitch Rating, and (z) notwithstanding the rating definition described above, Fitch reserves the right to use a credit opinion or a rating estimate for any Collateral Obligations at any time; provided that paragraphs (v) and (w) may be disapplied by the Collateral Manager subject to Rating Agency Confirmation from Fitch.

"**Fitch Deemed Rating Excess**" means each Collateral Obligation to which a Fitch Rating of "B-" would have been applied in accordance with the second proviso in paragraph (g) above, but for the Principal Balance of which, when added to the Principal Balance of each other such Collateral Obligation (and for the avoidance of doubt excluding for the purposes of this definition all such Collateral Obligations to which the Collateral Manager has assigned a Fitch Rating of "CCC" pursuant to paragraph (g) above), exceeding 10 per cent of the Aggregate Principal Balance (where the latest Collateral Obligations to have been purchased shall be deemed to constitute such excess).

"**Fitch IDR Equivalent**" means, in respect of any rating described in the Fitch Rating Mapping Table, the equivalent Fitch Issuer Default Rating determined by increasing (or reducing, in the case of a negative number) such rating (or the nearest Fitch equivalent thereof) by the number of notches specified under "**Mapping Rule**" in the fourth column of the Fitch Rating Mapping Table.

"**Fitch Rating Mapping Table**" means the following table:

Rating Type	Applicable Rating Agency(ies)	Issue rating	Mapping Rule
Corporate family rating or long term issuer rating	Moody’s	n/a	+0
Issuer credit rating	S&P	n/a	+0
Senior unsecured	Fitch, Moody’s or S&P	Any	+0
Senior, senior secured or subordinated secured	Fitch or S&P	"BBB-" or above	+0

Rating Type	Applicable Rating Agency(ies)	Issue rating	Mapping Rule
Senior, senior secured or subordinated secured	Fitch or S&P	"BB+" or below	-1
Senior, senior secured or subordinated secured	Moody’s	"Ba1" or above	-1
Senior, senior secured or subordinated secured	Moody’s	"Ba2" or below, but above "Ca"	-2
Senior, senior secured or subordinated secured	Moody’s	"Ca"	-1
Subordinated, junior subordinated or senior subordinated	Fitch, Moody’s or S&P	"B+"/"B1" or above	+1
Subordinated, junior subordinated or senior subordinated	Fitch, Moody’s or S&P	"B"/"B2" or below	+2

"**Insurance Financial Strength Rating**" means, in respect of a Collateral Obligation, the lower of any applicable public insurance financial strength rating by S&P or Moody’s in respect thereof.

"**Moody’s CFR**" means, in respect of a Collateral Obligation, a publicly available corporate family rating by Moody’s in respect of the Obligor thereof.

"**Moody’s Issue Rating**" means the rating or the unpublished loan rating or the credit estimate expressly assigned to a debt obligation (or facility) by Moody’s.

"**Moody’s Long Term Issuer Rating**" means, in respect of a Collateral Obligation, a publicly available long term issuer rating by Moody’s in respect of the Obligor thereof.

"**Moody’s/S&P Corporate Issue Rating**" means, in respect of a Collateral Obligation, the lower of the Fitch IDR Equivalent ratings, determined in accordance with the Fitch Rating Mapping Table, corresponding to any outstanding publicly available issue rating by Moody’s and/or S&P in respect of any other obligation of the Obligor or any of its Affiliates.

"**S&P Issuer Credit Rating**" means, in respect of a Collateral Obligation, a publicly available issuer credit rating by S&P in respect of the Obligor thereof.

S&P Ratings Definitions

"**Information**" means S&P's "Credit Estimate Information Requirements" dated April 2011 and any other available information S&P reasonably requests in order to produce a credit estimate for a particular asset.

"**S&P Rating**" means, with respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) if there is an S&P Issuer Credit Rating of the issuer of such Collateral Obligation by S&P as published by S&P, or the guarantor which unconditionally and irrevocably guarantees such Collateral Obligation (in a form that satisfies the then current S&P guarantee criteria), then the S&P Rating shall be such rating (regardless of whether there is a published rating by S&P on the Collateral Obligations of such issuer held by the Issuer, **provided** that private ratings (that is, ratings provided at the request of the Obligor) may be used for purposes of this definition if the related Obligor has consented to the disclosure thereof and a copy of such consent has been provided to S&P);

(b) if there is no S&P Issuer Credit Rating of the issuer or guarantor by S&P but,

    (i) there is a senior secured rating on any obligation or security of the issuer, then the S&P Rating of such Collateral Obligation shall be one sub-category below such rating;

    (ii) if clause (i) above does not apply, but there is a senior unsecured rating on any obligation or security of the issuer, the S&P Rating of such Collateral Obligation shall equal such rating; and

(iii) if neither clause (i) nor clause (ii) above applies, but there is a subordinated rating on any obligation or security of the issuer, then the S&P Rating of such Collateral Obligation shall be one sub-category above such rating;

(c) with respect to any Collateral Obligation that is a Current Pay Obligation, the S&P Rating applicable to such obligation shall be the issue level rating thereof and if there is no such issue level rating, the S&P Rating applicable to such Current Pay Obligation shall be "CCC-";

(d) with respect to any Collateral Obligation that is a Corporate Rescue Loan:

(i) falling within paragraph (a) of the definition of Corporate Rescue Loan, and if (x) S&P has assigned a public rating to such Corporate Rescue Loan, the S&P Rating for such Corporate Rescue Loan shall be such public rating or (y) if no public rating is assigned by S&P to such Corporate Rescue Loan, the S&P Rating shall be such credit estimate; or

(ii) falling within paragraph (b) of the definition of Corporate Rescue Loan, and if S&P has assigned an S&P Issuer Credit Rating or credit estimate to such Corporate Rescue Loan, the S&P Rating for such Corporate Rescue Loan shall be such S&P Issuer Credit Rating or credit estimate; or

(iii) (upon application by the Issuer (or the Collateral Manager on behalf of the Issuer) to S&P for a credit estimate, the applicable Corporate Rescue Loan shall be deemed to have an S&P Rating of "D"; and

(e) if there is not a rating by S&P on the issuer or on an obligation of the issuer, then the S&P Rating may be determined (other than in the case of any Corporate Rescue Loan) pursuant to paragraphs (i) to (iv) below:

(i) if an obligation of the issuer is not a Corporate Rescue Loan and is publicly rated by Moody's, then the S&P Rating will be determined in accordance with the methodologies for establishing the S&P Rating set forth above except that, the S&P Rating of such obligation will be (1) one sub-category below the S&P equivalent of the Moody's rating if such Moody's rating is "Baa3" or higher and (2) two sub-categories below the S&P equivalent of the Moody's rating if such Moody's rating is "Ba1" or lower; **provided** that in each case, the S&P Rating will be a further sub-category below the S&P equivalent of the Moody's rating of the applicable obligation if the relevant Moody's rating is on "credit watch negative" by Moody's; **provided, further,** that the S&P Rating shall not be determined pursuant to this paragraph (e)(i) in respect of any Collateral Obligation, if doing so would result in the Aggregate Principal Balance of Collateral Obligations for which S&P Ratings have been determined pursuant to this paragraph (e)(i) exceeding 15 per cent. of the Collateral Principal Amount at the relevant time (where, for the purposes of determining the Aggregate Principal Balance, the Principal Balance of each Defaulted Obligation shall be equal to its S&P Collateral Value), whereupon the S&P Rating of any Collateral Obligations comprising such excess shall be "CCC-" provided that (i) neither the Obligor of such Collateral Obligation nor any of its Affiliates are subject to any bankruptcy, reorganisation or similar proceedings; and (ii) the Collateral Obligation is current and the Collateral Manager reasonably expects such Collateral Obligation to remain current (for the purposes of this paragraph (e)(i), the Collateral Obligations whose S&P Rating is determined pursuant to this paragraph (e)(i) with the lowest S&P Collateral Value (expressed as a percentage of the Principal Balance of such Collateral Obligation as of the relevant date of determination) shall be determined to comprise such excess);

(ii) the S&P Rating may be based on a credit estimate provided by S&P, and in connection therewith, the Issuer, the Collateral Manager on behalf of the Issuer or the issuer of such Collateral Obligation shall, prior to or within 30 days after the acquisition of such Collateral Obligation, apply (and concurrently submit all available information in respect of such application) to S&P for a credit estimate which shall be its S&P Rating; **provided** that, if such information is submitted within such 30 day period, then, for a period of up to 90 days after acquisition of such Collateral Obligation by the Issuer and pending receipt from S&P of such estimate, such Collateral Obligation shall have an S&P Rating as determined by the Collateral Manager in its sole discretion if (A) the Collateral Manager certifies to the Trustee and the

Collateral Administrator that it believes that such S&P Rating determined by the Collateral Manager is commercially reasonable and that the S&P Rating, will be at least equal to such rating and (B) the Aggregate Principal Balance of the Collateral Obligations subject to an S&P Rating determined by the Collateral Manager in accordance with (A) does not exceed 5 per cent. of the Collateral Principal Amount (for such purpose the Principal Balance of all Defaulted Obligations shall be their S&P Collateral Value); **provided, further,** that: (x) if such information is not submitted within such 30 day period and (y) following the end of the 90-day period set forth above, pending receipt from S&P of such estimate, the Collateral Obligation shall have an S&P Rating of "CCC-"; unless, in the case of clause (y) above, during such 90-day period, the Collateral Manager has requested the extension of such period and S&P, in its sole discretion, has granted such request; **provided, further,** that; if the Collateral Obligation has had a public rating by S&P that S&P has withdrawn or suspended within six months prior to the date of such application for a credit estimate in respect of such Collateral Obligation, the S&P Rating in respect thereof shall be "CCC-" pending receipt from S&P of such estimate, and S&P may elect not to provide such estimate until a period of six months have elapsed after the withdrawal or suspension of the public rating; **provided, further,** that such credit estimate shall expire 12 months after the acquisition of such Collateral Obligation, following which such Collateral Obligation shall have an S&P Rating of "CCC-" unless, during such 12 month period, the Issuer (or the Collateral Manager acting on behalf of the Issuer) applies for renewal thereof in accordance with the Collateral Management and Administration Agreement in which case such credit estimate shall continue to be the S&P Rating of such Collateral Obligation until S&P has confirmed or revised such credit estimate, upon which such confirmed or revised credit estimate shall be the S&P Rating of such Collateral Obligation; **provided, further,** that such confirmed or revised credit estimate shall expire on the next succeeding 12-month anniversary of the date of the acquisition of such Collateral Obligation and (when renewed annually in accordance with the Collateral Management and Administration Agreement) on each 12-month anniversary thereafter;

(iii) with respect to a Collateral Obligation that is not a Defaulted Obligation, the S&P Rating of such Collateral Obligation will at the election of the Issuer (at the direction of the Collateral Manager) be "CCC-"; provided that (i) neither the issuer of such Collateral Obligation nor any of its Affiliates are subject to any bankruptcy or reorganisation proceedings; (ii) the issuer has not defaulted on any payment obligation in respect of any debt security or other obligation of the issuer at any time within the two year period ending on such date of determination and all such debt securities and other obligations of the issuer are current and the Collateral Manager reasonably expects them to remain current; and (iii) the Collateral Obligation is current and the Collateral Manager reasonably expects it to remain current; and

(iv) with respect to Collateral Obligations whose rating input cannot be determined using any of the steps described in subparagraphs (i) through (iii) above, then the S&P Rating is 'CC',

provided that for purposes of the determination of the S&P Rating, (x) if the applicable rating assigned by S&P to an Obligor or its obligations is on "credit watch positive" by S&P, such rating will be treated as being one sub-category above such assigned rating, (y) if the applicable rating assigned by S&P to an Obligor or its obligations is on "credit watch negative" by S&P, such rating will be treated as being one sub-category below such assigned rating and (z) only ratings assigned on the basis of ongoing surveillance will be applicable for the purposes of this definition.

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 and the Class D 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 and the Subordinated Notes and whether Principal Proceeds may be reinvested in Substitute Collateral Obligations. Each of the Class A/B Par Value Test, the Class A/B Interest Coverage Test, the Class C Par Value Test, the Class C Interest Coverage Test, the Class D Par Value Test, the Class D Interest Coverage Test and the Class E Par Value Test shall apply on a Measurement

Date (a) on and after the Effective Date in the case of the Par Value Tests (other than the Class E Par Value Test), (b) on and after the expiry of the Reinvestment Period in the case of the Class E Par Value Test and (c) on and after the Determination Date immediately preceding the second Payment Date following the Effective Date in the case of the Interest Coverage Tests and shall be satisfied on a Measurement Date if the corresponding Par Value Ratio or Interest Coverage Ratio (as the case may be) is at least equal to the percentage specified in the table below in relation to that Coverage Test.

Coverage Test and Ratio	**Percentage at which Test is Satisfied**
Class A/B Par Value	133.62%
Class A/B Interest Coverage	120.00%
Class C Par Value	117.40%
Class C Interest Coverage	110.00%
Class D Par Value	111.37%
Class D Interest Coverage	105.00%
Class E Par Value	107.69%

DESCRIPTION OF THE COLLATERAL MANAGEMENT AND ADMINISTRATION AGREEMENT

Fees

As compensation for the performance of its investment management services under the Collateral Management and Administration Agreement, the Collateral Manager will receive from the Issuer, in arrear on each Payment Date, the Senior Collateral Management Fee, which will be payable senior to the Notes, but subordinated to certain fees and expenses of the Issuer, in accordance with the Priorities of Payment.

The Collateral Manager will also receive from the Issuer, in arrear on each Payment Date, the Subordinated Collateral Management Fee, which will be payable subordinated to the Notes, in accordance with the Priorities of Payment.

In addition to the Senior Collateral Management Fee and the Subordinated Collateral Management Fee, the Collateral Manager will receive the Incentive Collateral Management Fee, if the Incentive Collateral Management Fee IRR Threshold has been met, payable out of Interest Proceeds and Principal Proceeds that would otherwise be available to distribute to the Subordinated Noteholders in accordance with the Priorities of Payment.

Each of the Senior Collateral Management Fee and the Subordinated Collateral Management Fee shall be calculated semi-annually following the occurrence of a Frequency Switch Event and quarterly at all other times, in each case, based upon the actual number of days elapsed in the applicable Due Period divided by 360.

If amounts distributable on any Payment Date in accordance with the Priorities of Payment are insufficient to pay the Senior Collateral Management Fee in full, then a portion of the Senior Collateral Management Fee equal to the shortfall will be deferred and will be payable on subsequent Payment Dates on which funds are available therefor according to the Priorities of Payment.

If amounts distributable on any Payment Date in accordance with the Priorities of Payment are insufficient to pay the Subordinated Collateral Management Fee in full, then a portion of the Subordinated Collateral Management Fee equal to the shortfall will be deferred and will be payable on subsequent Payment Dates on which funds are available therefor according to the Priorities of Payment.

The Collateral Manager may elect to defer any Senior Collateral Management Fees and any Subordinated Collateral Management Fees. Any amounts so deferred shall be applied in accordance with the Priorities of Payment. Any due and unpaid Collateral Management Fees including Deferred Senior Collateral Management Amounts and Deferred Subordinated Collateral Management Amounts shall not accrue any interest.

Cross Transactions, Principal Transactions and Conflicts of Interest

The Collateral Manager and its Affiliates and/or any fund or account for which the Collateral Manager or any Affiliate of the Collateral Manager serves as investment adviser or collateral manager may at certain times seek to purchase or sell investments from or to the Issuer as principal. Under the Collateral Management and Administration Agreement, the Collateral Manager, at its option and sole discretion, may effect principal transactions between such entities. In addition, the Collateral Manager and its Affiliates will be authorised to engage in certain "cross" and/or "principal" transactions between a Collateral Manager Related Person and the Issuer if permitted in accordance with applicable policies and procedures, and in any case by applicable law, as further described in "*Risk Factors – Certain Conflicts of Interest* – Collateral Manager".

In the event that any Originated Asset (as defined in the section entitled "*The Retention Holder and EU Retention and Transparency Requirements*") fails to meet the Eligibility Criteria within 15 Business Days of the date upon which the Issuer (or the Collateral Manager on its behalf) entered into a binding commitment to acquire such Collateral Obligation, the Issuer shall have the right to require the Collateral Manager to purchase from it the relevant Originated Asset for the same purchase price as the Issuer committed to purchase and settle such Originated Asset in accordance with the terms summarised in the section entitled "*The Retention Holder and EU Retention and Transparency Requirements – Origination of Collateral Obligations*".

Under the Collateral Management and Administration Agreement, the Issuer will acknowledge and agree, among other things, that (i) the Collateral Manager engages in other business and furnishes investment management and advisory services to other funds which may differ from those provided by the Collateral Manager on behalf of the Issuer, (ii) the Collateral Manager may make recommendations or effect transactions which may differ from those effected with respect to the loans and securities included in the Collateral, (iii) the Collateral Manager may, from time to time, or may cause or direct another account managed by the Collateral Manager to buy or sell, or recommend to the account the buying or selling of, securities of the same or a different kind or class of the same issuer, as the Collateral Manager directs be purchased or sold on behalf of the Issuer and (iv) in certain circumstances, the interests of the Issuer and/or the Noteholders with respect to matters as to which the Collateral Manager is advising the Issuer may conflict with the interests of the Collateral Manager.

By purchasing a Note, a holder shall be deemed to have consented to the procedures described herein relating to cross transactions, principal transactions and to the conflicts of interest described herein. The Collateral Manager or its Affiliates may have a potentially conflicting division of loyalties and responsibilities regarding, both parties to any principal transaction or cross transactions. See "*Risk Factors – Certain Conflicts of Interest* – Collateral Manager".

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

Standard of Care of the Collateral Manager

Pursuant to the Collateral Management and Administration Agreement, the Collateral Manager will agree with the Issuer that it will perform its obligations, duties and discretions under the Collateral Management and Administration Agreement, with reasonable care using a degree of skill not less than that which the Collateral Manager exercises (and in any event not less than the degree of care and skill exercised by other collateral managers of recognised standing) with respect to comparable assets that it manages for itself and others having similar investment objectives and restrictions (the "**Standard of Care**").

Additionally, the Collateral Management and Administration Agreement contains provisions which require (subject to the Standard of Care), that the Collateral Manager shall not take any action on behalf of the Issuer which would cause the Issuer to be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes or become otherwise subject to U.S. federal, state or local tax on a net income basis, subject to further conditions detailed in the Collateral Management and Administration Agreement including adhering to specific U.S. Tax Guidelines (as defined in the Collateral Management and Administration Agreement) and/or relying on external tax advice as contemplated therein.

The Collateral Manager is authorised to act on behalf of the Issuer pursuant to the Collateral Management and Administration Agreement. The Collateral Manager's duties and authority to act as Collateral Manager are limited to the duties and authority specifically provided for in the Collateral Management and Administration Agreement. In particular, the Collateral Manager shall not assume the rights or obligations of the Issuer under the Notes, the Trust Deed or any other document to which the Issuer is a party.

Responsibilities of the Collateral Manager

The Collateral Manager will have no responsibility under the Collateral Management and Administration Agreement other than to render the services called for thereunder in good faith and, subject to the Standard of Care described above:

(a) shall not be responsible for any action it takes, on behalf of the Issuer, in compliance with the terms of the Collateral Management and Administration Agreement;

(b) shall not be responsible for any action or inaction by the Issuer, the Collateral Administrator or the Trustee in following or declining to follow any direction, advice, recommendation or instruction of the Collateral Manager;

(c) does not assume any fiduciary duty or responsibility with regard to the Issuer, the Trustee, any Noteholder or any other person;

(d) does not guarantee or otherwise assume any responsibility for the performance of the Notes, the Portfolio, any Collateral Obligation or the performance by any third party of any contract entered into on behalf of the Issuer or, except as expressly set forth under the Collateral Management and Administration Agreement, any obligation of any other party;

(e) shall not incur any liability in acting upon any publicly available information published or provided to it in relation to the Collateral in the absence of actual knowledge of the Collateral Manager to the contrary, save for manifest error;

(f) shall incur no liability to anyone in acting upon any signature, instrument, statement, notice, resolution, request, direction, consent, order, report, opinion, bond or other document, paper or data reasonably believed by it to be genuine and reasonably believed by it to be properly executed or signed or originated by the proper party or parties;

(g) shall be entitled to rely, in the absence of manifest error of which the Collateral Manager is actually aware (without having made further enquiry or investigation), upon the accuracy and completeness of notices and other information supplied by the Collateral Administrator; and

(h) shall not incur any liability in, and shall bear no responsibility for, acting or relying upon information provided to it in respect of any Collateral Obligation or related Underlying Instrument by (x) any Obligor or issuer thereof (or any officer thereof), (y) any investment bank providing analytical service in relation thereto, or (z) any investment bank or other entity originating or arranging the syndication of such Collateral Obligation, in each case save in the case of manifest error.

