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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 the document or any 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) 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 Notes, 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 email address that you gave us and to which this email has been delivered is not located in the U.S., (2) such acceptance and access to the document by you and any customer that you represent is not unlawful in the jurisdiction where it is being made to you and any customers you represent and (3) you consent to delivery of the document by electronic transmission.

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 Regulation 2017/1129/EU ("**Qualified Investor**"), (b) in the United Kingdom (the "**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) 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 Ares European CLO XIII B.V., Citigroup Global Markets Limited, Citigroup Global Markets Europe AG, or Ares European Loan Management LLP, Elavon Financial Services DAC, U.S. Bank Global Corporate Trust Limited and U.S. Bank Trustees 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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Ares European CLO XIII B.V.

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

€2,000,000 Class X Senior Secured Floating Rate Notes due 2032
€240,000,000 Class A Senior Secured Floating Rate Notes due 2032
€36,000,000 Class B-1 Senior Secured Floating Rate Notes due 2032
€10,000,000 Class B-2 Senior Secured Fixed Rate Notes due 2032
€24,000,000 Class C-1 Senior Secured Deferrable Floating Rate Notes due 2032
€10,000,000 Class C-2 Senior Secured Deferrable Fixed Rate Notes due 2032
€24,000,000 Class D Senior Secured Deferrable Floating Rate Notes due 2032
€19,000,000 Class E Senior Secured Deferrable Floating Rate Notes due 2032
€11,000,000 Class F Senior Secured Deferrable Floating Rate Notes due 2032
€36,000,000 Subordinated Notes due 2032

The assets securing the Notes (as defined herein) will consist primarily of a portfolio of Senior Obligations, Mezzanine Obligations and High Yield Bonds managed by Ares European Loan Management LLP (the "**Collateral Manager**").

Ares European CLO XIII B.V. (the "**Issuer**") will issue the Class X Notes, the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes (each as defined herein) on or about 21 January 2020 (the "**Issue Date**").

The Class X Notes, the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 Notes, the Class D Notes, the Class E Notes and the Class F Notes (such Classes, the "**Rated Notes**" and, 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 (the "**Trust Deed**") dated on or about 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.

Interest on the Notes will be payable (i) quarterly in arrear on 20 January, 20 April, 20 July and 20 October at any time other than following the occurrence of a Frequency Switch Event (as defined herein); and (ii) semi-annually in arrear following the occurrence of a Frequency Switch Event on (A) 20 January and 20 July (where the Payment Date immediately prior to the occurrence of the relevant Frequency Switch Event falls in either January or July), or (B) 20 April and 20 October (where the Payment Date immediately prior to the occurrence of the relevant Frequency Switch Event falls in either April or October), commencing on 20 July 2020 and ending on the Maturity Date (as defined herein) (subject to any earlier redemption of the Notes and in each case subject to adjustment for non-Business Days in accordance with the Conditions and in accordance with the Priorities of Payment).

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

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

This Offering Circular does not constitute a prospectus for the purposes of Regulation 2017/1129/EU (as amended, 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 p.l.c. trading as Euronext Dublin ("**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**"). It is anticipated that listing will take place on or about the Issue Date. There can be no assurance that any such listing will be maintained. This document constitutes "listing particulars" for the purposes of such application. Application has been made to Euronext Dublin for the approval of this document as listing particulars and this Offering Circular has been approved by Euronext Dublin.

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

The Notes have not been registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and will be offered only: (a) outside the United States to non-U.S. Persons (in compliance with 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 ("**Rule 144A**")) in reliance on Rule 144A and qualified purchasers for the purposes of Section 3(c)(7) of the United States Investment Company Act of 1940, as amended (the "**Investment Company Act**"). The Issuer will not be registered under the Investment Company Act. Interests in the Notes will be subject to certain restrictions on transfer, and each purchaser of the Notes offered hereby in making its purchase will be deemed to have made certain acknowledgements, representations and agreements. See "*Plan of Distribution*" and "*Transfer Restrictions*".

The Notes are not intended to be sold and should not be sold to retail investors. For these purposes, a retail investor means (i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU or (ii) a customer within the meaning of Directive 2016/97/EU, where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of Directive 2014/65/EU.

A credit rating is not a recommendation to buy, hold or sell securities and is subject to revision at any time. Please see "*Risk Factors—Relating to the Notes - Ratings of the Rated Notes Not Assured and Limited in Scope*".