In situations where a conflict of interest arises between the Issuer and the Collateral Manager, neither the Collateral Manager nor any of its clients, partners, members or their employees and their Affiliates has any duty to act in a way that is favourable to the Issuer or to offer any particular investment opportunity to the Issuer.

The Collateral Manager, as well as its directors, employees, officers, shareholders and agents, shall not be liable (whether directly or indirectly, in contract or in tort or otherwise) to the Issuer, the Trustee, the Noteholders or any other person for losses, claims, damages, judgments, interest on judgments, assessments, costs, fees, charges, amounts paid in settlement or other liabilities (including, without limitation, in respect of taxes, duties, levies, imposts and other charges and all properly incurred legal fees and disbursements incurred in defending or disputing any of the foregoing and including any irrecoverable VAT or similar tax charged or chargeable in respect thereof) (collectively "**Liabilities**") incurred by the Issuer, the Trustee, the Noteholders or any other person that arise out of or in connection with the performance by the Collateral Manager of its duties under the Collateral Management and Administration Agreement provided that nothing shall relieve the Collateral Manager from liability to the Issuer for Liabilities it may incur:

(a) by reason of acts or omissions constituting bad faith, wilful misconduct or gross negligence (where gross negligence shall be given its meaning under New York law) of the Collateral Manager under the Collateral Management and Administration Agreement, the Trust Deed or any other Transaction Document to which it is a party; or

(b) with respect to the information concerning the Collateral Manager provided in writing to the Issuer by the Collateral Manager expressly for inclusion in the Preliminary Offering Circular (as defined in the Collateral Management and Administration Agreement) and this Offering Circular, such information containing any untrue statement of material fact or omitting to state a material fact necessary in order to make the statement therein, in light of the circumstances under which they were made, not misleading,

each an "**Collateral Manager Breach**". The Collateral Manager shall indemnify the Issuer in respect of any Collateral Manager Breaches subject to and in accordance with the Collateral Management and Administration Agreement.

Notwithstanding any provision in the Collateral Management and Administration Agreement to the contrary, in no event shall the Collateral Manager be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits) even if the Collateral Manager has been advised of the likelihood of such loss or damage and regardless of the form of action.

Subject to the Standard of Care specified above, the Collateral Manager (any Affiliates of the Collateral Manager, and their shareholders, directors, officers, members, attorneys, advisors, agents and employees) will be entitled to indemnification by the Issuer in relation, inter alia, to the performance of the Collateral Manager's obligations under the Collateral Management and Administration Agreement, which will be payable in accordance with the Priorities of Payment (including any pecuniary sanctions to which the Collateral Manager became liable pursuant to Article 32 of the Securitisation Regulation). The Issuer shall not be liable for any costs incurred by the Collateral Manager in respect of compliance by the Collateral Manager with the U.S. Retention Regulations (to the extent applicable).

Resignation of the Collateral Manager

The Collateral Manager may resign, subject to the appointment of a successor collateral manager, with or without cause upon at least 90 calendar days' prior written notice to the Issuer, the Collateral Administrator, the Trustee, the Noteholders (delivery of such notice to the Noteholders to be given by the Issuer in accordance with the Conditions), any Hedge Counterparty and each Rating Agency. The Collateral Manager may resign its appointment upon shorter notice whether or not a successor collateral manager has been appointed where there is a change in law or the application of any applicable law which makes it illegal for the Collateral Manager to carry on its duties under the Collateral Management and Administration Agreement.

Collateral Manager Tax Event

The Collateral Manager may be removed by the Issuer (regardless of whether or not a successor collateral manager has been appointed) if it has not changed the location from which it provides its investment management services under the terms of the Collateral Management and Administration Agreement or otherwise remedied or eliminated the occurrence of a Collateral Manager Tax Event, in each case, within ninety calendar days of the date that the Collateral Manager first becomes aware of a Collateral Manager Tax Event (where "**Collateral Manager Tax Event**" means that the Issuer has become subject either to any:

(a) French tax liability; or

(b) U.S. federal income tax on a net income basis (or there being a substantial likelihood that the Issuer will become subject such U.S. federal income tax),

where the amount of such tax liability is in a sufficient amount such that the Class E Par Value Test would not be satisfied if calculated assuming payment by the Issuer of such tax liability) (in each case, provided that such 90 calendar day period shall be extended by a further 90 calendar days if the Collateral Manager has notified the Issuer and the Trustee in writing before the end of the first 90 calendar day period that (A) it expects to have changed the place from which it provides its investment management services under the terms of the Collateral Management and Administration Agreement so as to remedy or eliminate such Collateral Manager Tax Event or (B) that it is otherwise able to remedy or eliminate the circumstances giving rise to such Collateral Manager Tax Event).

Removal for Cause

The Collateral Manager may, subject to the appointment of a successor Collateral Manager in accordance with the terms of the Collateral Management and Administration Agreement, be removed for Cause upon at least 30 calendar days' prior written notice:

(a) by the Issuer at its discretion; and

(b) by the Trustee (subject to being indemnified and/or secured and/or prefunded to its satisfaction), if so directed in writing by the holders of:

    (i) the Subordinated Notes, acting by way of Extraordinary Resolution; or

    (ii) the Controlling Class, acting by way of Extraordinary Resolution, excluding any Notes in the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes (if applicable to the then Controlling Class),

    in each case excluding any Notes held by or on behalf of the Collateral Manager,

provided that notice of such removal shall have been given to the holders of each Class of the Notes by the Issuer or the Trustee, as the case may be, in accordance with the Conditions.

For the purposes of determining "**Cause**" with respect to termination of the Collateral Management and Administration Agreement such term shall mean any one of the following events:

(a) that the Collateral Manager wilfully violated a material provision of the Collateral Management and Administration Agreement, the Trust Deed or any other Transaction Document applicable to it (unrelated to the economic performance of the Collateral Obligations, for the avoidance of doubt, (it being understood that the failure to meet any Coverage Tests, the Reinvestment Overcollateralisation Test, any Portfolio Profile Tests or any Collateral Quality Tests shall not of itself constitute a breach by the Collateral Manager under this paragraph (a));

(b) that the Collateral Manager breached in any respect any provision of the Collateral Management and Administration Agreement as is applicable to it (other than as specified in paragraph (a) above) which breach:

(i) has a material adverse effect on the Issuer or the interests of the Noteholders of any Class; and

(ii) if capable of being cured, is not cured within 30 calendar days of the Collateral Manager becoming aware thereof or the Collateral Manager's receipt of written notice of such breach from the Issuer or the Trustee unless, if capable of being cured, the Collateral Manager has commenced the taking of action within such thirty calendar day period to the satisfaction of the Trustee (acting reasonably) to remedy such breach and does in fact remedy such breach within 60 calendar days after the Collateral Manager becoming aware of such breach or the Collateral Manager receiving written notice of such breach from the Issuer or the Trustee;

(c) the failure of any representation, warranty, certification or statement made or delivered by the Collateral Manager in or pursuant to the Collateral Management and Administration Agreement, the Trust Deed or any other Transaction Document to be correct when made and such failure:

(i) has a material adverse effect on the Issuer or interests of the Noteholders of any Class; and

(ii) is not remedied within 30 calendar days after the Collateral Manager becomes aware of, or its receipt of written notice from the Issuer or the Trustee of, such failure;

(d) the Collateral Manager is wound up or dissolved (other than pursuant to a consolidation, amalgamation or merger where a successor collateral manager succeeds the Collateral Manager pursuant to the Collateral Management and Administration Agreement and is bound by the terms of the Collateral Management and Administration Agreement and the other Transaction Documents applicable to the Collateral Manager), or there is appointed over it or a substantial part of its assets a receiver, administrator, administrative receiver, trustee or similar officer;

(e) the Collateral Manager:

(i) ceases to be able to, or admits in writing that it is unable to pay its debts as they become due and payable, or makes a general assignment for the benefit of, or enters into any composition or arrangement with, its creditors generally;

(ii) applies for or consents (by admission of material allegations of a petition or otherwise) to the appointment of a receiver, administrator, trustee, assignee, custodian, liquidator or sequestrator (or other similar official) of the Collateral Manager or of any substantial part of its properties or assets, or authorises such an application or consent, or proceedings seeking such appointment are commenced against the Collateral Manager without such authorisation, consent or application and either continue undismissed for 60 calendar days or any such appointment is ordered by a court or regulatory body having jurisdiction;

(iii) authorises or files a voluntary petition in bankruptcy, or applies for or consents (by admission of material allegations of a petition or otherwise) to the application of any bankruptcy, reorganisation, arrangement, readjustment of debt, insolvency, dissolution, or similar law, or authorises such application or consent, or proceedings to such end are instituted against the Collateral Manager without such authorisation, application or consent and remain undismissed for sixty calendar days or result in adjudication of bankruptcy or insolvency or the issuance of an order for relief; or

(iv) permits or suffers all or any substantial part of its properties or assets to be sequestered or attached by court order and the order (if contested in good faith) remains undismissed for sixty calendar days;

(f) the occurrence of an Event of Default specified in Condition 10(a)(i)or 10(a)(ii) (*Events of Default*) that has not been cured within any applicable grace period and that arises from a breach of the Collateral Manager's duties under the Collateral Management and Administration Agreement (it being understood that an act or omission of the Collateral Manager based on its good faith interpretation of the provisions of the Collateral Management and Administration Agreement or the Trust Deed, will not constitute a breach for the purposes of this paragraph (f)); and

(g) the occurrence of an act by the Collateral Manager (or any senior officer of the Collateral Manager involved in its leveraged investment business) that constitutes fraud or criminal activity in the performance of the Collateral Manager's obligations under the Collateral Management and Administration Agreement or its other investment management activities, or the Collateral Manager (or any senior officer of the Collateral Manager involved in its leveraged investment business) being found guilty of having committed a criminal offence materially related to the management of investments similar in nature and character to those which comprise the Collateral, unless any such senior officer of the Collateral Manager has, within 30 calendar days after such occurrence, been removed from performing work in fulfilment of the Collateral Manager's obligations under the Collateral Management and Administration Agreement.

Pursuant to the terms of the Collateral Management and Administration Agreement, if any of the events specified in paragraphs (a) to (g) (inclusive) occurs, the Collateral Manager shall, upon becoming aware of the same, be required to give prompt written notice thereof to the Issuer (who shall promptly, upon receipt of the same, deliver notice to the Noteholders in accordance with the Conditions), the Trustee, the Rating Agencies and any Hedge Counterparty.

No Voting Rights

Any Notes held in the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes shall not:

(a) have any voting rights in respect of any CM Removal Resolution or any CM Replacement Resolution; or

(b) be counted for the purposes of determining a quorum or the result of voting on any CM Removal Resolution or any CM Replacement Resolution.

Any Notes held by or on behalf of the Collateral Manager (such reference shall not include, for the avoidance of doubt, any Collateral Manager Related Person who is not the Collateral Manager) shall not:

(a) have any voting rights in respect of any CM Removal Resolution or any CM Replacement Resolution; or

(b) be counted for the purposes of determining a quorum or the result of voting on any CM Removal Resolution or any CM Replacement Resolution.

Delegation, Assignment or Transfer

The Collateral Manager, without the prior consent of the Issuer, any Noteholder or the Trustee, may employ third parties, including its Affiliates, to render asset management services (including investment advice) and assistance in connection with its obligations under the Collateral Management and Administration Agreement, provided that in each case any such party has the required regulatory capacity to provide such services to the Issuer and provided that in each case such appointment will not cause the Issuer to become subject to net income taxation outside its jurisdiction of incorporation, cause the Issuer to be treated as engaged in a trade or business in the United States for U.S. federal income tax purposes, result in Collateral Management Fees becoming subject to VAT or otherwise cause any other material adverse tax consequences to the Issuer. In such event, the Collateral Manager shall not be relieved of any of its duties or liabilities under the Collateral Management and Administration Agreement regardless of the performance of any services by third parties and shall be solely responsible for the fees and expenses payable to any such third party except to the extent such expenses are payable by the Issuer under the Collateral Management and Administration Agreement.

The Collateral Manager may not assign or transfer its material rights or material responsibilities under the Collateral Management and Administration Agreement without the written consent of:

(a) the Issuer;

(b) either:

 (i) the holders of the Rated Notes, acting by Ordinary Resolution, voting together as a single class; or

 (ii) the holders of the Controlling Class acting by Ordinary Resolution,

 in each case excluding any Notes in the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes (if applicable to the then Controlling Class); and

(c) the holders of the Subordinated Notes acting by Ordinary Resolution,

in each case excluding any Notes held by the Collateral Manager, and subject to receipt by the Issuer of a Rating Agency Confirmation and KBRA Confirmation with respect to such assignment or transfer and provided that such assignee or transferee has the required regulatory capacity to provide the services provided under the Collateral Management and Administration Agreement to the Issuer provided further that, to the extent permitted by the Collateral Management and Administration Agreement, such consent and Rating Agency Confirmation and KBRA Confirmation shall not be required in the case of any assignment, transfer or delegation to a Permitted Assignee (as defined below); provided further that, if such transferee, delegate or assignee is to be the relevant retention party for the purposes of the EU Retention and Transparency Requirements, the appointment of such transferee or assignee is permitted under and contemplated by the Risk Retention Letter, permitted under the EU Retention and Transparency Requirements and would not cause the transactions described in this Offering Circular or the Collateral Manager to cease to be compliant with the EU Retention and Transparency Requirements.

A "**Permitted Assignee**", for the purposes of the Collateral Management and Administration Agreement, means an Affiliate of the Collateral Manager that certifies in writing (upon which certification the Trustee may rely absolutely and without enquiry or liability) to the Trustee and the Issuer that it:

(a) is legally qualified and has the regulatory capacity to act as collateral manager under the Collateral Management and Administration Agreement;

(b) employs (directly or indirectly) the principal personnel performing the duties required under the Collateral Management and Administration Agreement (or persons of similar expertise) prior to such assignment;

(c) will not, as a consequence of its appointment, cause either of the Issuer or the Collateral to become required to register under the provisions of the Investment Company Act;

(d) will not, as a consequence of its appointment and/or conduct, cause the Issuer to be subject to net income taxation outside its jurisdiction of incorporation, cause the Issuer to be treated as engaged in a trade or business in the United States for U.S. federal income tax purposes, result in additional VAT or similar tax or any other material adverse tax becoming payable by the Issuer (whether to a tax authority or any counterparty); and

(e) if the Retention is to be transferred to an Affiliate which is part of the same consolidated accounting group, the transfer of the Retention to such entity would not result in a Retention Event.

The Issuer may not assign its rights under the Collateral Management and Administration Agreement without the prior written consent of the Collateral Manager, the Trustee, the holders of each Class of Notes acting by Ordinary

Resolution, each voting as a separate class, and subject to Rating Agency Confirmation and KBRA Confirmation and to such transferee or delegate having the required regulatory capacity, except in the case of an assignment by the Issuer: (a) to an entity that is a successor to the Issuer permitted under the Trust Deed; or (b) to the Trustee.

Appointment of Successor

Upon any removal or resignation of the Collateral Manager (except in the circumstances where it has become illegal for the Collateral Manager to carry on its duties under the Collateral Management and Administration Agreement and except as provided for under a Collateral Manager Tax Event as described above), the Collateral Manager will continue to act in such capacity until a successor collateral manager has been appointed in accordance with the terms of the Collateral Management and Administration Agreement.

The successor collateral manager will be selected by the Issuer subject to:

(a) the approval of the holders of the Subordinated Notes acting by Ordinary Resolution (excluding any Notes held by the Collateral Manager);

(b) the successor collateral manager demonstrating an ability to professionally and competently perform duties similar to those imposed upon the Collateral Manager pursuant to the Collateral Management and Administration Agreement and has a substantially similar (or better) level of experience;

(c) for so long as the Rated Notes are outstanding, the holders of the Controlling Class (acting by Ordinary Resolution) do not object within thirty calendar days after the giving of notice thereof in accordance with the Conditions of such proposed selection by the Issuer (excluding any Notes held in the form of CM Non-Voting Notes or CM Non-Voting Exchangeable Notes and any Notes held by the Collateral Manager);

(d) the appointment of which will not cause either of the Issuer or the Portfolio to be required to be registered under the Investment Company Act;

(e) receipt of Rating Agency Confirmation and KBRA Confirmation;

(f) if it is to be the relevant retention party for the purposes of the EU Retention Requirements, the transfer of the Retention to such entity:

    (i) is permitted under and contemplated by the Risk Retention Letter;

    (ii) permitted under the EU Retention Requirements; and

    (iii) would not cause the transactions described in this Offering Circular or the Collateral Manager to cease to be compliant with the EU Retention Requirements;

(g) such successor collateral manager being legally qualified and having the requisite regulatory capacity (including Irish regulatory capacity to provide investment management services to Irish counterparties as a matter of the laws of Ireland) to act as collateral manager as successor to the Collateral Manager under the Collateral Management and Administration Agreement and in the other relevant Transaction Documents in the assumption of all of the responsibilities, duties and obligations of the Collateral Manager under the Collateral Management and Administration Agreement and in the other relevant Transaction Documents;

(h) the appointment and/or conduct of such successor collateral manager will not (i) cause the Issuer to be subject to net income taxation outside its jurisdiction of incorporation, (ii) cause the Issuer to be treated as engaged in a trade or business in the United States for U.S. federal income tax purposes, (iii) result in the Collateral Management Fees becoming subject to VAT or (iv) otherwise cause any other material adverse tax consequences to the Issuer; and

(i) the appointment of such successor collateral manager not causing the Issuer, its officers or Directors, the Collateral Manager or its Affiliates or the Portfolio to become or to register as a CPO or CTA with the CFTC and/or the United States National Futures Association.

If the holders of Subordinated Notes do not approve the successor collateral manager pursuant to paragraph (a) above, or the Controlling Class object to the Issuer's selection of successor collateral manager pursuant to paragraph (c) above, then the Issuer may propose an alternative successor collateral manager. If no successor collateral manager has been appointed within 120 calendar days or if the Collateral Manager is required to resign as a result of illegality or due to a Collateral Manager Tax Event, the Issuer (subject to the approval of the Controlling Class, acting by Ordinary Resolution), shall appoint a successor collateral manager which satisfies the criteria specified in the Collateral Management and Administration Agreement subject to receipt of Rating Agency Confirmation and KBRA Confirmation.

Upon notice of removal or resignation of the Collateral Manager

If the Collateral Manager has received notice that it will be removed or has given notice of its resignation, until a successor collateral manager has been appointed and has accepted such appointment in accordance with the terms specified in the Collateral Management and Administration Agreement, the Collateral Manager:

(a) will not acquire on behalf of the Issuer any Collateral Obligations (except for trades initiated prior to such removal, termination or resignation);

(b) will only execute sales of Margin Stock, Credit Impaired Obligations and Defaulted Obligations (in addition to any trades initiated prior to such removal, termination or resignation).

Any such resignation or removal of the Collateral Manager or termination of the Collateral Management and Administration Agreement shall be without prejudice and subject to fulfilment of the Collateral Manager's obligations in respect of the Retention for so long as the Collateral Manager is also the Retention Holder (unless the same have been validly transferred in accordance with the terms of the Risk Retention Letter).

Termination and Resignation of Appointment of the Collateral Administrator

Pursuant to the terms of the Collateral Management and Administration Agreement, the Collateral Administrator may be removed: (a) without cause at any time upon at least 90 calendar days' prior written notice by the Issuer at its discretion or the Trustee if so directed by the holders of the Subordinated Notes acting by way of Extraordinary Resolution and subject to the Trustee being secured and/or indemnified and/or prefunded to its satisfaction; or (b) with cause upon at least 10 calendar days' prior written notice by the Issuer at its discretion or the Trustee if so directed by the holders of the Subordinated Notes acting by way of Ordinary Resolution and subject to the Trustee being secured and/or indemnified and/or prefunded to its satisfaction. In addition, the Collateral Administrator may also resign its appointment without cause on at least 45 calendar days' prior written notice and with cause upon at least 10 calendar days' prior written notice to the Issuer, the Trustee and the Collateral Manager. No resignation or removal of the Collateral Administrator will be effective until a successor collateral administrator has been appointed pursuant to the terms of the Collateral Management and Administration Agreement.

HEDGING ARRANGEMENTS

The following is a summary of the principal terms of the hedging arrangements to be entered into by the Issuer on either or about the Issue Date and/or thereafter. The following is a summary only and should not be relied upon as an exhaustive description of the detailed provisions of such documents (copies of which are available from the registered office of the Issuer). The following is a general description of the Hedge Agreements. Any Hedge Agreement may include terms which vary from the descriptions set out below.