The Notes (other than the Retention Notes) are being offered by the Issuer through Citigroup Global Markets Limited and Citigroup Global Markets Europe AG in their capacity as placement agents of the Notes (the "**Placement Agents**") subject to prior sale, when, as and if delivered to and accepted by the Placement Agents, and to certain conditions. It is expected that delivery of the Notes will be made on or about the Issue Date.

Each of the Issuer and the Placement Agents may offer the Notes at prices as may be negotiated at the time of sale which may vary among different purchasers and which may be different as to the issue price of the Notes. The Retention Notes to be held by the Retention Holder shall be purchased directly from the Issuer by the Retention Holder.

Citigroup Global Markets Limited	**Citigroup Global Markets Europe AG**
Placement Agent and Arranger	Placement Agent and Arranger

The date of this Offering Circular is 20 January 2020.

The Issuer accepts responsibility for the information contained in this document and, to the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information included in this document is in accordance with the facts and does not omit anything likely to affect the import of such information. The Collateral Manager accepts responsibility for the information contained in the sections of this document headed "Risk Factors – Certain Conflicts of Interest – Certain Conflicts of Interest Involving or Relating to the Collateral Manager and its Affiliates", "Description of the Collateral Manager", "EU Retention and Transparency Requirements – The Retention Holder", "EU Retention and Transparency Requirements – Origination of Collateral Obligations", "EU Retention and Transparency Requirements – Comparable Assets", "EU Retention and Transparency Requirements – Credit Granting Criteria". To the best of the knowledge and belief of the Collateral Manager (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Collateral Administrator accepts responsibility for the information contained in the section of this document headed "Description of the Collateral Administrator". To the best of the knowledge and belief of the Collateral Administrator (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. Except for the sections of this document headed "Risk Factors – Certain Conflicts of Interest – Certain Conflicts of Interest Involving or Relating to the Collateral Manager and its Affiliates", "Description of the Collateral Manager" and *"EU Retention and Transparency Requirements – The Retention Holder, "EU Retention and Transparency Requirements – Origination of Collateral Obligations", "EU Retention and Transparency Requirements –Comparable Assets", "EU Retention and Transparency Requirements – Credit Granting Criteria" in the case of the Collateral Manager and "Description of the Collateral Administrator", in the case of the Collateral Administrator, neither the Collateral Manager nor the Collateral Administrator accepts 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.*

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

This Offering Circular does not constitute an offer of, or an invitation by or on behalf of, the Issuer, the Placement Agents, the Arrangers, the Collateral Manager, the Trustee, the Collateral Administrator and/or any of their respective Affiliates or any other person to subscribe for or purchase any of the Notes. The distribution of this Offering Circular and the offering of the Notes in certain jurisdictions may be restricted by law. Persons into whose possession this Offering Circular comes are required by the Issuer, the Placement Agents and the Arrangers to inform themselves about and to observe any such restrictions. In particular, the communication constituted by this Offering Circular is directed only at persons who (i) are outside the United Kingdom and are offered and accept this Offering Circular in compliance with such restrictions or (ii) are persons falling within Article 49(2)(a) to (d) (High net worth companies, unincorporated associations etc.) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or who otherwise fall within an exemption set forth in

such Order so that Section 21(1) of the Financial Services and Markets Act 2000 does not apply to the Issuer (all such persons together being referred to as "relevant persons"). This communication must not be distributed to, acted on or relied on by persons who are not relevant persons. Any investment or investment activity to which this communication relates is available only to relevant persons and will be engaged in only with relevant persons. For a description of certain further restrictions on offers and sales of Notes and distribution of this Offering Circular, see "Plan of Distribution" and "Transfer Restrictions" below.

No person is authorised to give any information or to make any representation in connection with the offering or sale of the Notes other than those contained in this Offering Circular and, if given or made, such information or representation must not be relied upon as having been authorised by the Issuer, the Trustee, the Collateral Administrator, any Agent, the Placement Agents or the Arrangers or any of their respective affiliates or advisers. Neither the delivery of this Offering Circular nor any sale or allotment made in connection with the offering of the Notes shall, under any circumstances, create any implication or constitute a representation that there has been no change in the affairs of the Issuer or and in the other information contained herein since the date hereof. The information contained in this Offering Circular was obtained from the Issuer and the other sources identified herein, but, no assurance can be given by the Collateral Manager, the Trustee, Placement Agents or the Arrangers as to the accuracy or completeness of such information. None of the Collateral Manager, the Placement Agents, the Arrangers or the Trustee has separately verified the information contained herein. Accordingly, none of the Collateral Manager, the Placement Agents, the Arrangers 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 Agents, the Arrangers, the Collateral Administrator, any Agent 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. In making an investment decision, investors must rely on their own examination of the terms of this offering, including the merits and risks involved. The contents of this Offering Circular should not be construed as providing legal, business, accounting or tax advice. Each prospective investor should consult its own legal, business, accounting and tax advisers prior to making a decision to invest in the 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 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) but for the avoidance of doubt shall not affect any definition of euro used in respect of the Collateral and any references to "US Dollar", "US dollar", "USD", "U.S. Dollar" or "$" shall mean the lawful currency of the United States of America.*

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

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

In connection with the issue of the Notes, no stabilisation will take place and Citigroup Global Markets Limited and Citigroup Global Markets Europe AG will not be acting as stabilising manager in respect of the Notes.

None of the Collateral Manager, the Arrangers, the Placement Agents, any Agent, the Collateral Administrator 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 in any Transaction Document, or for the execution, legality, effectiveness, adequacy, genuineness, validity, enforceability or admissibility in evidence thereof.

EU RETENTION AND TRANSPARENCY 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 and Transparency Requirements or any other regulatory requirement. None of the Issuer, the Collateral Manager, any Collateral Manager Related Person, the Arrangers, the Placement

Agents, 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 with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy the EU Retention and Transparency Requirements or any other applicable legal, regulatory or other requirements. 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 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 –Transparency Requirements*", and "*Description of the Collateral Management and Administration Agreement*" below.

In addition, in relation to the reporting obligations in the EU Retention and Transparency Requirements, (a) the Issuer will be designated as the entity responsible to fulfil such reporting obligations, (b) the Collateral Manager will undertake to provide to the Collateral Administrator and the Issuer (and any applicable third party reporting entity) any reports, data and other information, as may be reasonably 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 in the Notes and the competent authorities the reports and information necessary for the Issuer to fulfil the reporting requirements of Article 7 (*Transparency requirements for originators, sponsors and SSPEs*) of the Securitisation Regulation (and prior to the adoption of final disclosure templates in respect of the Transparency Requirements of Article 7 (*Transparency requirements for originators, sponsors and SSPEs*) of the Securitisation Regulation, 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, see "*Description of the Reports*") and (c) following the adoption of the final disclosure templates in respect of the EU Retention and Transparency Requirements the Issuer (with the consent of the Collateral Manager) will propose in writing to the Collateral Administrator the form, content, method of distribution and timing of such reports and information. 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 in providing such reporting on such proposed terms, shall confirm in writing to the Issuer and the Collateral Manager and shall make such information (as provided to it by the Collateral Manager and the Issuer) available (or procure that such information 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 and the Collateral Manager and as further notified by the Issuer to the Noteholders in accordance with Condition 16 (*Notices*)) which shall be accessible to the competent authorities, any Noteholder and any potential investor in the Notes (and in such other manner as required by any competent authority (as instructed to the Collateral Administrator by the Issuer and as agreed with the Collateral Administrator)). If the Collateral Administrator does not agree on the terms of reporting or, in the reasonable opinion of the Issuer (acting on the advice of the Collateral Manager), the Collateral Administrator is or will be unable or unwilling to provide such reporting, the Issuer (with the consent of the Collateral Manager) shall be entitled to appoint another entity to make the relevant information available for the purposes of Article 7 (*Transparency requirements for originators, sponsors and SSPEs*) of the Securitisation Regulation. In addition, the Issuer may (with the consent of the Collateral Manager) by notice in writing to the Collateral Administrator at any time: (i) if the Issuer has reasonable grounds to believe that the Collateral Administrator will fail or be unable to perform any of its duties or responsibilities under the Collateral Management and Administration Agreement insofar as they relate to the reporting requirements set out in the EU Retention and Transparency Requirements (and any notice given in respect of this sub-paragraph (i) shall include a description of the Issuer's grounds for such belief); or (ii) following the occurrence of a default, failure or inability of the Collateral Administrator to perform any of its duties or responsibilities under the Collateral Management and Administration Agreement insofar as they relate to the reporting requirements set out in the EU Transparency Requirements which has not been cured within five days of the occurrence of such default, failure or inability to perform, assume itself or appoint another third party to assume the obligations of the Collateral Administrator to make the relevant information available for the purposes of the EU Retention and Transparency Requirements.