Hedge Agreements

The Collateral Manager (on behalf of the Issuer) may enter into Hedge Agreements, subject to the Issuer obtaining legal advice in respect of such Hedge Agreement from reputable international legal counsel to the effect that the entry into such arrangements shall not in respect of a CPO, and shall not in respect of a CTA, cause the Issuer, its Directors or officers, the Collateral Manager or its Affiliates to register with the CFTC and/or the United States National Futures Association with respect to the Issuer as a CPO and/or a CTA. The Issuer will obtain Rating Agency Confirmation and KBRA Confirmation prior to entering into any hedging arrangements after the Issue Date unless such arrangements are documented by way of a Form Approved Hedge Agreement.

Form Approved Hedge Agreements

If a Rating Agency announces that the rating criteria applicable to Hedge Agreements has been modified such that a Hedge Agreement no longer constitutes a Form Approved Hedge Agreement then the Issuer or the Collateral Manager on its behalf shall seek approval of a new form of hedge agreement from the relevant Rating Agencies.

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, enters, as soon as practicable following entry into a binding commitment to purchase such Collateral Obligation and no later than the settlement date of the acquisition of the relevant Collateral Obligation, into an Asset Swap Transaction which shall relate to the purchased Collateral Obligation (to become effective on or before the settlement date of such Collateral Obligation) with an Asset Swap Counterparty (which satisfies the applicable Rating Requirement and has the regulatory capacity as a matter of Irish law to enter into derivatives transactions with Irish residents) pursuant to the terms of which the initial principal exchange is made to fund the Issuer's acquisition of the related Non-Euro Obligation and the final and, if applicable, interim principal exchanges are made to convert the principal proceeds received in respect thereof at maturity and prior to maturity, respectively and coupon exchanges are made at the exchange rate specified for such transaction.

Transactions entered into under an Asset Swap Agreement are documented in confirmations to such Asset Swap Agreement. Each transaction will be evidenced by a confirmation entered into pursuant to an Asset Swap Agreement (each an "**Asset Swap Transaction**"). An Asset Swap Transaction, if entered into, will be:

(a) used to hedge the currency (and if applicable, interest rate) mismatch between the Notes and any Non-Euro Obligations and for no other purpose; and

(b) other than in the case of a Form Approved Asset Swap, subject to receipt of Rating Agency Confirmation and KBRA Confirmation in respect thereof.

Further, each Asset Swap Counterparty will be required to satisfy the applicable Rating Requirement (taking into account any guarantor thereof) and must have the regulatory capacity as a matter of Irish law to enter into derivatives transactions with Irish residents. No Asset Swap Transaction may be entered into if, at the time of entry into such transaction, there is a withholding or deduction for or on account of any tax required in respect of any payments by either party to such Asset Swap Transaction. The Collateral Manager shall be required to terminate any Asset Swap Transaction at the time it sells an Asset Swap Obligation. Upon the sale of an Asset Swap Obligation, the Asset Swap Transaction relating thereto shall be terminated on or prior to such sale in accordance with its terms, resulting in either (a) the Asset Swap Counterparty receiving the proceeds of the sale of the Asset Swap Obligation (or the par value thereof) from the Issuer (which shall be funded outside the Priorities of Payment from the Asset Swap Account) and returning the Sale Proceeds (in accordance with paragraph (b) of the definition thereof) to the Issuer or (b) the Issuer retaining the proceeds of sale of the Asset Swap Obligation (which shall be converted into Euro and paid into the Principal Account in accordance with the Conditions of the Notes) net of any payments due to the Asset Swap Counterparty in connection with the termination of the Asset Swap Transaction in such circumstances (which the Issuer shall pay to the Asset Swap Counterparty on the date such payment is due in accordance with the applicable Hedge Agreement). Furthermore, upon the insolvency of the Issuer and/or the acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*), the Asset Swap Counterparty may, but shall not be obliged to, early terminate any Asset Swap Transaction, in which case any Asset Swap Termination Payment would be paid in accordance with the Post-Acceleration Priority of Payments (other than with respect to any Counterparty Downgrade Collateral which is required to be returned to an Asset Swap Counterparty outside the Priorities of Payment in accordance with the Asset Swap Agreement).

If, following the insolvency of the Issuer and/or the acceleration of the Notes, the Asset Swap Counterparty elects not to early terminate any Asset Swap Transaction, such Asset Swap Transaction shall terminate in accordance with its terms upon the sale of the relevant Non-Euro Obligation, resulting in the Asset Swap Counterparty receiving the proceeds of the sale of the Non-Euro Obligation from the Issuer and returning the Sale Proceeds (in accordance with paragraph (b) of the definition thereof, for the avoidance of doubt, net of any termination cost in respect of the early termination of the Asset Swap Transaction, as determined and incurred by the Asset Swap Counterparty in accordance with the Asset Swap Agreement) to the Issuer.

Replacement Asset Swap Transactions

If any Asset Swap Transaction terminates in whole at any time in circumstances in which the applicable Asset Swap Counterparty is the "Defaulting Party" or sole "Affected Party" (each as defined in the applicable Asset Swap Agreement) the Issuer, or the Collateral Manager on its behalf, shall use commercially reasonable efforts to enter into a Replacement Asset Swap Transaction within thirty calendar days of the termination thereof with a counterparty which satisfies, among other things, the applicable Rating Requirement and which has the regulatory capacity as a matter of Irish law to enter into derivatives transactions with Irish residents.

If any Asset Swap Transaction terminates in the circumstances referred to above, any Asset Swap Termination Receipt will be paid into the relevant Hedge Termination Account and shall be applied towards the costs of entry into a Replacement Asset Swap Transaction, together with, where necessary, Interest Proceeds and/or Principal Proceeds that are available for such purpose on any Payment Date pursuant to the Priorities of Payment, subject to receipt of Rating Agency Confirmation and KBRA Confirmation, save:

(a) where termination of the Asset Swap Transaction occurs on a Redemption Date pursuant to Conditions 7(a) (*Final Redemption*), Condition 7(b) (*Optional Redemption*) (other than in connection with a Refinancing), Condition 7(g) (*Redemption following Note Tax Event*) or Condition 10 (*Events of Default*); or

(b) to the extent that such Asset Swap Termination Receipt is not required for application towards any Asset Swap Replacement Payment,

in which event such Asset Swap Termination Receipt shall be paid into the Principal Account and shall constitute Unscheduled Principal Proceeds.

If the Issuer receives any Asset Swap Replacement Receipt upon entry into a Replacement Asset Swap Transaction, such amount shall be paid into the relevant Hedge Termination Account and applied directly by the Collateral Administrator acting on the instructions of the 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 Payment. To the extent not required for making any such Asset Swap Termination Payment, such Asset Swap Replacement Receipts shall be paid into the Principal Account and shall constitute Unscheduled Principal Proceeds.

The Issuer (or the Collateral Manager on its behalf) shall be required to terminate any Replacement Asset Swap Transaction at the time the Collateral Manager sells an Asset Swap Obligation. Upon the sale of an Asset Swap Obligation, the Replacement Asset Swap Transaction relating thereto shall be terminated on or prior to such sale in accordance with its terms.

Subject to paragraph (a) above, if a Replacement Asset Swap Transaction cannot be entered within 30 calendar days of the termination of the Asset Swap Transaction, the Collateral Manager, acting on behalf of the Issuer, shall use all reasonable endeavours to sell the applicable Non-Euro Obligation, pay the proceeds thereof to the applicable Asset Swap Counterparty, to the extent required pursuant to the terms of such Asset Swap Transaction and/or to the extent not so required, shall direct the Collateral Administrator to convert all of such proceeds into Euro at the Applicable Exchange Rate and shall procure that such amounts are paid into the Principal Account. If such proceeds are insufficient to pay any Asset Swap Termination Payments in full, such amount, including any Defaulted Hedge Termination Payment, shall be paid out of Interest Proceeds and/or Principal Proceeds on the next following Payment Date in accordance with the Priorities of Payment.

Interest Rate Hedging Arrangements

Interest Rate Hedge Agreements

The Issuer (or the Collateral Manager on its behalf) may enter into Interest Rate Hedge Transactions from time to time in order to hedge any interest rate mismatch between the Rated Notes and the Collateral Obligations and for no other purpose, subject to the receipt of Rating Agency Confirmation and KBRA Confirmation in respect thereof and provided that the Interest Rate Hedge Counterparty satisfies the applicable Rating Requirement and has the regulatory capacity as a matter of Irish law to enter into derivatives transactions with Irish residents. The Issuer (or the Collateral Manager on its behalf) shall be required to terminate any Interest Rate Hedge Transaction at the time it sells the related Collateral Obligations. At such time, the Interest Rate Hedge Transaction relating thereto shall be terminated on or prior to such sale in accordance with its terms.

Replacement Interest Rate Hedge Agreements

If an Interest Rate Hedge Transaction terminates in whole at any time in circumstances which the applicable Interest Rate Hedge Counterparty is the "Defaulting Party" or sole "Affected Party" (each such term as defined in the applicable Interest Rate Hedge Agreement), the Issuer, or the Collateral Manager on its behalf, shall use commercially reasonable efforts to enter into a Replacement Interest Rate Hedge Transaction within thirty calendar days of termination thereof with an Interest Rate Hedge Counterparty which satisfies the applicable Ratings Requirement and which has the regulatory capacity as a matter of Irish law to enter into derivatives transactions with Irish residents. The Issuer (or the Collateral Manager on its behalf) shall be required to terminate any Replacement Interest Rate Hedge Transaction at the time it sells the related Collateral Obligation. At such time, the Replacement Interest Rate Hedge Transaction relating thereto shall be terminated on or prior to such sale in accordance with its terms.

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 and KBRA Confirmation in respect thereof.

Gross up

Under each Hedge Agreement neither the Issuer nor the applicable Hedge Counterparty will be obliged to gross up any payments thereunder if there is any withholding or deduction for or on account of tax required to be paid on such payments. Any such event may however result in a "Tax Event" which is a "Termination Event" for the purposes of the relevant Hedge Agreement. If a Tax Event (as defined in such Hedge Agreement) occurs, each Hedge Agreement will include provision for the relevant Affected Party (as defined therein) to use reasonable endeavours to: (a) (in the case of the Hedge Counterparty) arrange for a transfer of all of its interests and obligations under the Hedge Agreement and all Transactions (as defined in the Hedge Agreement) thereunder to an Affiliate that is incorporated in another jurisdiction so as to avoid the requirement to withhold or deduct for or on account of tax; or (b) (in the case of the Issuer) transfer its residence for tax purposes to another jurisdiction or if a substitute principal obligor under the Notes has been substituted for the Issuer in accordance with Condition 9 (*Taxation*), arrange for a transfer of all of its interest and obligations under the Hedge Agreement and all Transactions thereunder to that substitute principal obligor so as to avoid the requirement to withhold or deduct for or on account of tax subject to satisfaction of the conditions specified therein (including receipt of Rating Agency Confirmation and KBRA Confirmation).

Limited Recourse and Non-Petition

The obligations of the Issuer under each Hedge Agreement will be limited to the proceeds of enforcement of the Collateral as applied in accordance with the Priorities of Payment set out in Condition 3(c) (*Priorities of Payment*). The Issuer will have the benefit of limited recourse and non-petition language similar to the language set out in Condition 4(c) (*Limited Recourse and Non-Petition*).

Termination Provisions

Each Hedge Agreement may terminate by its terms, whether or not the Notes have been paid in full prior to such termination, upon the earlier to occur of the following events (which may include without limitation):

(a) certain events of bankruptcy, insolvency, receivership or reorganisation of the Issuer or the related Hedge Counterparty;

(b) failure on the part of the Issuer or the related Hedge Counterparty to make any payment under the applicable Hedge Agreement after taking into account any applicable grace period;

(c) a change in law making it illegal for either the Issuer or the related Hedge Counterparty to be a party to, or to perform its obligations under, the applicable Hedge Agreement;

(d) the principal due in respect of the Notes is declared to be due and payable in accordance with the terms of the Trust Deed, and the Trustee has started to sell all or part of the Collateral as a consequence thereof;

(e) the Notes are redeemed in whole prior to the Maturity Date (otherwise than as a result of an Event of Default thereunder);

(f) regulatory changes occur which have a material adverse effect on a Hedge Counterparty; and

(g) material changes are made to the Transaction Documents without the consent of a Hedge Counterparty which could have a material adverse effect on the Hedge Counterparty.

A termination of a Hedge Agreement does not constitute an Event of Default under the Notes, though the repayment in full of the Notes may be an "additional termination event" under a Hedge Agreement.

Asset Swap Agreements may also contain provisions which allow an Asset Swap Transaction to terminate upon the occurrence of certain credit events related to the underlying Non-Euro Obligation. These credit events could potentially be triggered in circumstances where the related Collateral Obligation would not constitute a Defaulted Obligation. 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 derivatives transaction represented by the Hedge Transactions if the Hedge Counterparty or, as relevant, its guarantor, is subject to a voting withdrawal or downgrade by a Rating Agency to below the applicable Rating Requirement. Such provisions may include a requirement that a Hedge Counterparty must post collateral or transfer the Hedge Agreement to another entity meeting the applicable Rating Requirement or procure that a guarantor meeting the applicable Rating Requirement guarantees its obligations under the Hedge Agreement or take other actions subject to Rating Agency Confirmation and KBRA 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 and KBRA Confirmation in relation to such modification, save to the extent that it would constitute a Form Approved Hedge Agreement following such modification. A Hedge Counterparty may transfer its rights and obligations under a Hedge Agreement to any institution which (or whose credit support provider (as defined in the applicable Hedge Agreement)) satisfies the applicable Rating

Requirement and provided that such institution has the regulatory capacity 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**") for the delegation of certain derivative reporting obligations to one or more Hedge Counterparties or third parties (each, in such capacity, a "**Reporting Delegate**").

DESCRIPTION OF THE REPORTS

Terms used and not otherwise defined herein or in this Offering Circular as specifically referenced herein shall have the meaning given to them in Condition 1 (*Definitions*) of the Terms and Conditions of the Notes.

Monthly Reports

The Collateral Administrator, not later than the last Business Day of each month (save in respect of any month for which a Payment Date Report or the Effective Date Report has been prepared) and commencing in September 2020, on behalf, and at the expense, of the Issuer and in consultation with the Collateral Manager, shall compile and make available a monthly report and which shall contain, without limitation, the information set out below with respect to the Portfolio (and shall include a version in pdf format, with the underlying Portfolio data in Excel® or CSV format) (the "**Monthly Report**"), determined by the Collateral Administrator on the 15th calendar day of each month (or, if such day is not a Business Day, the immediately following Business Day) in consultation with the Collateral Manager, via a website currently located at https://pivot.usbank.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Trustee, the Placement Agent, each Hedge Counterparty and the Collateral Manager and as notified by the Issuer (with reasonable assistance, if the Issuer so requires, from the Collateral Manager) to each Rating Agency and the Noteholders from time to time) (or by such other method of dissemination as is required or permitted by the Securitisation Regulation, the Irish STS Regulations or the relevant Competent Authority (as instructed by the Issuer (or the Collateral Manager on its behalf) and as agreed with the Collateral Administrator)) to any person who certifies to the Collateral Administrator (such certification to be substantially in the form set out in the Collateral Management and Administration Agreement or such form as may be agreed between the Issuer, the Collateral Manager and the Collateral Administrator from time to time) (such certification may be given electronically and upon which certificate the Collateral Administrator shall be entitled to rely absolutely and without enquiry or liability) that it is: (i) the Issuer, (ii) the Trustee, (iii) the Placement Agent, (iv) a Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, (v) the Collateral Manager, (vi) a Rating Agency, (vii) a Noteholder, (viii) a Competent Authority or (ix) a potential investor in the Notes. For the avoidance of doubt, the Collateral Administrator is irrevocably authorised to disclose and/or grant access to any such reports to Intex and Bloomberg LP.

Portfolio

(a) the Aggregate Principal Balance of the Collateral Obligations and Eligible Investments representing Principal Proceeds;

(b) the Aggregate Collateral Balance of the Collateral Obligations;

(c) the Adjusted Collateral Principal Amount of the Collateral Obligations;

(d) whether a Restricted Trading Period applies;

(e) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Obligation, its Principal Balance, LoanX ID, CUSIP number, ISIN or identification thereof, annual interest rate or spread (and EURIBOR floor if any), the financial instrument global identifier number, facility, the designated maturity in respect of each interest rate, the Stated Maturity, Obligor, the Domicile of the Obligor, location of assets, location of security, Fitch Rating, S&P Rating and any other public rating (other than any confidential credit estimate), its Fitch industry classification group, S&P Industry Classification Group, Fitch Recovery Rate and S&P Recovery Rate;

(f) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Obligation, whether such Collateral Obligation is a Secured Senior Loan, Secured Senior Bond, Unsecured Senior Obligation, Second Lien Loan, Mezzanine Obligation or High Yield Bond, Fixed Rate Collateral Obligation, Corporate Rescue Loan, PIK Security, Step-Up Coupon Security, Step-Down Coupon Security, Revolving Obligation, Delayed Drawdown Collateral Obligation, Bridge Loan, Discount Obligation, Cov-Lite Loan or a Swapped Non-Discount Obligation, First-Lien Last-Out Loan and whether such Collateral Obligation would have been a Cov-Lite Loan but for the proviso in the definition of "Cov-Lite Loan";

(g) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Enhancement Obligation and Exchanged Equity Security (to the extent applicable), its Principal Balance, face amount, annual interest rate, Stated Maturity and Obligor, details of the type of instrument it represents and details of any amounts payable thereunder or other rights accruing pursuant thereto;

(h) subject to any confidentiality obligations binding on the Issuer, the number, identity and, if applicable, Principal Balance of, respectively, any Collateral Obligations, Collateral Enhancement Obligations or Exchanged Equity Securities that were released for sale or other disposition (specifying the reason for such sale or other disposition and the section in the Collateral Management and Administration Agreement pursuant to which such sale or other disposition was made), the Aggregate Principal Balances of Collateral Obligations released for sale or other disposition at the Collateral Manager's discretion (expressed as a percentage of the Adjusted Collateral Principal Amount and measured at the date of determination of the last Monthly Report) and the sale price thereof and identity of any of the purchasers thereof (if any) that are Affiliated with the Collateral Manager;

(i) subject to any confidentiality obligations binding on the Issuer, the purchase or sale price of each Collateral Obligation, Eligible Investment and Collateral Enhancement Obligation acquired by the Issuer and in which the Issuer has granted a security interest to the Trustee, and each Collateral Obligation, Eligible Investment and Collateral Enhancement Obligation sold by the Issuer since the date of determination of the last Monthly Report and the identity of the purchasers or sellers thereof, if any, that are Affiliated with the Issuer or the Collateral Manager;

(j) subject to any confidentiality obligations binding on the Issuer, (i) the identity of each Collateral Obligation which became a Defaulted Obligation or Deferring Security or in respect of which an Exchanged Equity Security has been received since the date of determination of the last Monthly Report; (ii) the identity of all Collateral Obligations which are Defaulted Obligations or Deferring Securities or in respect of which Exchanged Equity Securities have been received; and (iii) the identity and Principal Balance of each Fitch CCC Obligation and S&P CCC Obligation;

(k) subject to any confidentiality obligations binding on the Issuer, the identity of each Collateral Obligation which became a Restructured Obligation and its Obligor, as well as, where applicable, the name of the Obligor prior to the restructuring and the Obligor's new name after the Restructuring Date;

(l) the Aggregate Principal Balance of Collateral Obligations which were upgraded or downgraded since the most recent Monthly Report and of which the Collateral Administrator or the Collateral Manager has actual knowledge;

(m) the approximate Market Value of, respectively any Collateral Obligations and Collateral Enhancement Obligations for which the Market Value needs to be determined in accordance with the Transaction Documents and the CCC Excess;

(n) in respect of each Collateral Obligation, its Fitch Rating and S&P Rating (other than any confidential credit estimate) as at (i) the date of acquisition; (ii) the date of the previous Monthly Report; and (iii) the date of the current Monthly Report;

(o) the Aggregate Principal Balance of Collateral Obligations comprising Participations in respect of which the Selling Institutions are not the lenders of record; and

(p) a commentary provided by the Collateral Manager with respect to the Portfolio.

Accounts

(a) the identity of the Account Bank;

(b) the Balances standing to the credit of each of the Accounts;

(c) the purchase price, principal amount, redemption price, annual interest rate, maturity date and Obligor under each Eligible Investment purchased from funds in the Accounts; and

(d) the rating by Fitch and S&P in respect of each Eligible Investment.