For the avoidance of doubt, and following the adoption of the final disclosure templates in respect of the EU Retention and Transparency Requirements if the Collateral Administrator agrees to assist the Issuer and the Collateral Manager in providing reporting on behalf of the Issuer, the Collateral Administrator will not assume any responsibility for the Issuer's obligations as the entity responsible for fulfilling the reporting obligations under the EU Retention and Transparency Requirements. In making available such information and reporting, the Collateral Administrator will not assume responsibility or liability to any third party, including the Noteholders and potential Noteholders (including for the 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 Collateral Management and Administration Agreement and the other Transaction Documents.

In connection with such information and reporting, the Collateral Manager will not assume 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 Collateral Management and Administration Agreement and the other Transaction Documents.

U.S. RISK RETENTION RULES

The U.S. Risk Retention Rules require the "**sponsor**" of a "**securitization transaction**" to retain (either directly or through its "**majority-owned affiliates**") not less than 5 per cent. 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 require that the risk be retained.

Based on the LSTA Decision and the Mandate (as defined below), each prospective investor should be aware 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 Issuer, the Placement Agents, the Collateral Manager, the Trustee or any of their respective affiliates makes any representation, warranty or guarantee to any prospective investor or purchaser of the Notes and no such person shall have any liability to any prospective investor or purchaser of the Notes or any other person with respect to the application of the U.S. Risk Retention Rules to the Issuer, or to such investor's investment in the Notes on the Issue Date or at any time in the future.

VOLCKER RULE

Under Section 619 of the U.S. Dodd-Frank Act and the corresponding implementing rules (the "**Volcker Rule**") relevant banking entities (as defined under the Volcker Rule) are generally prohibited from, among other things, acquiring or retaining any ownership interest in, or acting as sponsor in respect of, certain investment entities referred to as covered funds. In addition, in certain circumstances, the Volcker Rule restricts relevant banking entities from entering into certain credit exposure related transactions with covered funds.

An "ownership interest" is broadly defined and may arise through a holder's exposure to the profit and losses of the covered fund, as well as through any right of the holder to participate in the selection of an investment advisor, manager, or board of directors of the covered fund.

The Class X Notes shall not carry any rights to vote in respect of, or be counted for the purposes of determining a quorum and the result of any votes in respect of any CM Removal Resolutions or any CM Replacement Resolutions. There can be no assurance that these features will be effective in resulting in investments in the Class X Notes by U.S. banking institutions and other banking entities subject to the Volcker Rule not being characterised as an "ownership interest" in the Issuer.

The Issuer may be deemed to be a "covered fund" under the Volcker Rule and, in such circumstances, in the absence of regulatory relief, the provisions of the Volcker Rule and its related regulatory provisions, will severely limit the ability of U.S. "banking entities" and non-U.S. affiliates of U.S. banking institutions to hold an ownership interest in the Issuer or enter into financial transactions with the Issuer. If the Issuer is deemed to be a "covered fund", this could significantly impair the marketability and liquidity of the Notes.

It should be noted that the Subordinated Notes will be characterised as ownership interests in the Issuer for this purpose and it is uncertain whether any of the Rated Notes may be similarly characterised as ownership interests. For instance, there is currently uncertainty as to whether the rights of Noteholders to participate in the removal of, and/or selection of a replacement for, the Collateral Manager in and of itself will be construed as indicative of an ownership interest by the Noteholders of the relevant Class.

The Transaction Documents provide that the right of holders of the Notes in respect of the removal of the Collateral Manager and selection of a replacement collateral manager shall only be exercisable upon a Collateral Manager Event of Default. The holders of any Class A Notes, Class B-1 Notes, Class B-2 Notes, Class C-1 Notes, Class C-2 Notes or Class D Notes in the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes are disenfranchised in respect of any CM Removal Resolution or CM Replacement Resolution. However, there can be no assurance that these features will be effective in resulting in such investments in the

Issuer by U.S. banking institutions and other banking entities subject to the Volcker Rule not being characterised as an "ownership interest" in the Issuer.