Hedge Transactions

(a) the outstanding notional amount (as defined therein) of each Hedge Transaction, distinguishing between: (i) Asset Swap Transactions (including the Applicable Exchange Rate); and (ii) Interest Rate Hedge Transactions (including the interest spread and the current rate of EURIBOR);

(b) the amount scheduled to be received and paid by the Issuer pursuant to each Hedge Transaction on or before the next Payment Date;

(c) the then current Fitch rating and, if applicable, S&P rating in respect of each Hedge Counterparty and the Account Bank and whether such Hedge Counterparty and Account Bank satisfies the Rating Requirements, as well as the identity of the Hedge Counterparty; and

(d) the maturity date, the strike price and the underlying currency notional amount of each currency option, the upfront premium paid or payable by the Issuer thereunder and, in relation to each currency option exercised, the date of exercise, the spot foreign exchange rate at the time of exercise, the notional amount of the optional exercised, the aggregate notional amount of the option which remains unexercised and the aggregate premium received.

Frequency Switch Event

Whether a Frequency Switch Event has occurred and the applicable Frequency Switch Event Measurement Date (as notified in writing from the Collateral Manager to the Collateral Administrator).

Coverage Tests and Collateral Quality Tests

(a) a statement as to whether each of the Class A/B Par Value Test, the Class C Par Value Test and the Class D Par Value Test is satisfied and details of the relevant Par Value Ratios;

(b) on and after the expiry of the Reinvestment Period, a statement as to whether the Class E Par Value Test is satisfied and details of the Class E Par Value Ratio;

(c) a statement as to whether each of the Class A/B Interest Coverage Test, the Class C Interest Coverage Test and the Class D Interest Coverage Test is satisfied and details of the relevant Interest Coverage Ratios;

(d) during the Reinvestment Period, a statement as to whether the Reinvestment Overcollateralisation Test is satisfied and details of the Class E Par Value Ratio calculated for the purposes of such test;

(e) other than following the expiry of the Reinvestment Period, a statement as to whether the S&P CDO Monitor Test is satisfied and the pass level thereof;

(f) details of the S&P CDO Monitor BDR (other than following the expiry of the Reinvestment Period) and the S&P CDO Monitor SDR (including the S&P Weighted Average Rating Factor, the S&P Default Rate Dispersion, the S&P Obligor Diversity Measure, the S&P Industry Diversity Measure, the S&P Regional Diversity Measure and the S&P Weighted Average Life);

(g) the Weighted Average Life and a statement as to whether the Weighted Average Life Test is satisfied;

(h) the Weighted Average Spread (calculated on the basis of the Aggregate Funded Spread determined (1) with the EURIBOR Floor Adjustment and (2) without the EURIBOR Floor Adjustment), the Weighted Average Fixed Coupon, the Weighted Average Coupon Adjustment Percentage and a statement as to whether the Fitch Minimum Weighted Average Spread Test is satisfied;

(i) so long as any Notes rated by Fitch are Outstanding, the Fitch Weighted Average Recovery Rate and a statement as to whether the Fitch Minimum Weighted Average Recovery Rate Test (if applicable) is satisfied; and

(j) so long as any Notes rated by Fitch are Outstanding, the Fitch Weighted Average Rating Factor and a statement as to whether the Fitch Maximum Weighted Average Rating Factor Test is satisfied.

Portfolio Profile Tests

(a) in respect of each Portfolio Profile Test, a statement as to whether such test is satisfied, together with details of the result of the calculations required to be made in order to make such determination which details shall include the applicable numbers, levels and/or percentages resulting from such calculations;

(b) the identity and Fitch Rating and S&P Rating of each Selling Institution, together with any changes in the identity of such entities since the date of determination of the last Monthly Report and details of the aggregate amount of Participations entered into with each such entity; and

(c) a statement as to (i) each individual third party exposure limit and percentage of the Aggregate Principal Balance corresponding thereto and (ii) whether the limits specified in the Bivariate Risk Table are met by reference to the Fitch Ratings and S&P Ratings of Selling Institutions and, if such limits are not met, a statement as to the nature of the non-compliance.

Risk Retention

(a) confirmation that the Collateral Administrator has received written confirmation from the Retention Holder that:

    (i) it continues to hold the Retention; and

    (ii) it has not transferred the Retention nor has it sold, hedged or otherwise mitigated its credit risk under or associated with the Retention or the underlying portfolio of Collateral Obligations, except to the extent permitted in accordance with the Risk Retention Letter;

(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 Risk Retention Letter (as instructed by the Issuer or the Collateral Manager from time to time); and

(c) the amount of any Trading Gains paid into the Interest Account since the previous Payment Date.

CM Voting Notes / CM Non-Voting Notes / CM Non-Voting Exchangeable Notes

In respect of each 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.

CRA3 Transitional Requirements

For so long as the transitional requirements of Article 43(8) of the Securitisation Regulation apply, the information required pursuant to "*Payment Date Report- Additional CRA3 Transitional Requirements*" below.

Payment Date Report

The Collateral Administrator, on behalf, and at the expense, of the Issuer and in consultation with the Collateral Manager, shall render a report (the "**Payment Date Report**") prepared and determined as of each Determination Date, and made available not later than the Business Day preceding the related Payment Date and shall make such Payment Date Report available via a secured website currently located at https://pivot.usbank.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Trustee, the Placement Agent, each Hedge Counterparty and the Collateral Manager and as notified by the Issuer (with reasonable assistance, if the Issuer so requires, from the Collateral Manager) to each Rating Agency and the Noteholders from time to time) (or by such other method of dissemination as is required or permitted by the Securitisation Regulation, the Irish STS Regulations or the relevant Competent Authority (as instructed by the Issuer (or the Collateral Manager on its behalf) and as agreed with the Collateral Administrator)) to any person who certifies to the Collateral Administrator (such certification to be substantially in the form set out in the Collateral Management and Administration Agreement or such form as may be agreed between the Issuer, the Collateral Manager and the Collateral Administrator from time to time) (such certification may be given electronically and upon which certificate the Collateral Administrator shall be entitled to rely absolutely and without enquiry or liability) that it is: (i) the Issuer, (ii) the Trustee, (iii) the Placement Agent, (iv) a Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, (v) the Collateral Manager, (vi) a Rating Agency, (vii) a Noteholder, (viii) a Competent Authority or (ix) a potential investor in the Notes. Upon receipt of each Payment Date Report, the Collateral Administrator, in the name and at the expense of the Issuer, shall notify Euronext Dublin of the Principal Amount Outstanding of each Class of Notes after giving effect to the principal payments, if any, on the next Payment Date. For the avoidance of doubt, the Collateral Administrator is irrevocably authorised to disclose and/or grant access to any such reports to Intex and Bloomberg LP.

Each Payment Date Report shall be in PDF format (with the underlying portfolio data being made available in Excel or CSV format) and shall contain the following information determined by the Collateral Administrator as at the Determination Date in consultation with the Collateral Manager:

Portfolio

(a) the Aggregate Principal Balance of the Collateral Obligations as of the close of business on such Determination Date, after giving effect to (i) Principal Proceeds received on the Collateral Obligations with respect to the related Due Period and the reinvestment of such Principal Proceeds in Substitute Collateral Obligations during such Due Period; and (ii) the disposal of any Collateral Obligations during such Due Period;

(b) subject to any confidentiality obligations binding on the Issuer, a list of, respectively, the Collateral Obligations and Collateral Enhancement Obligations indicating the Principal Balance and Obligor of each; and

(c) the information required pursuant to "*Monthly Reports – Portfolio*" above.

Notes

(a) the Principal Amount Outstanding of the Notes of each Class and such aggregate amount as a percentage of the original aggregate Principal Amount Outstanding of the Notes of such Class at the beginning of the Accrual Period, the amount of principal payments to be made on the Notes of each Class on the related Payment Date, and the aggregate amount of the Notes of each Class Outstanding and such aggregate amount as a percentage of the original aggregate amount of the Notes of such Class Outstanding after giving effect to the principal payments, if any, on the next Payment Date;

(b) the interest payable in respect of each Class of Notes (as applicable), including the amount of any Deferred Interest payable on the related Payment Date (in the aggregate and by Class);

(c) the Interest Amount payable in respect of the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C Notes, the Class D Notes and the Class E Notes, on the next Payment Date;

(d) EURIBOR and the designated maturity for the related Due Period and the Floating Rate of Interest applicable to each Class of Rated Notes during the related Due Period; and

(e) whether a Frequency Switch Event has occurred and the applicable Frequency Switch Event Measurement Date.

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 Payment on such Payment Date;

(f) the amounts payable from the Principal Account through a transfer to the Payment Account pursuant to the Priorities of Payment on such Payment Date;

(g) the amounts payable from any other Accounts (through a transfer to the Payment Account) pursuant to the Priorities of Payment on such Payment Date, together with details of whether such amounts constitute Interest Proceeds or Principal Proceeds;

(h) the Balance standing to the credit of each of the other Accounts at the end of the related Due Period;

(i) the purchase price, principal amount, redemption price, annual interest rate, maturity date of and Obligor of each Eligible Investment purchased from funds in the Accounts;

(j) the Principal Proceeds received during the related Due Period;

(k) the Interest Proceeds received during the related Due Period; and

(l) the Collateral Enhancement Obligation Proceeds received during the related Due Period.

Coverage Tests, Collateral Quality Tests and Portfolio Profile Tests

(a) the information required pursuant to "*Monthly Reports – Coverage Tests and Collateral Quality Tests*" above; and

(b) the information required pursuant to "*Monthly Reports – Portfolio Profile Tests*" above.

Hedge Transactions

The information required pursuant to "*Monthly Reports – Hedge Transactions*" above.

Risk Retention

(a) The information required pursuant to "*Monthly Reports – Risk Retention*" above.

(b) CM Voting Notes / CM Non-Voting Notes / CM Non-Voting Exchangeable Notes

(c) The information required pursuant to "*Monthly Reports – CM Voting Notes / CM Non-Voting Notes / CM Non-Voting Exchangeable Notes*" above.

Contributions

A statement as to whether the Issuer has received any Contributions (to the extent not already specified in a prior Report) and the amounts thereof.

Additional CRA3 Transitional Requirements

Only for so long as the transitional provisions of Article 43(8) of the Securitisation Regulation apply:

(a) details of all the entity names of all current parties to the transaction, their roles and, where subject to a Rating Requirement, their credit ratings (as notified to the Collateral Administrator by the Issuer (or the Collateral Manager on its behalf));

(b) details of the Issuer and Collateral Manager Legal Entity Identifiers and Note ISINs (as notified to the Collateral Administrator by the Issuer (or the Collateral Manager on its behalf));

(c) details of any ratings downgrades and/or replacements of the Placement Agent, the Collateral Manager, the Trustee, the Principal Paying Agent, the Account Bank, the Calculation Agent, the Custodian and each Hedge Counterparty (as applicable) (as notified to the Collateral Administrator by the Issuer (or the Collateral Manager on its behalf));

(d) the contact details of the Issuer (as provided to the Collateral Administrator by the Issuer or the Collateral Manager on its behalf) and the Collateral Administrator;

(e) a statement that each of the defined terms set out in Condition 1 (*Definitions*) of the Conditions, which are set out in full in the Offering Circular and the Trust Deed, are incorporated by reference into the Reports together with the definitions of any technical terms which are used in the Reports and not so defined in the Offering Circular or Trust Deed (as provided to the Collateral Administrator by the Issuer or the Collateral Manager on its behalf); and

(f) details of any collateral posted by a Hedge Counterparty to a Counterparty Downgrade Collateral Account since the date of determination of the last Monthly Report.

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 Placement Agent, the Issuer or the Collateral Manager will have any liability for estimates, approximations or projections contained therein.

In addition, the Collateral Administrator shall provide the Issuer with such other information and in such a format relating to the Portfolio as the Issuer may reasonably request and which is in the possession of the Collateral Administrator, in order for the Issuer to satisfy its obligation to make any required filings of information with the Central Bank of Ireland and in respect of the preparation of its financial statements and tax returns.

Further, for so long as any of the Notes are Outstanding, the Monthly Report and the Payment Date Report will be available for inspection at the offices of, and copies thereof may be obtained free of charge upon request from, the Issuer.

TAX CONSIDERATIONS

General

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

Potential purchasers who are in any doubt about their tax position on purchase, ownership, transfer or exercise of any Note should consult their own tax advisers. **In particular, no representation is made as to the manner in which payments under the Notes would be characterised by any relevant tax authority**. Potential investors should be aware that the relevant fiscal rules or their interpretation may change, possibly with retrospective effect, and that this summary is not exhaustive. This summary does not constitute legal or tax advice or a guarantee to any potential investor of the tax consequences of investing in the Notes.

Irish Taxation

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

Taxation of Noteholders

Withholding Tax

In general, tax at the standard rate of income tax (currently 20 per cent.), is required to be withheld from payments of Irish source interest which should include interest payable on the Notes. The Issuer will not be obliged to make a withholding or deduction for or on account of Irish income tax from a payment of interest on a Note so long as interest paid on the relevant Note falls within one of the following categories

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

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

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

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

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

   (c) one of the following conditions is satisfied:

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

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

(iii) the Noteholder is not a company which, for the purposes of the section 110 of the TCA, directly or indirectly, controls the Issuer, is controlled by the Issuer, or is controlled by a third company which also directly or indirectly controls the Issuer, and neither the Noteholder, nor any person connected with the Noteholder, is a person or persons:

(A) from whom the Issuer has acquired assets;

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

(C) to whom loans or advances held by the Issuer were made; or

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

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

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

where the term:

"control" is defined in section 110 of the TCA, and may include certain persons who both, directly or indirectly: (i) hold more than 20% of the principal amount of, or interest payable in respect of, any of the Issuer's securities which bear interest which exceeds a commercial rate of return or is to any extent dependent on the results of the Issuer's business: and (ii) exercise 'significant influence' over the Issuer.

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

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

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

(ii) transfers to a person who is a party to the agreement, arrangement or understanding or to a person connected with that person, in whole or in part, the financial risk associated with a future change in any such value, rate or amount without also conveying a current or future direct or indirect ownership interest in an asset (including any enterprise or investment pool) or liability that incorporates the financial risk so transferred.

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

2. *Interest paid by a qualifying company to certain non-residents:* If, for any reason, the exemption referred to above ceases to apply, interest payments may still be made free of withholding tax provided that:

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

2.2 one of the following conditions is satisfied:

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

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

Deductibility of Interest

Rules contained in the Finance Act 2016 and the Finance Act 2017 restrict deductibility of interest paid by a qualifying company (such as the Issuer) that is profit dependent or exceeds a reasonable commercial return to the extent that the interest is associated with the business of a qualifying company of holding ‘specified mortgages’, units in an IREF (being a specific form of investment undertaking within the meaning of Chapter 1B of Part 27 of the TCA) or shares that derive their value or the greater part of their value from Irish land subject to a number of exceptions. 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, Irish land, or (b) a ‘specified agreement’ (effectively a profit dependent derivative) which derives all of its value, or the greater part of its value, directly or indirectly, from Irish land or a loan to which (a) applies or (c) the portion of a specified security (essentially a security in respect of which, if the Finance Act 2016 and the Finance Act 2017 rules did not apply to, payments on that security would be deductible under section 110 of the TCA) attributable to the specified property business in accordance with the rules.

The legislation treats the holding of such assets as a separate business to the rest of the qualifying company’s activities. The qualifying company is taxed on any profit that is attributable to that business at 25 per cent. and any such interest that is profit dependent or exceeds a reasonable commercial return is not deductible, subject to a number of exceptions, and potentially subject to Irish withholding tax at 20 per cent.

Accordingly, on the basis that the Issuer will not acquire ‘specified mortgages’ for the purposes of Section 110 of the TCA, units in an IREF (being a specific form of investment undertaking within the meaning of Chapter 1B of Part 27 of the TCA) or shares that derive their value or the greater part of their value from Irish land (as to which, see the Section entitled "*The Portfolio – Eligibility Criteria*" at (gg)), the new rules should not apply to this transaction.

Ireland’s Finance Act 2019 introduced some measures which may restrict the extent to which interest payable in respect of results-dependent securities (such as the Subordinated Notes) may be deducted for Irish tax purposes. The measures provide that in many cases interest paid to persons which both, directly or indirectly, hold more than 20.0 per cent. of any results-dependent securities issued by the Issuer (or the interest payable in respect of them) and exercise "significant influence" over the Issuer may only be deducted for Irish tax purposes to the extent it is paid to a person that is resident in Ireland or is subject to tax in a member state of the European Union (other than Ireland) or a jurisdiction with which Ireland has a double tax treaty. The term "significant influence" is defined as meaning an ability to participate in the financial and operating decisions of the Issuer. The changes to Ireland’s tax legislation came into force as of 1 January 2020. It remains to be seen how the measures will be applied in practice and, as a result, it is not clear who could be considered to exercise "significant influence" over the Issuer.

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.

Income Tax, PRSI and Universal Social Charge

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

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

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

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

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

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

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

Capital Gains Tax

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

Capital Acquisitions Tax

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

Stamp Duty

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

United States Federal Income Taxation

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:

- an individual who is a citizen or a resident of the United States, for U.S. federal income tax purposes;
- 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;
- an estate whose income is subject to U.S. federal income taxation regardless of its source; or
- 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 neither a U.S. Holder nor a partnership.

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).

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 for cash at initial issuance (and, in the case of the Rated Notes, at their issue price (which is the first price at which a substantial amount of Rated Notes within the applicable Class was sold to investors)) and beneficially own such Notes as capital assets and not as part of a "straddle," "hedge," "synthetic security" or a "conversion transaction" for U.S. federal income tax purposes, or as part of some other integrated investment. This summary does not discuss all of the tax consequences that may be relevant to particular investors (such as any alternative minimum tax consequences, net investment income tax consequences, or special tax accounting rules as a result of any item of gross income with respect to the Notes being taken into account on an applicable financial statement) or to investors subject to special treatment under the U.S. 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(l) (*Contributions*).

PROSPECTIVE PURCHASERS OF NOTES SHOULD CONSULT THEIR TAX ADVISERS 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, the Issuer will receive an opinion of Milbank LLP to the effect that if the Issuer and the Collateral Manager comply with the Trust Deed and the Collateral Management and Administration Agreement, including certain tax guidelines set forth therein (the "**U.S. Tax Guidelines**") , 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. Tax Guidelines, the Trust Deed or the Collateral Management and Administration Agreement may not give rise to a default or a Note Event of Default under the Trust Deed or an Event of Default under the Collateral Management and Administration Agreement and may not give rise to a claim against the Issuer or the Collateral Manager. In the event of such a failure, the Issuer could be treated as engaged in a U.S. trade or business for U.S. federal income tax purposes. In addition, the U.S. Tax Guidelines permit the Issuer (or the Collateral Manager acting on its behalf) to receive written advice from nationally recognised U.S. tax counsel to the effect that changes in its structure and operations or deviations from the U.S. Tax Guidelines 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 Milbank LLP will not address any such changes or departures. The opinion of Milbank 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. Tax Guidelines). 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 were determined that the Issuer was engaged in a trade or business in the United States for U.S. federal income tax purposes, and the Issuer had taxable income that was effectively connected with such U.S. trade or business, the Issuer would be subject under the Code to the regular U.S. federal corporate income tax on its effectively connected taxable income (computed possibly without any allowance for deductions), and possibly to a 30 per cent. branch profits tax and state and local taxes as well. The imposition of such taxes on the Issuer would 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

Upon the issuance of the Notes, the Issuer will receive an opinion of Allen & Overy 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. The Issuer intends to treat each Class of 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 or CFCs. See "– *U.S. Federal Tax Treatment of U.S. Holders of Rated Notes – Possible Treatment of Class E 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 advisers 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 characterisation and timing of income inclusions to U.S. Holders in respect of the Notes. The remainder of this discussion and the tax opinion of Allen & Overy LLP assume that the Trust Deed is not so amended.

U.S. Federal Tax Treatment of U.S. Holders of Rated Notes

1. Class A Notes, Class B-1 Notes and Class B-2 Notes.

Stated Interest. U.S. Holders of Class A Notes, Class B-1 Notes or Class B-2 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, Class B-1 Notes or Class B-2 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, Class B-1 Notes or Class B-2 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, Class B-1 Notes or Class B-2 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, in the case of 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, Class B-1 Notes or Class B-2 Notes also will recognise foreign currency exchange gain or loss on the receipt of interest payments on their Class A 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 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 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 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 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 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, in the case of 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 generally will be required to include OID in income as it accrues (regardless of the U.S. Holder's method of accounting). Accruals of any such OID generally will be made using a constant yield method, based on the weighted average life of the applicable Class rather than its stated maturity, possibly with periodic adjustments to reflect the difference between (x) the prepayment assumption under which the weighted average life was calculated and (y) actual prepayments on the Collateral Obligations. 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 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 principal payments on their Class A 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 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, a Class B-1 Note or a Class B-2 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, a Class B-1 Note or a Class B-2 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 on the date that the Note was acquired (based on the euro-to-U.S. dollar spot exchange rate on such date). 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, a Class B-1 Note or a Class B-2 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. 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 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 disposition. 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. 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.

2. Class C Notes, Class D Notes and Class E Notes

Original Issue Discount. The Issuer will treat the Class C Notes, Class D Notes and Class E 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 or Class E 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 or Class E 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, in the case of 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 or Class E Notes generally will be required to include OID in income as it accrues (regardless of the U.S. Holder's method of accounting). Accruals of any such OID generally will be made using a constant yield method, based on the weighted average life of the applicable Class rather than its stated maturity, possibly with periodic adjustments to reflect the difference between (x) the prepayment assumption under which the weighted average life was calculated and (y) actual prepayments on the Collateral Obligations. Accruals of OID on the Class C Notes, Class D Notes and Class E Notes will be calculated by assuming that interest will be paid over the life of the applicable Class based on the value of EURIBOR used in setting the interest rate for the first Accrual Period, and then adjusting the accrual for each subsequent Accrual Period based on the difference between the value of EURIBOR used in setting interest for that subsequent Accrual Period and the assumed rate. It is possible, however, that the IRS could assert, and a court could ultimately hold, that some other method of accruing OID on the Class C Notes, Class D Notes or Class E Notes should apply.

U.S. Holders of Class C Notes, Class D Notes or Class E Notes also will recognise foreign currency exchange gain or loss on the receipt of interest payments and/or principal 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 or Class E 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 or Class E 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 on the date that the Note was acquired (based on the euro-to-U.S. dollar spot exchange rate on such date). 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 or Class E 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). 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 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 disposition. 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. 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.

3. 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. U.S. Holders should consult their own tax advisors regarding the tax issues associated with such investments being characterised as contingent payment debt instruments.

4. 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.

5. Base Rate Change

The treatment of a replacement of the reference rate on the Floating Rate Notes with a substitute or successor rate (a **"Base Rate Change**") for U.S. federal income tax purposes is not entirely clear. It is possible that a replacement of the reference rate on the Floating Rate Notes with a substitute or successor rate will be treated as a deemed exchange of old notes for new notes. In that event, it is unclear whether such deemed exchange would be taxable to a U.S. Holder of Floating Rate Notes. If it was taxable, a U.S. Holder of Floating Rate Notes may be required to recognize gain with respect to its affected Notes. This gain would be equal to the difference between the issue price of the deemed new notes, which if such class of notes has a principal amount in excess of US$100 million, may be the fair market value rather than the principal amount of the notes, and the U.S. Holder's tax basis in the deemed old notes. The ability of a U.S. Holder to recognize losses as a result of a Base Rate Change may be limited.

Recently released proposed Treasury regulations describe circumstances under which a Base Rate Change (and related adjustments) would not be treated as a deemed exchange and would not affect the calculation of OID, provided certain conditions are met. It cannot be determined at this time whether the final Treasury regulations on this issue will contain the same standards as the proposed Treasury regulations.

6. Possible Treatment of Class E 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 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 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 are equity in the Issuer for U.S. federal income tax purposes.

If the Class E 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 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, 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. Such a U.S. Holder also will be required to file an annual PFIC report. The Issuer will provide, upon request and at the expense of the requesting U.S. Holder, all information and documentation that a U.S. Holder of Class E Notes making a "protective" QEF election with respect to the Issuer is required to obtain for U.S. federal income tax purposes.

Alternatively, if the Class E Notes are treated as equity in the Issuer, the Issuer is a CFC, and a U.S. Holder of such Notes also is treated as a 10 per cent. United States shareholder with respect to the Issuer, then the U.S.

Holder general would be subject to the rules discussed below under "– U.S. Federal Tax Treatment of U.S. Holders of Subordinated Notes – *Investment in a Controlled Foreign Corporation*" with respect to its Class E Notes.

If the Issuer holds any Collateral Obligations that are treated as equity in a foreign corporation for U.S. federal income tax purposes, and if the Class E Notes are treated as equity in the Issuer, U.S. Holders of Class E 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. 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 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 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 purchase exceeds $100,000. U.S. Holders may wish to file a "protective" IRS Form 926 with respect to their Class E Notes.

Finally, if the Class E Notes represent equity in the Issuer for U.S. federal income tax purposes, 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 vote or 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.

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. Prospective U.S. Holders of Class E Notes should consult with their tax advisers 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 are treated as equity in the Issuer.

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

Investment in a Passive Foreign Investment Company. The Issuer will be 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 relating to a CFC (as described below under "*Investment in a Controlled Foreign Corporation*"). U.S. Holders of Subordinated Notes 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 relating to a CFC, discussed below generally override those relating 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 an interest charge (which is non-deductible to individuals) on the deferred amount. In this respect, prospective purchasers of Subordinated Notes should be aware that it is expected that the Collateral 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 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 relating 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 rateably 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 an interest charge (which is non-deductible to individuals) as if such income tax liabilities had been due with respect to each such 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 Subordinated 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 Subordinated 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" at any time during the Issuer's taxable year. 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 or value of all classes of equity in the Issuer. Thus a U.S. Holder of Subordinated Notes (and, if applicable, any Rated Notes that are recharacterised as equity in the Issuer for U.S. federal income tax purposes) possessing directly, indirectly, or constructively 10 per cent. or more 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 recharacterised as equity in the Issuer for U.S. federal income tax purposes), determined with respect to the combined voting power or value of the Subordinated Notes (and if applicable, any Rated Notes that are recharacterised as equity in the Issuer for U.S. federal income tax purposes), 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 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 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. 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 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 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 or value 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 the U.S. Holder of such Subordinated Notes has made a timely QEF election with respect to the Issuer or whether the Issuer is a CFC of which the U.S. Holder is a 10. per cent United States shareholder (as described above). See "*Investment in a Passive Foreign Investment Company*" and "*Investment in a Controlled Foreign Corporation*". 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 non-taxable 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*". Distributions that do not constitute Excess Distributions will be taxable to U.S. Holders as ordinary income upon receipt to the extent of untaxed current and accumulated earnings and profits of the Issuer. Distributions that do not constitute Excess Distributions and are in excess of untaxed current and accumulated earnings and profits of the Issuer will be treated first as a nontaxable return of capital, to the extent of a U.S. Holder's adjusted tax basis in the Subordinated Notes, and then 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 disposition. 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 non-taxable 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 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 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.

If the Issuer is treated as a CFC, in certain cases, a corporate U.S. Holder that is a 10 per cent. United States shareholder of the Issuer may be eligible for a dividends received deduction to the extent any gain recognized on the disposition of a Subordinated Note is treated as ordinary income, or to the extent that such 10 per cent. United States shareholder receives a distribution that is treated as a dividend in the year in which it disposes of a Subordinated Note, in each case, for U.S. federal income tax purposes. Such U.S. Holders should consult their tax advisors regarding the availability of any dividends received deduction and the impact of such dividends received deduction on any such U.S. Holder's adjusted tax basis in its 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 will 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 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 will be required to file an information return on IRS Form 5471, and may be required to 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 of Subordinated Notes 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.

FBAR Reporting

A U.S. Holder of Subordinated Notes (or any Class of Rated Notes that is recharacterised 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 advisers 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 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.

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.

A Non-U.S. Holder that provides an applicable IRS Form W-8, 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 information 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. 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 implementing legislation that will 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 Revenue Commissioners of Ireland, which would then provide this information to the IRS. The Issuer expects to comply with the intergovernmental agreement and the Irish implementing legislation; however, there can be no assurance that the Issuer will be able to do so. Moreover, the intergovernmental agreement could be amended to require the Issuer to withhold on "passthru" payments to holders that fail to provide certain information or documentation to the Issuer or are certain "foreign financial institutions" that do not comply with FATCA.

If a Noteholder fails to provide the Issuer or its agents with any correct, complete and accurate information or documentation that 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, or if the Noteholder's ownership of any Notes would otherwise cause the Issuer to be subject to tax under FATCA, the Issuer is authorised to withhold amounts otherwise distributable to the Noteholder, to compel the Noteholder to sell its Notes, and, if the Noteholder does not sell its Notes within 10 business days after notice from the Issuer, to sell the Noteholder's Notes on behalf of the Noteholder.

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 advisers 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 ADVISER 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 ERISA Plan. The prudence of a particular investment must be determined by the responsible fiduciary of an ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan, as well as assets of those plans that are not subject to ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts and Keogh plans, and entities the underlying assets of which include the assets of such plans (together with ERISA Plans, "**Plans**") and certain persons (referred to as "parties in interest" under ERISA or "disqualified persons" under the Code (collectively, "**Parties in Interest**")) having certain relationships to such Plans, unless a statutory or administrative exception or exemption is applicable to the transaction. A Party in Interest who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code and the transaction may have to be rescinded at significant cost to the Issuer.

Governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA), while not subject to the fiduciary responsibility provisions of Title I of ERISA or the prohibited transaction provisions of Section 406 of ERISA or 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 of 1940, the Plan's assets are deemed to include both the equity interest and an undivided interest in each of the entity's underlying assets, unless it is established (a) that the entity is an "operating company" as that term is defined in the Plan Asset Regulation, or (b) that less than 25 per cent. of the total value of each class of equity interest in the entity, disregarding the value of any equity interests held by persons (other than Benefit Plan Investors) with discretionary authority or control over the assets of the entity or who provide investment advice for a fee (direct or indirect) 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) that is 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 exposure to 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 by virtue of their provision of such services (and there could be an improper delegation of authority to such providers).

The Plan Asset Regulation defines an "equity interest" as any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and that has no substantial equity features. Although it is not free from doubt, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes offered hereby will be treated by the Issuer as indebtedness with no substantial equity features for purposes of ERISA. The treatment of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes as not being equity interests in the Issuer could, however, be affected, subsequent to their issuance, by certain changes in the structure or financial condition of the Issuer. However, the characteristics of the Class E Notes and the Subordinated Notes for purposes of the Plan Asset Regulation are less certain. The Class E Notes and the Subordinated Notes will likely 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 and Subordinated Notes. In reliance on representations made by investors in the Class E Notes and Subordinated Notes, the Issuer intends to limit investment by Benefit Plan Investors in Class E Notes and Subordinated Notes to less than 25 per cent. of the total value of each of the Class E Notes and Subordinated Notes (determined separately by Class) at all times (excluding for purposes of such calculation Class E Notes and Subordinated Notes held by Controlling Persons). Each prospective purchaser (including a transferee) of a Class E Note or Subordinated Note (or any interest therein) will be required to or deemed to make certain representations regarding its status as a Benefit Plan Investor or Controlling Person and other ERISA matters as described under "*Transfer Restrictions*" below. No Class E Note or Subordinated Note (or any interest therein) 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 or Subordinated Notes (determined separately by Class 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 and Subordinated Note held by persons that have represented that they are Controlling Persons will be disregarded and will not be treated as outstanding for purposes of determining compliance with such 25 per cent. Limitation.

Even if the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes would not be treated as equity interests in the Issuer for purposes of ERISA, it is possible that an investment in such Notes by a Benefit Plan Investor (or with the use of the assets of a Benefit Plan Investor) could be treated as a prohibited transaction under ERISA and/or Section 4975 of the Code. Such a prohibited transaction, however, may be subject to a statutory or administrative exemption. Even if an exemption were to apply, such exemption may not, however, apply to all of the transactions that could be deemed prohibited transactions in connection with an investment in the Notes by a Benefit Plan Investor.

Each of the Issuer, the 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.

Each purchaser and transferee of a Class A Note, Class B Note, Class C Note or Class D Note or any interest in such Note will be required or deemed to have represented, warranted and agreed that (i) either (A) it is not, 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 substantially 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 and disposition of such Note (or interest 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 violation of any Other Plan Law, and (ii) it will not sell or transfer such Note (or interest therein) to a transferee acquiring such Note (or interest therein) unless the transferee makes the foregoing representations, warranties and agreements described in clause (i) hereof.

On the Issue Date, each purchaser of a Class E Note in the form of a Regulation S Global Certificate or a Rule 144A Global Certificate will be deemed to represent, warrant and agree that: (i) 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 (in or substantially in the form of **Annex A** (*Form of ERISA Certificate*) and as set out in the Trust Deed) to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person; (ii) (A) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (B) if it is a governmental, church, non-U.S. or other plan, (1) it is not, and for so long as it holds such Note or interest therein will not be, subject to any federal, state, local or non-U.S. law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or 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 (2) its acquisition, holding and disposition of such Note (or interest therein) will not constitute or result in a violation of any Other Plan Law; and (iii) it will agree to certain transfer restrictions regarding its interest in such Note. Other than on the Issue Date, each purchaser of a Class E Note in the form of a Regulation S Global Certificate or a Rule 144A Global Certificate will be deemed to represent, warrant and agree that: (i) 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, provides an ERISA certificate (in or substantially in the form of **Annex A** (*Form of ERISA Certificate*) and as set out in the Trust Deed) to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person and, other than with respect to Retention Notes, holds such Class E Note in the form of a Definitive Certificate; (ii) (A) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (B) if it is a governmental, church, non-U.S. or other plan, (1) it is not, and for so long as it holds such Note or interest therein will not be, subject to any Similar Law and (2) its acquisition, holding and disposition of such Note (or interest therein) will not constitute or result in a violation of any Other Plan Law; and (iii) it will agree to certain transfer restrictions regarding its interest in such Note. Any purported transfer of the Class E Notes in violation of the requirements set forth in this paragraph shall be null and void *ab initio* and the Issuer will have the right to cause the sale of such Class E Notes to another acquirer that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

Each purchaser and transferee of a Class E Note or Subordinated Note in the form of a Definitive Certificate will be required to: (i) represent and warrant in writing to the Issuer (A) whether or not, for so long as it holds such Note or interest therein, it is, or is acting on behalf of, a Benefit Plan Investor, (B) whether or not, for so long as it holds such Note or interest therein, it is, or is acting on behalf of, a Controlling Person and (C) that (1) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Note (or interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code and (2) if it is a governmental, church, non-U.S. or other plan, (x) it is not, and for so long as it holds such Note or interest therein will not be, subject to any Similar Law and (y) its acquisition, holding and disposition of such Note (or interest therein) will not constitute or result in a violation of any Other Plan Law; (ii) agree to certain transfer restrictions regarding its interest in such Note; and (iii) provide an ERISA certificate (in or substantially in the form set out at **Annex A** (*Form of ERISA Certificate*) and as set out in the Trust Deed) to the Issuer and a Transfer Agent. Any purported transfer of the Class E Notes or Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void *ab initio* and the Issuer will have the right to cause the sale of such Class E Notes or Subordinated Notes to another acquirer that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

No purchase or transfer of the Class E Notes or Subordinated Notes (or any interest therein) will be permitted or recognised if it would cause the 25 per cent. Limitation described above to be exceeded with respect to the Class E Notes or Subordinated Notes (determined separately by Class).

If the purchaser or transferee of any Note or beneficial interest therein is a Benefit Plan Investor, it will be deemed to represent, warrant and agree that (i) none of the Issuer, the Placement Agent, the Trustee or the Collateral Manager, or their respective affiliates (the "**Transaction Parties**"), has provided any investment recommendation or investment advice on which it, or any fiduciary or other person investing the assets of the Benefit Plan Investor ("**Plan Fiduciary**"), has relied in connection with its decision to invest in the Note, and they are not otherwise undertaking to act as a fiduciary, as defined in Section 3(21) of ERISA or Section 4975(e)(3) of the Code, to the Benefit Plan Investor or the Plan Fiduciary in connection with the Benefit Plan Investor's acquisition of the Note; and (ii) the Plan Fiduciary is exercising its own independent judgment in evaluating the investment in the Note.

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 or provisions of Similar Law or 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 Plans or such other plans generally or any particular plan, or that this investment is appropriate for Plans or such other plans generally or any particular plan.

PLAN OF DISTRIBUTION

The following section consists of a summary of certain provisions of the Placement Agency Agreement which does not purport to be complete and is qualified by reference to the detailed provisions of such agreements.

J.P. Morgan Securities plc (in its capacity as placement agent, the "**Placement Agent**") has agreed with the Issuer, subject to the satisfaction of certain conditions, to facilitate the sale by the Issuer of each Class of the Notes (other than any other Notes sold directly by the Issuer to the Retention Holder and its Affiliates) (the "**J.P. Morgan Placed Notes**") pursuant to the Placement Agency Agreement. The Placement Agency Agreement entitles the Placement Agent to terminate it in certain circumstances prior to payment being made to the Issuer.

The Retention Holder will purchase the Retention Notes from the Issuer pursuant to the Retention Note Purchase Agreement. Affiliates of the Retention Holder will purchase Notes from the Issuer pursuant to a Note Purchase Agreement.

The Placement Agent may offer the J.P. Morgan Placed Notes and the Issuer may offer the Notes other than the J.P. Morgan Placed Notes at prices as may be negotiated at the time of sale which may vary among different purchasers and which may be different to the issue price of the Notes.

It is a condition of the issue of the Notes of each Class that the Notes of each other Class be issued in the following principal amounts: Class A Notes: €210,000,000, Class B-1 Notes: €23,400,000, Class B-2 Notes: €12,000,000, Class C Notes: €35,500,000, Class D Notes: €17,300,000, Class E Notes: €12,400,000 and Subordinated Notes: €37,200,000.

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.

Certain of the Collateral 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 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 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 hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments (including the Notes) of the Issuer. The 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.

No action has been or will be taken by the Issuer, the Placement Agent, the Collateral Manager or the Retention Holder that would permit a public offering of the Notes or possession or distribution of this Offering Circular or any other offering material in relation to the Notes in any jurisdiction where action for the purpose is required. No offers, sales or deliveries of any Notes, or distribution of this Offering Circular or any other offering material relating to the Notes, may be made in or from any jurisdiction, except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on the Issuer or the 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 Notes sold in reliance on Rule 144A will be issued in minimum denominations of €250,000 and integral multiples of €1,000 in excess thereof. Any offer or sale of Rule 144A Notes in reliance on Rule 144A will be made by broker dealers who are registered as such under the Exchange Act. After the Notes are released for sale, the offering price and other selling terms may from time to time be varied by the Placement Agent (or its broker-dealer Affiliates).

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 concession, fee or other remuneration to which it sells Regulation S Notes a confirmation or other notice setting forth the prohibition on offers and sales of the Regulation S Notes within the United States or to, or for the account or benefit of, any U.S. Person or U.S. Resident.

This Offering Circular has been prepared by the Issuer for use in connection with the offer and sale of the Notes and for the listing of the Notes of each Class on the Global Exchange 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 sell less than the principal amount of Notes which may be offered. This Offering Circular does not constitute an offer to any person in the United States or to any U.S. Person. Distribution of this Offering Circular to any such U.S. Person or to any person within the United States, other than in accordance with the procedures described above, is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited.

The Placement Agent will represent and agree to comply with the following selling restrictions in respect of the J.P. Morgan Placed Notes:

(a) *United Kingdom*: The Placement Agent, which is authorised by the Prudential Regulation Authority and regulated by the Financial Conduct Authority and the Prudential Regulation Authority, will represent and agree that:

(i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000 ("**FSMA**")) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

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

(b) *Prohibition of Sales to EEA and UK Retail Investors*: The Placement Agent will be required to represent and agree, that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by the Offering Circular in relation thereto to any retail investor in the European Economic Area or in the United Kingdom. For the purposes of this provision:

(i) the expression retail investor means a person who is one (or more) of the following:

(A) a retail client as defined in point (11) of Article 4(1) of MiFID II; or

(B) a customer within the meaning of Directive 2016/97/EU (as amended or superseded, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or

(C) not a qualified investor as defined in Regulation (EU) 2017/1129 (as amended, the "**Prospectus Regulation**"); and

(ii) the expression an "offer" includes 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.

(c) *Hong Kong*: The contents of this Offering Circular have not been reviewed by any regulatory authority in Hong Kong. The Placement Agent will therefore represent and agree that:

(i) it will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a 'structured products' as defined in the Securities and Futures Ordinance (cap. 571) of Hong Kong) other than (a) to 'professional investors' as defined in the Securities and Futures Ordinance and any rules made under that ordinance ("**professional investors**"); or (b) in other circumstances which do not result in the document being a 'prospectus' as defined in the Companies Ordinance (cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that ordinance; and

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

(d) *Ireland*: The Placement Agent will represent and agree that it has not offered, sold, placed or underwritten and will not offer, sell, place or underwrite the Notes, or do anything in Ireland in respect of the Notes, otherwise than in conformity with the provisions of:

(i) Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market and any applicable supporting law, rule or regulation and any Central Bank of Ireland rules issued and / or in force pursuant to Section 1363 of the Companies Act 2014 (as amended);

(ii) the Companies Act 2014 (as amended);

(iii) the European Union (Markets in Financial Instruments) Regulations 2017 (as amended) and it will conduct itself in accordance with any rules or codes of conduct and any conditions or requirements, or any other enactment, imposed or approved by the Central Bank of Ireland;

(iv) Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse, the European Union (Market Abuse) Regulations 2016 and any Central Bank of Ireland rules issued and / or in force pursuant to Section 1370 of the Companies Act 2014 (as amended);

(v) Regulation (EU) No 1286/2014 of the European Parliament and of the Council of 26 November 2014 on key information documents for packaged retail and insurance-based investment products (PRIIPs); and

(vi) the Central Bank Acts 1942 to 2018 (as amended) and any codes of conduct rules made under Section 117(1) of the Central Bank Act 1989.

(e) *Korea*: The Notes may not be offered, sold and delivered directly or indirectly, or offered or sold to any person for re-offering or resale directly or indirectly, in Korea or to any resident of Korea ("**Korean Residents**") except pursuant to the applicable laws and regulations of South Korea, including the Financial Investment Services and Capital Markets Act ("**FSCMA**"), the Foreign Exchange Transaction Law ("**FETL**") and their subordinate decrees and regulations thereunder. The Notes may not be re-sold to Korean Residents unless the purchaser of the Notes complies with all applicable regulatory requirements for such purchase of Notes (including but not limited to government approval or reporting requirements under the FETL and its subordinate decrees and regulations). The Notes have not been offered or sold by way of public offering under the FSCMA, nor registered with the Financial Services Commission of Korea for public offering. None of the Notes have been or will be listed on the Korea Exchange. In the case of a transfer of the Notes to any person in Korea during a period ending one year from the issuance date, a holder of the Notes may transfer the Notes only by transferring its entire holdings of Notes to only "accredited investors" in Korea as referred to in Article 11(1) of the Enforcement Decree of the FSCMA.

(f) *Singapore*: This Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore ("**MAS**") nor have any arrangements described in this Offering Circular, which constitute a collective investment scheme ("**CIS**") for the purposes of the Securities and Futures Act, Chapter 289 of Singapore ("**SFA**"), been approved or registered with the MAS as an authorised or recognised CIS under the SFA (whether as a restricted scheme or otherwise). Accordingly, the Notes may not be offered or sold or made the subject of an invitation for subscription or purchase nor may this Offering Circular or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any Notes be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor pursuant to Sections 274 and 304 of the SFA, or (b) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

(g) *Taiwan*: No person or entity in Taiwan is authorised to distribute or otherwise intermediate the offering of the Notes or the provision of information relating to the Notes, including, but not limited to, this Offering Circular. The Notes may not be sold, offered or issued to Taiwan resident investors unless they are made available outside Taiwan for purchase by such investors outside Taiwan. Any subscriptions of Notes shall only become effective upon acceptance by the Issuer or the relevant dealer outside Taiwan and shall be deemed a contract entered into in the jurisdiction of incorporation of the Issuer or relevant dealer, as the case may be, unless otherwise specified in the subscription documents relating to the Notes signed by the investors.

TRANSFER RESTRICTIONS

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

The Notes have not been registered under the Securities Act or any state securities or "Blue Sky" laws or the securities laws of any other jurisdiction and, accordingly, may not be reoffered, resold, pledged or otherwise transferred except in accordance with the restrictions described herein and set forth in the Trust Deed.

Without limiting the foregoing, by holding a Note, you will acknowledge and agree, among other things, that you understand that the Issuer is not registered as an investment company under the Investment Company Act, and that the Issuer intends to rely on an exemption from registration by virtue of Section 3(c)(7) of the Investment Company Act. Section 3(c)(7) excepts from the provisions of the Investment Company Act those issuers who privately place their securities solely to, and whose securities are held solely by, persons who at the time of purchase are "qualified purchasers" or entities owned exclusively by "qualified purchasers". In general terms, qualified purchaser includes any natural person who owns not less than U.S.$5,000,000 in investments; any person who in the aggregate owns and invests on a discretionary basis, not less than U.S.$25,000,000 in investments; and trusts as to which both the settlor and the decision-making trustee are qualified purchasers (but only if such trust was not formed for the specific purpose of making such investment).

Rule 144A Notes

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

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

1. The purchaser (a) is a QIB, (b) is aware that the sale of such Rule 144A Notes to it is being made in reliance on Rule 144A, (c) is acquiring such Notes for its own account or for the account of a QIB as to which the purchaser exercises sole investment discretion, and in a principal amount of not less than €250,000 for the purchaser and for each such account and (d) will provide notice of the transfer restrictions described in the "Important Notice" to any subsequent transferees.

2. The purchaser understands that such Rule 144A Notes have not been and will not be registered under the Securities Act, and may be reoffered, resold or pledged or otherwise transferred only (a)(i) to a person whom the purchaser reasonably believes is a QIB purchasing for its own account or for the account of a QIB as to which the purchaser exercises sole investment discretion in a transaction meeting the requirements of Rule 144A; or (ii) to a non-U.S. Person in an offshore transaction complying with Rule 903 or Rule 904 of Regulation S; and (b) in accordance with all applicable securities laws including the securities laws of any state of the United States. The purchaser understands that the Issuer has not been registered under the Investment Company Act. The purchaser understands that before any interest in a Rule 144A Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Regulation S Notes, the Registrar is required to receive a written certification from the purchaser (in the form provided in the Trust Deed) as to compliance with the transfer restrictions described herein. The purchaser understands and agrees that any purported transfer of the Rule 144A Notes to a purchaser that does not comply with the requirements of this paragraph (2) shall be null and void *ab initio*.

3. The purchaser is not purchasing such Rule 144A Notes with a view toward the resale, distribution or other disposition thereof in violation of the Securities Act. The purchaser understands that an investment in the Rule 144A Notes involves certain risks, including the risk of loss of its entire investment in the Rule 144A Notes under certain circumstances. The purchaser has had access to such financial and other information concerning the Issuer and the Notes as it deemed necessary or appropriate in order to make

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

4. In connection with the purchase of the Rule 144A Notes: (a) none of the Issuer, the Placement Agent, the Trustee, the Collateral Manager or the Collateral Administrator is acting as a fiduciary or financial or investment manager for the purchaser; (b) the purchaser is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuer, the Placement Agent, the Trustee, the Collateral Manager or the Collateral Administrator other than in this Offering Circular for such Notes and any representations expressly set forth in a written agreement with such party; (c) none of the Issuer, the Placement Agent, the Trustee, the Collateral Manager or the Collateral Administrator has given to the purchaser (directly or indirectly through any other person) any assurance, guarantee or representation whatsoever as to the expected or projected success, profitability, return, performance, result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) as to an investment in the Rule 144A Notes; (d) the purchaser has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisors to the extent it has deemed necessary, and it has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Trust Deed) based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Issuer, the Placement Agent, the Trustee, the Collateral Manager or the Collateral Administrator; (e) the purchaser has evaluated the rates, prices or amounts and other terms and conditions of the purchase and sale of the Rule 144A Notes with a full understanding of all of the risks thereof (economic and otherwise), and it is capable of assuming and willing to assume (financially and otherwise) those risks; and (f) the purchaser is a sophisticated investor.

5. The purchaser and each account for which the purchaser is acquiring such Rule 144A Notes is a QP. The purchaser is acquiring the Rule 144A Notes in a principal amount of not less than €250,000. The purchaser and each such account is acquiring the Rule 144A Notes as principal for its own account for investment and not for sale in connection with any distribution thereof. The purchaser and each such account: (a) was not formed for the specific purpose of investing in the Rule 144A Notes (except when each beneficial owner of the purchaser and each such account is a QP); (b) to the extent the purchaser is a private investment company formed before 30 April 1996, the purchaser has received the necessary consent from its beneficial owners; (c) is not a pension, profit sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants, as applicable, may designate the particular investments to be made; and (d) is not a broker dealer that owns and invests on a discretionary basis less than $25,000,000 in securities of unaffiliated issues. Further, the purchaser agrees with respect to itself and each such account: (x) that it shall not hold such Rule 144A Notes for the benefit of any other person and shall be the sole beneficial owner thereof for all purposes; (y) that it shall not sell participation interests in the Rule 144A Notes or enter into any other arrangement pursuant to which any other person shall be entitled to a beneficial interest in the distributions on the Rule 144A Notes; and (z) that the Rule 144A Notes purchased directly or indirectly by it constitute an investment of no more than 40 per cent. of the purchaser's and each such account's assets (except when each beneficial owner of the purchaser and each such account is a QP). The purchaser understands and agrees that any purported transfer of the Rule 144A Notes to a purchaser that does not comply with the requirements of this paragraph (5) will be of no force and effect, will be void *ab initio* and the Issuer will have the right to direct the purchaser to transfer its Rule 144A Notes to a Person who meets the foregoing criteria.

6. (a) With respect to the acquisition, holding and disposition of any Class A Note, Class B Note, Class C Note or Class D Note or an 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 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 and disposition of such Note (or interest 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 violation of any Other Plan Law, and (ii) it will not sell or transfer such Note (or interest therein) to an acquirer acquiring such Note (or interest therein) unless the acquirer makes the foregoing representations, warranties and agreements described in clause (i) hereof. Any purported transfer of the Notes in violation of the requirements set forth in this paragraph shall be null and void *ab initio* and the acquirer understands that

the Issuer will have the right to cause the sale of such Notes to another acquirer that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

(b) (i) With respect to the acquisition, holding and disposition of the Class E Notes in the form of a Rule 144A Global Certificate on the Issue Date, each purchaser of a Class E Note in the form of a Rule 144A Global Certificate will be deemed to represent, warrant and agree that: (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 (in or substantially in the form set out at **Annex A** (*Form of ERISA Certificate*) and as set out in the Trust Deed) to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person; (B)(1) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Note (or interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (2) if it is a governmental, church, non-U.S. or other plan, (x) it is not, and for so long as it holds such Note or interest therein will not be, subject to any Similar Law and (y) its acquisition, holding and disposition of such Note (or interest therein) will not constitute or result in a violation of any Other Plan Law; and (C) it will agree to certain transfer restrictions regarding its interest in such Note. With respect to Class E Notes in the form of a Rule 144A Global Certificate other than on the Issue Date, each purchaser of a Class E Note in the form of a Rule 144A Global Certificate will be deemed to represent, warrant and agree that: (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, provides an ERISA certificate (in or substantially in the form set out at **Annex A** (*Form of ERISA Certificate*) and as set out in the Trust Deed) to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person and, other than with respect to Retention Notes, holds such Class E Note in the form of a Definitive Certificate; (B)(1) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Note (or interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (2) if it is a governmental, church, non-U.S. or other plan, (x) it is not, and for so long as it holds such Note or interest therein will not be, subject to any Similar Law and (y) its acquisition, holding and disposition of such Note (or interest therein) will not constitute or result in a violation of any Other Plan Law; and (C) it will agree to certain transfer restrictions regarding its interest in such Note. Any purported transfer of the Class E Notes in violation of the requirements set forth in this paragraph shall be null and void *ab initio* and the acquirer understands that the Issuer will have the right to cause the sale of such Class E Notes to another acquirer that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

(ii) With respect to the acquisition, holding and disposition of the Class E Notes or Subordinated Notes in the form of a Definitive Certificate, each purchaser or transferee of a Class E Note or Subordinated Note in the form of a Definitive Certificate will be required to: (A) represent and warrant in writing to the Issuer (1) whether or not, for so long as it holds such Note or interest therein, it is, or is acting on behalf of, a Benefit Plan Investor, (2) whether or not, for so long as it holds such Note or interest therein, it is, or is acting on behalf of, a Controlling Person and (3) that (x) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Note (or interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code and (y) if it is a governmental, church, non-U.S. or other plan, (i) it is not, and for so long as it holds such Note or interest therein will not be, subject to any Similar Law and (ii) its acquisition, holding and disposition of such Note (or interest therein) will not constitute or result in a violation of any Other Plan Law; (B) agree to certain transfer restrictions regarding its interest in such Note; and (C) provide an ERISA certificate (in or substantially in the form set out at **Annex A** (*Form of ERISA Certificate*) and as set out in the Trust Deed) to the Issuer and a Transfer Agent. Any purported transfer of the Class E Notes or Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void *ab initio* and the acquirer understands that the Issuer will have the right to cause the sale of such Class E Notes or Subordinated Notes to another acquirer that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

(c) If the purchaser or transferee of any Note or beneficial interest therein is a Benefit Plan Investor, it will be deemed to represent, warrant and agree that (i) none of the Issuer, the Placement Agent, the Trustee or the Collateral Manager, or their respective affiliates (the "**Transaction Parties**"), has provided any investment recommendation or investment advice on which it, or any fiduciary or other person investing the assets of the Benefit Plan Investor ("**Plan Fiduciary**"), has relied in connection with its decision to invest in the Note, and they are not otherwise undertaking to act as a fiduciary, as defined in Section 3(21) of ERISA or Section 4975(e)(3) of the Code, to the Benefit Plan Investor or the Plan Fiduciary in connection with the Benefit Plan Investor's acquisition of the Note; and (ii) the Plan Fiduciary is exercising its own independent judgment in evaluating the investment in the Note.

(d) The purchaser acknowledges that the Issuer, the Placement Agent, the Trustee, the Collateral Manager and the Collateral Administrator and their Affiliates, and others, will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

7. The purchaser understands that pursuant to the terms of the Trust Deed, the Issuer has agreed that the Rule 144A Global Certificates or Rule 144A Definitive Certificates, as applicable, offered in reliance on Rule 144A will bear the legend set forth below, and will be represented by one or more Rule 144A Global Certificates or Rule 144A Definitive Certificates, as applicable. The Rule 144A Global Certificates may not at any time be held by or on behalf of, within the United States, persons, or outside the United States, U.S. Persons that are not QIB/QPs. Before any interest in a Rule 144A Global Certificate may be offered, resold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate, the transferor will be required to provide the Transfer Agent with a written certification (in the form provided in the Trust Deed) as to compliance with the transfer restrictions.

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

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND, IN THE CASE OF CLAUSE (1), IN A PRINCIPAL AMOUNT OF NOT LESS THAN €250,000 FOR THE

PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING, AND IN EACH CASE, TO A PURCHASER THAT (V) IS A QUALIFIED PURCHASER AS DEFINED IN SECTION 2(a)(51) OF THE INVESTMENT COMPANY ACT, (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER-DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN $25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR IN THE CASE OF CLAUSE (2), €100,000 AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID *AB INITIO* AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE TRANSFER AGENT OR ANY INTERMEDIARY. IN ADDITION TO THE FOREGOING, IF A VIOLATION OF (V) TO (Z) OCCURS, THE ISSUER MAINTAINS THE RIGHT TO DIRECT THE RESALE OF ANY NOTES PREVIOUSLY TRANSFERRED TO NON-PERMITTED HOLDERS (AS DEFINED IN THE TRUST DEED) IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE TRUST DEED. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE TRUST DEED TO ITS TRANSFEREE.

YOU ARE HEREBY NOTIFIED THAT A SELLER OF NOTES MAY RELY ON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A OR BY SECTION 4(A)(2) OF THE SECURITIES ACT. THESE EXEMPTIONS APPLY TO OFFERS AND SALES OF SECURITIES THAT DO NOT INVOLVE A PUBLIC OFFERING.

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

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE REQUIRED OR DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN 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 SUBSTANTIALLY 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 THIS NOTE OR ANY INTEREST HEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A VIOLATION OF ANY OTHER PLAN LAW, AND (II) IT WILL NOT SELL OR TRANSFER THIS NOTE (OR INTEREST HEREIN)

TO AN ACQUIRER ACQUIRING THIS NOTE (OR INTEREST HEREIN) UNLESS THE ACQUIRER MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF THIS NOTE TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES IN THE FORM OF RULE 144A GLOBAL CERTIFICATES ONLY*] [ON THE ISSUE DATE, EACH PURCHASER OF THIS 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 THIS NOTE OR INTEREST HEREIN 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, PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AND A TRANSFER AGENT 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 THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), OR SECTION 4975 OF THE UNITED STATES 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 INTEREST HEREIN WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR 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. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). OTHER THAN ON THE ISSUE DATE, EACH PURCHASER OF THIS NOTE WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT: (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN 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, PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AND A TRANSFER AGENT AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON AND, OTHER THAN WITH RESPECT TO THE RETENTION NOTES, HOLDS THIS NOTE IN THE FORM OF A DEFINITIVE CERTIFICATE; AND (2)(A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN WILL NOT BE, SUBJECT TO ANY SIMILAR LAW, AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY 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 ERISA) THAT IS 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) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY. "**CONTROLLING**

PERSON" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF THIS NOTE TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

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

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

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES AND SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS NOTE OR ANY INTEREST HEREIN WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER (1) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (2) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A CONTROLLING PERSON AND (3) THAT (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), OR SECTION 4975 OF THE UNITED STATES 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 INTEREST HEREIN WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR 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 FEDERAL, STATE, LOCAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, OF CLASS E NOTES OR SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES WILL BE REQUIRED TO COMPLETE AN ERISA CERTIFICATE IDENTIFYING ITS STATUS AS A BENEFIT PLAN INVESTOR OR A

CONTROLLING PERSON. "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF ERISA) THAT IS 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) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF THIS NOTE TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

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

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

IF THE PURCHASER OR TRANSFEREE OF ANY NOTE OR BENEFICIAL INTEREST THEREIN IS A BENEFIT PLAN INVESTOR, IT WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT (I) NONE OF THE ISSUER, THE PLACEMENT AGENT, THE TRUSTEE OR THE COLLATERAL MANAGER, OR THEIR RESPECTIVE AFFILIATES (THE "**TRANSACTION PARTIES**"), HAS PROVIDED ANY INVESTMENT RECOMMENDATION OR INVESTMENT ADVICE ON WHICH IT, OR ANY FIDUCIARY OR OTHER PERSON INVESTING THE ASSETS OF THE BENEFIT PLAN INVESTOR ("**PLAN FIDUCIARY**"), HAS RELIED IN CONNECTION WITH ITS DECISION TO INVEST IN THE NOTE, AND THEY ARE NOT OTHERWISE UNDERTAKING TO ACT AS A FIDUCIARY, AS DEFINED IN SECTION 3(21) OF ERISA OR SECTION 4975(e)(3) OF THE CODE, TO THE BENEFIT PLAN INVESTOR OR THE PLAN FIDUCIARY IN CONNECTION WITH THE BENEFIT PLAN INVESTOR'S ACQUISITION OF THE NOTE; AND (II) THE PLAN FIDUCIARY IS EXERCISING ITS OWN INDEPENDENT JUDGMENT IN EVALUATING THE INVESTMENT IN THE NOTE.

[*LEGEND TO BE INCLUDED IN RELATION TO CLASS C NOTES, CLASS D NOTES AND CLASS E NOTES*] [THE CLASS C NOTES, CLASS D NOTES AND CLASS E NOTES WILL BE ISSUED WITH ORIGINAL ISSUE DISCOUNT FOR U.S. FEDERAL INCOME TAX PURPOSES ("**OID**"). THE ISSUE PRICE, TOTAL AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY MAY BE OBTAINED BY CONTACTING THE ISSUER AT 4TH FLOOR, GARRYARD HOUSE, 25/26 EARLSFORT TERRACE, 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 NOTES AND CM NON-VOTING*

EXCHANGEABLE 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 .]

AN INVESTMENT IN THIS NOTE 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 OF IRELAND. THE ISSUER IS NOT REGULATED OR AUTHORISED BY THE CENTRAL BANK OF IRELAND BY VIRTUE OF ISSUING THIS NOTE.

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

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

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

11. The purchaser will treat (i) the Issuer as a corporation, (ii) the Rated Notes as debt and (iii) the Subordinated Notes as equity, in each case, for all U.S. federal, state and local income tax purposes and will take no action inconsistent with such treatment unless required by law, it being understood that this pararagraph shall not prevent Noteholders of Class E Notes from making a protective "qualified electing fund" election and filing protective information returns.

12. The purchaser will timely furnish the Issuer or its agents with any tax forms or certifications (such as IRS Form W-9, an applicable IRS Form W-8 (together with appropriate attachments), or any successors to such IRS forms) that the Issuer or its agents may reasonably request in order to (A) permit the Issuer or its agents to make payments to the purchaser without, or at a reduced rate of, withholding, (B) enable the Issuer or its agents to qualify for a reduced rate of withholding in any jurisdiction from or through which the Issuer or its agents receive payments, and (C) satisfy reporting and other obligations under the Code and Treasury regulations, or under any other applicable law (including the CRS), and will update or replace such tax forms or certifications as appropriate or in accordance with their terms or subsequent amendments. The 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 the 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.

13. The purchaser will provide the Issuer or its agents with any correct, complete and accurate information or documentation that may be required for the Issuer to comply with FATCA and 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 and fines and penalties on the Issuer or any of its directors under the CRS. In the event the

purchaser fails to provide such information or documentation for the purposes of FATCA, 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 the 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 purchaser as payment in full for such Notes. The Issuer may assign each such Note, or procure that each such Note is assigned, a separate ISIN in the Issuer's sole discretion. The purchaser agrees that the Issuer, the Trustee or their agents or representatives may (1) provide any information and documentation concerning its investment in its Notes to the Office of Revenue Commissioners of Ireland, the IRS and any other relevant tax authority and (2) take such other steps as they deem necessary or helpful to enable the Issuer to comply with FATCA and/or the CRS.

14. Each purchaser of Class E Notes or Subordinated Notes that is not a "United States person" (as defined in Section 7701(a)(30) of the Code) represents that either:

    (a) it is not a bank (within the meaning of Section 881(c)(3)(A) of the Code);

    (b) (i) after giving effect to its purchase of Notes, it will not directly or indirectly own more than 33⅓ 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 (ii) it 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 Obligations if the Collateral Obligations were held directly by the purchaser);

    (c) it has provided an IRS Form W-8BEN or W-8BEN-E (as applicable) representing that it is entitled to the benefits of an income treaty with the United States under which withholding taxes on interest payments made by obligors resident in the United States to it are reduced to 0 per cent.; or

    (d) 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.

15. Each purchaser that 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 1.1471-5(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 "registered deemed-compliant FFI" within the meaning of Treasury regulations section 1.1471-1(b)(111) (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 "deemed-compliant FFI" or an "exempt beneficial owner" within the meaning of Treasury regulations section 1.1471-4(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 "deemed-compliant FFI" or an "exempt beneficial owner" within the meaning of Treasury regulations section 1.1471-4(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.

16. 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 the purposes of Section 954(h)(2) of the Code.

17. If the purchaser is acquiring its Notes in definitive form, it has accurately completed the FATCA Self-Certification attached hereto, and will update any information contained therein in the event that any such information becomes incorrect.

18. 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.

Regulation S Notes

Each purchaser of Regulation S Notes will be deemed to have made the representations set forth in clauses (3), (4), (6), (8) and (11) to (18) (inclusive) above (except that references to Rule 144A Notes shall be deemed to be references to Regulation S Notes) and to have further represented and agreed as follows:

1. The purchaser is located outside the United States and is not a U.S. Person.

2. The purchaser understands that the Notes have not been and will not be registered under the Securities Act and that the Issuer has not registered and will not register under the Investment Company Act. It agrees, for the benefit of the Issuer, the 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 in a nominal amount of not less than €250,000 for it and each such account, in a transaction that meets the requirements of Rule 144A and takes delivery in the form of a Rule 144A Note and (B) that constitutes a QP; or (ii) to a non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 (as applicable) under Regulation S.

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

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

   THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND, IN THE CASE OF CLAUSE (1), IN A PRINCIPAL AMOUNT OF NOT LESS THAN €250,000 FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING, AND IN EACH CASE, TO A PURCHASER THAT (V) IS A QUALIFIED PURCHASER AS DEFINED IN SECTION 2(a)(51) OF THE INVESTMENT COMPANY ACT, (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY

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

YOU ARE HEREBY NOTIFIED THAT A SELLER OF NOTES MAY RELY ON AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF SECTION 5 OF THE SECURITIES ACT PROVIDED BY RULE 144A OR BY SECTION 4(A)(2) OF THE SECURITIES ACT. THESE EXEMPTIONS APPLY TO OFFERS AND SALES OF SECURITIES THAT DO NOT INVOLVE A PUBLIC OFFERING.

TRANSFERS OF THIS NOTE OR OF PORTIONS OF THIS NOTE SHOULD BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE TRUST DEED REFERRED TO HEREIN.

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

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE REQUIRED OR DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN 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 SUBSTANTIALLY 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 THIS NOTE OR ANY INTEREST HEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A VIOLATION OF ANY OTHER PLAN LAW, AND (II) IT WILL NOT SELL OR TRANSFER THIS NOTE (OR INTEREST HEREIN) TO AN ACQUIRER ACQUIRING THIS NOTE (OR INTEREST HEREIN) UNLESS THE

ACQUIRER MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF THIS NOTE TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES IN THE FORM OF REGULATION S GLOBAL CERTIFICATES ONLY*] [ON THE ISSUE DATE, EACH PURCHASER OF THIS 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 THIS NOTE OR INTEREST HEREIN 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, PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AND A TRANSFER AGENT 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 THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), OR SECTION 4975 OF THE UNITED STATES 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 INTEREST HEREIN WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR 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. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). OTHER THAN ON THE ISSUE DATE, EACH PURCHASER OF THIS NOTE WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT: (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN 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, PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AND A TRANSFER AGENT AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON AND, OTHER THAN WITH RESPECT TO THE RETENTION NOTES, HOLDS THIS NOTE IN THE FORM OF A DEFINITIVE CERTIFICATE; AND (2)(A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN WILL NOT BE, SUBJECT TO ANY SIMILAR LAW, AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY 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 ERISA) THAT IS 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) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS

DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF THIS NOTE TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

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

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

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES AND SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS NOTE OR ANY INTEREST HEREIN WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER (1) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (2) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A CONTROLLING PERSON AND (3) THAT (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), OR SECTION 4975 OF THE UNITED STATES 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 INTEREST HEREIN WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR 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 FEDERAL, STATE, LOCAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, OF CLASS E NOTES OR SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES WILL BE REQUIRED TO COMPLETE AN ERISA CERTIFICATE IDENTIFYING ITS STATUS AS A BENEFIT PLAN INVESTOR OR A CONTROLLING PERSON. "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN

INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF ERISA) THAT IS 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) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF THIS NOTE TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

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

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

IF THE PURCHASER OR TRANSFEREE OF ANY NOTE OR BENEFICIAL INTEREST THEREIN IS A BENEFIT PLAN INVESTOR, IT WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT (I) NONE OF THE ISSUER, THE PLACEMENT AGENT, THE TRUSTEE OR THE COLLATERAL MANAGER, OR THEIR RESPECTIVE AFFILIATES (THE "**TRANSACTION PARTIES**"), HAS PROVIDED ANY INVESTMENT RECOMMENDATION OR INVESTMENT ADVICE ON WHICH IT, OR ANY FIDUCIARY OR OTHER PERSON INVESTING THE ASSETS OF THE BENEFIT PLAN INVESTOR ("**PLAN FIDUCIARY**"), HAS RELIED IN CONNECTION WITH ITS DECISION TO INVEST IN THE NOTE, AND THEY ARE NOT OTHERWISE UNDERTAKING TO ACT AS A FIDUCIARY, AS DEFINED IN SECTION 3(21) OF ERISA OR SECTION 4975(e)(3) OF THE CODE, TO THE BENEFIT PLAN INVESTOR OR THE PLAN FIDUCIARY IN CONNECTION WITH THE BENEFIT PLAN INVESTOR'S ACQUISITION OF THE NOTE; AND (II) THE PLAN FIDUCIARY IS EXERCISING ITS OWN INDEPENDENT JUDGMENT IN EVALUATING THE INVESTMENT IN THE NOTE.

[*LEGEND TO BE INCLUDED IN RELATION TO CLASS C NOTES, CLASS D NOTES AND CLASS E NOTES*] [THE CLASS C NOTES, CLASS D NOTES AND CLASS E NOTES WILL BE ISSUED WITH ORIGINAL ISSUE DISCOUNT FOR U.S. FEDERAL INCOME TAX PURPOSES ("**OID**"). THE ISSUE PRICE, TOTAL AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY MAY BE OBTAINED BY CONTACTING THE ISSUER AT 4TH FLOOR, GARRYARD HOUSE, 25/26 EARLSFORT TERRACE, 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 NOTES AND CM NON-VOTING EXCHANGEABLE 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.]

AN INVESTMENT IN THIS NOTE 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 OF IRELAND. THE ISSUER IS NOT REGULATED OR AUTHORISED BY THE CENTRAL BANK OF IRELAND BY VIRTUE OF ISSUING THIS NOTE.

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

A transferor who transfers an interest in a Regulation S Note to a transferee who will hold the interest in the same form is not required to make any additional representation or certification.

GENERAL INFORMATION

Clearing Systems

The Notes of each Class have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The Common Code and International Securities Identification Number ("**ISIN**") for the Notes of each Class (other than the Subordinated Notes) and the Identification Numbers for the Subordinated Notes are set out below:

	Regulation S Notes		Rule 144 A Notes	
	ISIN	Common Code	ISIN	Common Code
Class A CM Voting Notes	XS2189263044	218926304	XS2189263127	218926312
Class A CM Non-Voting Exchangeable Notes	XS2189263390	218926339	XS2189263473	218926347
Class A CM Non-Voting Notes	XS2189263556	218926355	XS2189263630	218926363
Class B-1 CM Voting Notes	XS2189263713	218926371	XS2189263804	218926380
Class B-1 CM Non-Voting Exchangeable Notes	XS2189263986	218926398	XS2189264018	218926401
Class B-1 CM Non-Voting Notes	XS2189264109	218926410	XS2189264281	218926428
Class B-2 CM Voting Notes	XS2189264364	218926436	XS2189264448	218926444
Class B-2 CM Non-Voting Exchangeable Notes	XS2189264794	218926479	XS2189264521	218926452
Class B-2 CM Non-Voting Notes	XS2189264877	218926487	XS2189264950	218926495
Class C CM Voting Notes	XS2189265098	218926509	XS2189265171	218926517
Class C CM Non-Voting Exchangeable Notes	XS2189265254	218926525	XS2189265338	218926533
Class C CM Non-Voting Notes	XS2189265411	218926541	XS2189265502	218926550
Class D CM Voting Notes	XS2189265841	218926584	XS2189265684	218926568
Class D CM Non-Voting Exchangeable Notes	XS2189265767	218926576	XS2189266146	218926614
Class D CM Non-Voting Notes	XS2189265924	218926592	XS2189266062	218926606
Class E Notes	XS2189266575	218926657	XS2189266229	218926622

ISINs in respect of the Subordinated Notes

	Regulation S Notes	Rule 144 A Notes
	ISIN	ISIN
Subordinated Notes	IE00BMG75366	IE00BMG75473

Listing

This Offering Circular does not constitute a prospectus for the purposes of Article 6 of the Prospectus Regulation. The Issuer is not offering the Notes in any jurisdiction in circumstances that would require a prospectus to be prepared pursuant to the Prospectus Regulation.

Application has been made to Euronext Dublin for the Notes to be admitted to the Official List and to trading on its Global Exchange Market which is the exchange regulated market of Euronext Dublin. The Global Exchange Market is not a regulated market for the purposes of MiFID II (as defined herein). There can be no assurance that any such listing will be maintained.

Listing Agent

Matheson is acting solely in its capacity as listing agent for the Issuer in relation to the Notes and is not itself seeking admission of the Notes to the Official List of Euronext Dublin or to trading on its Global Exchange Market for the purposes of the Prospectus Regulation.

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 was authorised by resolutions of the board of Directors of the Issuer passed on or about 3 July 2020.

No Significant or Material Change

There has been no significant change in the financial or trading position or prospects of the Issuer since its incorporation on 23 August 2019 and there has been no material adverse change in the financial position or prospects of the Issuer since its incorporation on 23 August 2019.

No Litigation

The Issuer is not involved, and has not been involved, in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had since the date of its incorporation a significant effect on the Issuer's financial position or profitability.

Accounts

Since the date of its incorporation, other than entering into certain documentation, without any net assets or liabilities for the Issuer relating to a transaction which did not proceed, the Issuer has not commenced operations other than (if applicable) in respect of any warehouse agreements, any asset/forward sale or purchase agreements or trade confirmations which may be entered into in respect of the acquisition of (or commitment to acquire) certain assets to be comprised in the Portfolio on or prior to the Issue Date and has not produced accounts.

So long as any Note remains outstanding, copies of the most recent annual audited financial statements of the Issuer can be obtained at the specified offices of the Issuer during normal business hours. The first financial statements of the Issuer will be in respect of the period from incorporation to 31 December 2020.The annual accounts of the Issuer will be audited. The Issuer will not prepare interim financial statements.

The Trust Deed requires the Issuer to provide written confirmation to the Trustee on an annual basis and otherwise promptly on request that no Event of Default or Potential Event of Default (as defined in the Trust Deed) or other matter which is required to be brought to the Trustee's attention has occurred.

Documents Available

Copies of the following documents may be inspected in electronic format (and, in the case of each of (h) and (i) 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 and Administration Agreement;

(e) the Risk Retention Letter;

(f) the Irish Security Agreement;

(g) each Hedge Agreement;

(h) each Monthly Report;

(i) each Payment Date Report; and

(j) the Corporate Services Agreement.

Drafts of the documents set out above at paragraphs (b) to (g) and a copy of the preliminary Offering Circular will be made available on a secured website maintained by Collateral Administrator prior to the pricing date for the transaction described herein. Copies of the final form of such documents shall be available on such website on the Issue Date.

Enforceability of Judgments

The Issuer is a designated activity company incorporated under the laws of Ireland. None of the Directors are residents of the United States, and all or a substantial portion of the assets of the Issuer and such persons are located outside of the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuer or such persons or to enforce against any of them in the United States courts judgments obtained in United States courts, including judgments predicated upon civil liability provisions of the securities laws of the United States or any State or territory within the United States.

As the U.S. 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 U.S. courts is enforceable in Ireland. A judgment of the U.S. courts will be enforced by the courts of Ireland if the following general requirements are met:

(a) the U.S. 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 should not be actionable in Ireland. It remains to be determined whether final judgment given in default of appearance is final and conclusive.

However, the Irish courts may refuse to enforce a judgment of the U.S. courts which meets the above requirements for one of the following reasons:

(i) the judgment is not for a definite sum of money;

(ii) the judgment was obtained by fraud;

(iii) the enforcement of the judgment in Ireland would be contrary to natural or constitutional justice;

(iv) the judgment is contrary to Irish public policy or involves certain U.S. laws which will not be enforced in Ireland;

(v) jurisdiction cannot be obtained by the Irish courts over the judgment debtors in the enforcement proceedings by personal service in Ireland or outside Ireland under Order 11 of the Superior Courts Rules;

(vi) there is no practical benefit to the party in whose favour the foreign judgment is made in seeking to have that judgment enforced in Ireland;

(vii) the judgment is inconsistent with a judgment of the courts of Ireland in relation to the same matter; or

(viii) enforcement proceedings are not instituted in Ireland within six years of the date of the judgment

Foreign Language

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

INDEX 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] [Subordinated Notes] (determined separately by class) issued by Vendome Funding CLO 2020-1 DAC (the "**Issuer**") is held by (a) an employee benefit plan that is subject to the provisions of Part 4 of Subtitle B of Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), (b) a plan to which Section 4975 of the U.S. Internal Revenue Code of 1986, as amended (the "**Code**"), applies or (c) an entity whose underlying assets include "plan assets" by reason of such an employee benefit plan's or plan's investment in such entity (collectively, "**Benefit Plan Investors**"), (ii) obtain from you certain representations and agreements and (iii) provide you with certain related information with respect to your acquisition, holding or disposition of [Class E Notes] [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.

By checking a box, you are representing, warranting and agreeing as to your status for so long as you hold a Note or interest therein.

If a box is not checked, you are representing and agreeing that the applicable Section does not, and will not, apply to you.

1. ☐ Employee Benefit Plans Subject to ERISA or Section 4975 of 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 [CLASS E 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 or Subordinated Notes] with funds from our or their general account (*i.e.*, the insurance company's corporate investment portfolio), whose

assets, in whole or in part, constitute "plan assets" for purposes of 29 C.F.R. Section 2510.3–101, as modified by Section 3(42) of ERISA (the "**Plan Asset Regulations**").

If you check Box 3, please indicate the maximum percentage of the insurance company general account that will constitute "plan assets" under Section 401(c) 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. ☐ <u>None of Sections (1) Through (3) Above Apply</u>. 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. <u>No Prohibited Transaction</u>. If we checked any of the boxes in Sections (1) to (3) above, we represent, warrant and agree that our acquisition, holding and disposition of the [Class E Notes] [Subordinated Notes] (or interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

6. <u>Not Subject to Similar Law and No Violation of Other Plan Law</u>. 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 or non-U.S. law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or 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 federal, state, local or non-U.S. laws or regulations that are substantially similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code, and (b) our acquisition, holding and disposition of the [Class E Notes] [Subordinated Notes] (or interest therein) will not constitute or result in a violation of any federal, state, local or non-U.S. law or regulation that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code.

7. ☐ <u>Controlling Person</u>. We are, or we are acting on behalf of any of: (i) the Collateral Manager, (ii) any person that has discretionary authority or control with respect to the assets of the Issuer, (iii) any person who provides investment advice for a fee (direct or indirect) with respect to such assets or (iv) any "affiliate" of any of the above persons. "**Affiliate**" shall have the meaning set forth in the Plan Asset Regulations. Any of the persons described in the first sentence of this Section 7 is referred to in this Certificate as a "Controlling Person."

<u>Note</u>: 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] [Subordinated Notes], the [Class E Notes] [Subordinated Notes] held by Controlling Persons (other than Benefit Plan Investors) are required to be disregarded.

8. <u>Compelled Disposition</u>. 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 [Class E Notes] [Subordinated Notes] (or our interests therein) to a person that is not a Non-Permitted ERISA Holder within ten calendar days after the date of such notice;

(ii) if we fail to transfer our [Class E Notes] [Subordinated Notes] (or our interests therein), the Issuer shall have the right, without further notice to us, to sell our [Class E Notes] [Subordinated Notes] or our interests in the [Class E 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] [Subordinated Notes] and selling such securities (or interests therein) 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 the [Class E Notes] [Subordinated Notes] (or any interest therein), 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. Continuing Representation; Reliance. We acknowledge and agree that the representations, warranties, acknowledgements and agreements contained in this Certificate shall be deemed made on each day from the date we make such representations, warranties, acknowledgements and agreements through and including the date on which we dispose of our [Class E Notes] [Subordinated Notes] (or our interests therein). 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] [Subordinated Notes] upon any subsequent transfer of the [Class E Notes] [Subordinated Notes] in accordance with the Trust Deed.

10. Further Acknowledgement and Agreement. We acknowledge and agree that (i) all of the representations, warranties, acknowledgments, agreements and assurances contained in this Certificate are for the benefit of the Issuer, the Trustee, J.P. Morgan Securities plc and the Collateral Manager as third party beneficiaries hereof, (ii) copies of this Certificate and any information contained herein may be provided to the Issuer, the Trustee, J.P. Morgan Securities plc, the Collateral Manager, affiliates of any of the foregoing parties and to each of the foregoing parties' respective counsel for purposes of making the determinations described above and (iii) any acquisition or transfer of [Class E Notes] [Subordinated Notes] (or any interest therein) by us that is not in accordance with the provisions of this Certificate shall be null and void from the beginning, and of no legal effect.

11. Future Transfer Requirements.

Transferee Letter and its Delivery. We acknowledge and agree that we may not transfer any [Class E Notes] [Subordinated Notes] (or any interest therein) to any person unless the Issuer has received a certificate substantially in the form of this Certificate. Any attempt to transfer in violation of this section will be null and void from the beginning, and of no legal effect.

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Certificate.

[Insert Purchaser's Name]

By:

Name:

Title:

Dated:

This Certificate relates to EUR_________ of [Class E Notes] [Subordinated Notes]

Based upon the representations and certifications contained herein, the Issuer by countersigning this certificate, hereby consents to the purchase by [Insert Purchaser's Name] of EUR _________ of [Class E Notes] [Subordinated Notes].

By:

Name:

Title:
Dated:

Vendome Funding CLO 2020-1 DAC

ANNEX B
S&P RECOVERY RATES

(a) (i) If a Collateral Obligation has an S&P Recovery Rating, or is *pari passu* with another obligation of the same Obligor that has an S&P Recovery Rating and is secured by the same collateral as such other obligation, the S&P Recovery Rate for such Collateral Obligation shall be determined as follows:

S&P Recovery Rating of Collateral Obligation*	Range from published reports	Initial Rated Note Rating						
		"AAA"	"AA"	"A"	"BBB"	"BB"	"B"	"CCC"
1+	100	75.0%	85.0%	88.0%	90.0%	92.0%	95.0%	95.0%
1	95	70.0%	80.0%	84.0%	87.5%	91.0%	95.0%	95.0%
1	90	65.0%	75.0%	80.0%	85.0%	90.0%	95.0%	95.0%
2	85	62.5%	72.5%	77.5%	83.0%	88.0%	92.0%	92.0%
2	80	60.0%	70.0%	75.0%	81.0%	86.0%	89.0%	89.0%
2	75	55.0%	65.0%	70.5%	77.0%	82.5%	84.0%	84.0%
2	70	50.0%	60.0%	66.0%	73.0%	79.0%	79.0%	79.0%
3	65	45.0%	55.0%	61.0%	68.0%	73.0%	74.0%	74.0%
3	60	40.0%	50.0%	56.0%	63.0%	67.0%	69.0%	69.0%
3	55	35.0%	45.0%	51.0%	58.0%	63.0%	64.0%	64.0%
3	50	30.0%	40.0%	46.0%	53.0%	59.0%	59.0%	59.0%
4	45	28.5%	37.5%	44.0%	49.5%	53.5%	54.0%	54.0%
4	40	27.0%	35.0%	42.0%	46.0%	48.0%	49.0%	49.0%
4	35	23.5%	30.5%	37.5%	42.5%	43.5%	44.0%	44.0%
4	30	20.0%	26.0%	33.0%	39.0%	39.0%	39.0%	39.0%
5	25	17.5%	23.0%	28.5%	32.5%	33.5%	34.0%	34.0%
5	20	15.0%	20.0%	24.0%	26.0%	28.0%	29.0%	29.0%
5	15	10.0%	15.0%	19.5%	22.5%	23.5%	24.0%	24.0%
5	10	5.0%	10.0%	15.0%	19.0%	19.0%	19.0%	19.0%
6	5	3.5%	7.0%	10.5%	13.5%	14.0%	14.0%	14.0%
6	0	2.0%	4.0%	6.0%	8.0%	9.0%	9.0%	9.0%

* If a recovery range is not available for a given obligation with an S&P Recovery Rating of "1" through "6" (inclusive), the lower recovery range for the applicable S&P Recovery Rating shall apply.

S&P Recovery Rate

(ii) If (x) a Collateral Obligation does not have an S&P Recovery Rating and such Collateral Obligation is an Unsecured Senior Obligation and (y) the Obligor or issuer of such Collateral Obligation has issued another debt instrument that is outstanding and senior to such Collateral Obligation that is a S&P Secured Senior Loan or S&P Secured Senior Bond (a "**S&P Senior Secured Debt Instrument**") that has an S&P Recovery Rating, the S&P Recovery Rate for such Collateral Obligation shall be determined as follows:

For Collateral Obligations Domiciled in Group A

S&P Recovery Rating of the Senior Secured Debt Instrument	Initial Liability Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and below
1+	18%	20%	23%	26%	29%	31%
1	18%	20%	23%	26%	29%	31%
2	18%	20%	23%	26%	29%	31%
3	12%	15%	18%	21%	22%	23%
4	5%	8%	11%	13%	14%	15%
5	2%	4%	6%	8%	9%	10%
6	0%	0%	0%	0%	0%	0%

Recovery Rate

For Collateral Obligations Domiciled in Group B

S&P Recovery Rating of the Senior Secured Debt Instrument	Initial Liability Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and below
1+	13%	16%	18%	21%	23%	25%
1	13%	16%	18%	21%	23%	25%
2	13%	16%	18%	21%	23%	25%
3	8%	11%	13%	15%	16%	17%
4	5%	5%	5%	5%	5%	5%
5	2%	2%	2%	2%	2%	2%
6	0%	0%	0%	0%	0%	0%

Recovery Rate

For Collateral Obligations Domiciled in Group C

S&P Recovery Rating of the Senior Secured Debt Instrument	Initial Rated Note Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and below
1+	10%	12%	14%	16%	18%	20%
1	10%	12%	14%	16%	18%	20%
2	10%	12%	14%	16%	18%	20%
3	5%	7%	9%	10%	11%	12%
4	2%	2%	2%	2%	2%	2%
5	0%	0%	0%	0%	0%	0%
6	0%	0%	0%	0%	0%	0%

Recovery Rate

(iii) If (x) a Collateral Obligation does not have an S&P Recovery Rating and such Collateral Obligation is not a Senior Secured Debt Instrument or an Unsecured Senior Obligation and (y) the Obligor or issuer of such Collateral Obligation has issued another debt instrument that is outstanding and senior to such Collateral Obligation that is a Senior Secured Debt Instrument that has an S&P Recovery Rating, the S&P Recovery Rate for such Collateral Obligation shall be determined as follows:

For Collateral Obligations Domiciled in Groups A and B

S&P Recovery Rating of the Senior Secured Debt Instrument	Initial Rated Note Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B"/"CCC"
1+	8%	8%	8%	8%	8%	8%
1	8%	8%	8%	8%	8%	8%
2	8%	8%	8%	8%	8%	8%
3	5%	5%	5%	5%	5%	5%
4	2%	2%	2%	2%	2%	2%
5	0%	0%	0%	0%	0%	0%
6	0%	0%	0%	0%	0%	0%

For Collateral Obligations Domiciled in Group C

S&P Recovery Rating of the Senior Secured Debt Instrument	Initial Rated Note Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B"/"CCC"
1+	5%	5%	5%	5%	5%	5%
1	5%	5%	5%	5%	5%	5%
2	5%	5%	5%	5%	5%	5%
3	2%	2%	2%	2%	2%	2%
4	0%	0%	0%	0%	0%	0%
5	0%	0%	0%	0%	0%	0%
6	0%	0%	0%	0%	0%	0%

S&P Recovery Rate

(b) If an S&P Recovery Rate cannot be determined using clause (a) above, the S&P Recovery Rate shall be determined as follows:

Recovery rates for Obligors Domiciled in Group A, B or C:

Instrument/ country grouping	**Initial Rated Note Rating**					
	"AAA"	**"AA"**	**"A"**	**"BBB"**	**"BB"**	**"B"/"CCC"**
S&P Secured Senior Loans						
A	50 per cent.	55 per cent.	59 per cent.	63 per cent.	75 per cent.	79 per cent.
B	39 per cent.	42 per cent.	46 per cent.	49 per cent.	60 per cent.	63 per cent.
C	17 per cent.	19 per cent.	27 per cent.	29 per cent.	31 per cent.	34 per cent.
S&P Secured Senior Loans that are S&P Cov-Lite Loans and S&P Secured Senior Bonds						
A	41 per cent.	46 per cent.	49 per cent.	53 per cent.	63 per cent.	67 per cent.
B	32 per cent.	35 per cent.	39 per cent.	41 per cent.	50 per cent.	53 per cent.
C	17 per cent.	19 per cent.	27 per cent.	29 per cent.	31 per cent.	34 per cent.
Unsecured Senior Obligations, Mezzanine Obligations, High Yield Bonds (if unsubordinated) and Second Lien Loans						
A	18 per cent.	20 per cent.	23 per cent.	26 per cent.	29 per cent.	31 per cent.
B	13 per cent.	16 per cent.	18 per cent.	21 per cent.	23 per cent.	25 per cent.
C	10 per cent.	12 per cent.	14 per cent.	16 per cent.	18 per cent.	20 per cent.
High Yield Bonds (if subordinated) or PIK Securities that are not (i) S&P Secured Senior Loans, (ii) S&P Cov-Lite Loans that are S&P Secured Senior Loans, (iii) S&P Secured Senior Bonds, (iv) Unsecured Senior Obligations, (v) High Yield Bonds (if unsubordinated), or (vi) Second Lien Loans						
A	8 per cent.	8 per cent.	8 per cent.	8 per cent.	8 per cent.	8 per cent.
B	8 per cent.	8 per cent.	8 per cent.	8 per cent.	8 per cent.	8 per cent
C	5 per cent.	5 per cent.	5 per cent.	5 per cent.	5 per cent.	5 per cent.

Group A: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong SAR, Ireland, Israel, Japan, Luxembourg, The Netherlands, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, UK, U.S.

Group B: Brazil, Czech Republic, Italy, Mexico, Poland, South Africa.

Group C: Dubai International Finance Centre, Greece, India, Indonesia, Kazakhstan, Romania, Russia, Turkey, Ukraine, United Arab Emirates, Vietnam.

For the purposes of the above,

"**S&P Recovery Rating**" means, in respect to a Collateral Obligation for which an S&P Recovery Rate is being determined, the "Recovery Rating" assigned by S&P to such Collateral Obligation based upon the tables set forth in this Annex B (*S&P Recovery Rates*).

"**S&P Cov-Lite Loan**" means a Collateral Obligation that is an interest in a loan, the Underlying Instruments for which do not (i) contain any financial covenants or (ii) require the Obligor thereunder to comply with any maintenance covenant (regardless of whether compliance with one or more incurrence covenants is otherwise required by such Underlying Instruments).

"**S&P Secured Senior Bond**" means a Collateral Obligation that is a senior secured debt security in the form of, or represented by, a bond, note, certificated debt security or other debt security (that is not a Secured Senior Loan) as determined by the Collateral Manager in its reasonable business judgement or a Participation therein, **provided** that:

(a) it is secured (i) by assets of the Obligor thereof if and to the extent that the provision of security over assets is permissible under applicable law (save in the case of assets where the failure to take such security is consistent with reasonable secured lending practices), or (ii) by at least 80 per cent. of the equity interests in the shares of an entity owning, either directly or indirectly, such assets; and

(b) no other obligation of the Obligor has any higher priority security interest in such assets or shares referred to in paragraph (a) above **provided** that revolving loans of the Obligor that, pursuant to their 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 loans representing up to 20 per cent. in aggregate of the Obligor's senior debt.

"**S&P Secured Senior Loan**" means a Collateral Obligation (which may be a Revolving Obligation or a Delayed Drawdown Collateral Obligation) that is a senior secured loan obligation as determined by the Collateral Manager in its reasonable business judgement or a Participation therein, **provided** that:

(a) it is secured (i) by assets of the Obligor thereof if and to the extent that the provision of security over assets is permissible under applicable law (save in the case of assets where the failure to take such security is consistent with reasonable secured lending practices), or (ii) by at least 80 per cent. of the equity interests in the shares of an entity owning, either directly or indirectly, such assets; and

(b) no other obligation of the Obligor has any higher priority security interest in such assets or shares referred to in paragraph (a) above **provided** that revolving loans of the Obligor that, pursuant to their 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 loans representing up to 20 per cent. in aggregate of the Obligor's senior debt.

ANNEX C
S&P REGIONAL DIVERSITY MEASURE TABLE

Region Code	Region Name	Country Code	Country Name
17	Africa: Eastern	253	Djibouti
17	Africa: Eastern	291	Eritrea
17	Africa: Eastern	251	Ethiopia
17	Africa: Eastern	254	Kenya
17	Africa: Eastern	252	Somalia
17	Africa: Eastern	249	Sudan
12	Africa: Southern	247	Ascension
12	Africa: Southern	267	Botswana
12	Africa: Southern	266	Lesotho
12	Africa: Southern	230	Mauritius
12	Africa: Southern	264	Namibia
12	Africa: Southern	248	Seychelles
12	Africa: Southern	27	South Africa
12	Africa: Southern	290	St. Helena
12	Africa: Southern	268	Swaziland
13	Africa: Sub-Saharan	244	Angola
13	Africa: Sub-Saharan	226	Burkina Faso
13	Africa: Sub-Saharan	257	Burundi
13	Africa: Sub-Saharan	225	Cote d'lvoire
13	Africa: Sub-Saharan	240	Equatorial Guinea
13	Africa: Sub-Saharan	241	Gabonese Republic
13	Africa: Sub-Saharan	220	Gambia
13	Africa: Sub-Saharan	233	Ghana
13	Africa: Sub-Saharan	224	Guinea
13	Africa: Sub-Saharan	245	Guinea-Bissau
13	Africa: Sub-Saharan	231	Liberia
13	Africa: Sub-Saharan	261	Madagascar
13	Africa: Sub-Saharan	265	Malawi
13	Africa: Sub-Saharan	223	Mali
13	Africa: Sub-Saharan	222	Mauritania
13	Africa: Sub-Saharan	258	Mozambique
13	Africa: Sub-Saharan	227	Niger
13	Africa: Sub-Saharan	234	Nigeria
13	Africa: Sub-Saharan	250	Rwanda
13	Africa: Sub-Saharan	239	Sao Tome & Principe
13	Africa: Sub-Saharan	221	Senegal
13	Africa: Sub-Saharan	232	Sierra Leone
13	Africa: Sub-Saharan	255	Tanzania/Zanzibar
13	Africa: Sub-Saharan	228	Togo
13	Africa: Sub-Saharan	256	Uganda
13	Africa: Sub-Saharan	260	Zambia
13	Africa: Sub-Saharan	263	Zimbabwe
13	Africa: Sub-Saharan	229	Benin
13	Africa: Sub-Saharan	237	Cameroon

Region Code	Region Name	Country Code	Country Name
13	Africa: Sub-Saharan	238	Cape Verde Islands
13	Africa: Sub-Saharan	236	Central African Republic
13	Africa: Sub-Saharan	235	Chad
13	Africa: Sub-Saharan	269	Comoros
13	Africa: Sub-Saharan	242	Congo-Brazzaville
13	Africa: Sub-Saharan	243	Congo-Kinshasa
3	Americas: Andean	591	Bolivia
3	Americas: Andean	57	Colombia
3	Americas: Andean	593	Ecuador
3	Americas: Andean	51	Peru
3	Americas: Andean	58	Venezuela
4	Americas: Mercosur and Southern	54	Argentina
4	Americas: Mercosur and Southern	55	Brazil
4	Americas: Mercosur and Southern	56	Chile
4	Americas: Mercosur and Southern	595	Paraguay
4	Americas: Mercosur and Southern	598	Uruguay
1	Americas: Mexico	52	Mexico
2	Americas: Other Central and	1264	Anguilla
2	Americas: Other Central and	1268	Antigua
2	Americas: Other Central and	1242	Bahamas
2	Americas: Other Central and	246	Barbados
2	Americas: Other Central and	501	Belize
2	Americas: Other Central and	441	Bermuda
2	Americas: Other Central and	284	British Virgin Islands
2	Americas: Other Central and	345	Cayman Islands
2	Americas: Other Central and	506	Costa Rica
2	Americas: Other Central and	809	Dominican Republic
2	Americas: Other Central and	503	El Salvador
2	Americas: Other Central and	473	Grenada
2	Americas: Other Central and	590	Guadeloupe
2	Americas: Other Central and	502	Guatemala
2	Americas: Other Central and	504	Honduras
2	Americas: Other Central and	876	Jamaica
2	Americas: Other Central and	596	Martinique
2	Americas: Other Central and	505	Nicaragua
2	Americas: Other Central and	507	Panama
2	Americas: Other Central and	869	St. Kitts/Nevis
2	Americas: Other Central and	758	St. Lucia
2	Americas: Other Central and	784	St. Vincent & Grenadines
2	Americas: Other Central and	597	Suriname
2	Americas: Other Central and	868	Trinidad& Tobago
2	Americas: Other Central and	649	Turks & Caicos
2	Americas: Other Central and	297	Aruba
2	Americas: Other Central and	53	Cuba
2	Americas: Other Central and	599	Curacao
2	Americas: Other Central and	767	Dominica

Region Code	Region Name	Country Code	Country Name
2	Americas: Other Central and	594	French Guiana
2	Americas: Other Central and	592	Guyana
2	Americas: Other Central and	509	Haiti
2	Americas: Other Central and	664	Montserrat
101	Americas: U.S. and Canada	2	Canada
101	Americas: U.S. and Canada	1	USA
7	Asia: China, Hong Kong, Taiwan	86	China
7	Asia: China, Hong Kong, Taiwan	852	Hong Kong
7	Asia: China, Hong Kong, Taiwan	886	Taiwan
5	Asia: India, Pakistan and Afghanistan	93	Afghanistan
5	Asia: India, Pakistan and Afghanistan	91	India
5	Asia: India, Pakistan and Afghanistan	92	Pakistan
6	Asia: Other South	880	Bangladesh
6	Asia: Other South	975	Bhutan
6	Asia: Other South	960	Maldives
6	Asia: Other South	977	Nepal
6	Asia: Other South	94	Sri Lanka
8	Asia: Southeast, Korea and Japan	673	Brunei
8	Asia: Southeast, Korea and Japan	855	Cambodia
8	Asia: Southeast, Korea and Japan	62	Indonesia
8	Asia: Southeast, Korea and Japan	81	Japan
8	Asia: Southeast, Korea and Japan	856	Laos
8	Asia: Southeast, Korea and Japan	60	Malaysia
8	Asia: Southeast, Korea and Japan	95	Myanmar
8	Asia: Southeast, Korea and Japan	850	North Korea
8	Asia: Southeast, Korea and Japan	63	Philippines
8	Asia: Southeast, Korea and Japan	65	Singapore
8	Asia: Southeast, Korea and Japan	82	South Korea
8	Asia: Southeast, Korea and Japan	66	Thailand
8	Asia: Southeast, Korea and Japan	84	Vietnam
8	Asia: Southeast, Korea and Japan	670	East Timor
105	Asia-Pacific: Australia and New	61	Australia
105	Asia-Pacific: Australia and New	682	Cook Islands
105	Asia-Pacific: Australia and New	64	New Zealand
9	Asia-Pacific: Islands	679	Fiji
9	Asia-Pacific: Islands	689	French Polynesia
9	Asia-Pacific: Islands	686	Kiribati
9	Asia-Pacific: Islands	691	Micronesia
9	Asia-Pacific: Islands	674	Nauru
9	Asia-Pacific: Islands	687	New Caledonia
9	Asia-Pacific: Islands	680	Palau
9	Asia-Pacific: Islands	675	Papua New Guinea
9	Asia-Pacific: Islands	685	Samoa
9	Asia-Pacific: Islands	677	Solomon Islands
9	Asia-Pacific: Islands	676	Tonga
9	Asia-Pacific: Islands	688	Tuvalu

Region Code	Region Name	Country Code	Country Name
9	Asia-Pacific: Islands	678	Vanuatu
15	Europe: Central	420	Czech Republic
15	Europe: Central	372	Estonia
15	Europe: Central	36	Hungary
15	Europe: Central	371	Latvia
15	Europe: Central	370	Lithuania
15	Europe: Central	48	Poland
15	Europe: Central	421	Slovak Republic
16	Europe: Eastern	355	Albania
16	Europe: Eastern	387	Bosnia and Herzegovina
16	Europe: Eastern	359	Bulgaria
16	Europe: Eastern	385	Croatia
16	Europe: Eastern	383	Kosovo
16	Europe: Eastern	389	Macedonia
16	Europe: Eastern	382	Montenegro
16	Europe: Eastern	40	Romania
16	Europe. Eastern	381	Serbia
16	Europe: Eastern	90	Turkey
14	Europe: Russia & CIS	374	Armenia
14	Europe: Russia & CIS	994	Azerbaijan
14	Europe: Russia & CIS	375	Belarus
14	Europe: Russia & CIS	995	Georgia
14	Europe: Russia & CIS	8	Kazakhstan
14	Europe: Russia & CIS	996	Kyrgyzstan
14	Europe: Russia & CIS	373	Moldova
14	Europe: Russia & CIS	976	Mongolia
14	Europe: Russia & CIS	7	Russia
14	Europe: Russia & CIS	992	Tajikistan
14	Europe: Russia & CIS	993	Turkmenistan
14	Europe: Russia & CIS	380	Ukraine
14	Europe: Russia & CIS	998	Uzbekistan
102	Europe: Western	376	Andorra
102	Europe: Western	43	Austria
102	Europe: Western	32	Belgium
102	Europe: Western	357	Cyprus
102	Europe: Western	45	Denmark
102	Europe: Western	358	Finland
102	Europe: Western	33	France
102	Europe: Western	49	Germany
102	Europe: Western	30	Greece
102	Europe: Western	354	Iceland
102	Europe: Western	353	Ireland
102	Europe: Western	101	Isle of Man
102	Europe: Western	39	Italy
102	Europe: Western	102	Liechtenstein
102	Europe: Western	352	Luxembourg

Region Code	Region Name	Country Code	Country Name
102	Europe: Western	356	Malta
102	Europe: Western	377	Monaco
102	Europe: Western	31	Netherlands
102	Europe: Western	47	Norway
102	Europe: Western	351	Portugal
102	Europe: Western	386	Slovenia
102	Europe: Western	34	Spain
102	Europe: Western	46	Sweden
102	Europe: Western	41	Switzerland
102	Europe: Western	44	United Kingdom
10	Middle East: Gulf States	973	Bahrain
10	Middle East: Gulf States	98	Iran
10	Middle East: Gulf States	964	Iraq
10	Middle East: Gulf States	965	Kuwait
10	Middle East: Gulf States	968	Oman
10	Middle East: Gulf States	974	Qatar
10	Middle East: Gulf States	966	Saudi Arabia
10	Middle East: Gulf States	971	United Arab Emirates
10	Middle East: Gulf States	967	Yemen
11	Middle East: MENA	213	Algeria
11	Middle East: MENA	20	Egypt
11	Middle East: MENA	972	Israel
11	Middle East MENA	962	Jordan
11	Middle East: MENA	961	Lebanon
11	Middle East: MENA	212	Morocco
11	Middle East: MENA	970	Palestinian Settlements
11	Middle East: MENA	963	Syrian Arab Republic
11	Middle East: MENA	216	Tunisia
11	Middle East: MENA	1212	Western Sahara
11	Middle East: MENA	218	Libya

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