There is limited interpretive guidance regarding the Volcker Rule, and implementation of the regulatory framework for the Volcker Rule is still evolving. The Volcker Rule's prohibitions and lack of interpretive guidance could negatively impact the liquidity and value of the Notes. Any entity that is a "banking entity" as defined under the Volcker Rule and is considering an investment in the Notes should consider the potential impact of the Volcker Rule in respect of such investment and on its portfolio generally. Each purchaser must determine for itself whether it is a banking entity subject to regulation under the Volcker Rule. None of the Issuer, the Collateral Manager, the Placement Agents or the Arrangers makes any representation regarding (i) the status of the Issuer under the Volcker Rule or (ii) the ability of any purchaser to acquire or hold the Notes, now or at any time in the future. See "*Risk Factors – Regulatory Initiatives – Volcker Rule*" below for further information.

Information as to placement within the United States

The Notes of each Class offered pursuant to an exemption from registration requirements 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" for purposes of Section 3(c)(7) of the Investment Company Act ("**QPs**"). Rule 144A Notes of each Class will each be represented on issue by beneficial interests in one or more permanent global certificates of such Class (each, a "**Rule 144A Global Certificate**" and together, the "**Rule 144A Global Certificates**"), in each case in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear Bank S.A./N.V., as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"), or, in the case of Rule 144A Definitive Certificates, the registered holder thereof. The Notes of each Class sold outside the United States to non-U.S. Persons in reliance on Regulation S ("**Regulation S**") under the Securities Act (the "**Regulation S Notes**") will each be represented on issue by beneficial interests in one or more permanent global certificates of such Class (each, a "**Regulation S Global Certificate**" and together, the "**Regulation S Global Certificates**"), in each case in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg or, in the case of Regulation S Definitive Certificates, the registered holder thereof. Neither U.S. Persons nor U.S. residents (as determined for the purposes of the Investment Company Act) ("**U.S. Residents**") may hold an interest in a Regulation S Global Certificate or a Regulation S Definitive Certificate. Ownership interests in the Regulation S Global Certificates and the Rule 144A Global Certificates (together, the "**Global Certificates**") will be shown on, and transfers thereof will only be effected through, records maintained by Euroclear and Clearstream, Luxembourg and their respective participants. Notes in definitive certificated form will be issued only in limited circumstances. The Class E Notes, the Class F Notes and the Subordinated Notes may, in certain circumstances described herein, be issued in definitive, certificated, fully registered form, pursuant to the Trust Deed and 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 QIB/QPs in reliance on Rule 144A and, in each case, will be registered in the name of the holder (or a nominee thereof). 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*".

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

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

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 DOCUMENT. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE.

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

Available Information

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

General Notice

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

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

Commodity Pool Regulation

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

TERM IS DEFINED IN THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE "**CEA**") AND CFTC REGULATIONS IN RESPECT OF THE ISSUER. IN THE EVENT THAT TRADING OR ENTERING INTO ONE OR MORE HEDGE AGREEMENTS WOULD RESULT IN THE ISSUER'S ACTIVITIES FALLING WITHIN THE DEFINITION OF A "COMMODITY POOL", THE COLLATERAL MANAGER WOULD EITHER SEEK TO UTILIZE ANY AVAILABLE EXEMPTIONS FROM REGISTRATION AS A COMMODITY POOL OPERATOR (A "**CPO**") OR REGISTER AS A CPO. UTILIZING ANY SUCH EXEMPTION FROM REGISTRATION MAY IMPOSE ADDITIONAL COSTS ON THE COLLATERAL MANAGER, AND MAY SIGNIFICANTLY LIMIT ITS ABILITY TO ENGAGE IN HEDGING ACTIVITIES ON BEHALF OF THE ISSUER. IF THE COLLATERAL MANAGER IS REQUIRED TO REGISTER AS A CPO/CTA, IT WILL BECOME SUBJECT TO NUMEROUS REPORTING AND OTHER REQUIREMENTS AND IT IS EXPECTED THAT IT WILL INCUR SIGNIFICANT ADDITIONAL COSTS IN COMPLYING WITH ITS OBLIGATIONS AS A REGISTERED CPO, WHICH COSTS ARE EXPECTED TO BE PASSED ON TO THE ISSUER AND MAY ADVERSELY AFFECT THE ISSUER'S ABILITY TO MAKE PAYMENT ON THE NOTES.

Forward-Looking Statements

THIS OFFERING CIRCULAR CONTAINS FORWARD-LOOKING STATEMENTS, WHICH CAN BE IDENTIFIED BY WORDS LIKE "ANTICIPATE," "BELIEVE," "PLAN," "HOPE," "GOAL," "INITIATIVE," "EXPECT," "CONTINUE," "FUTURE," "INTEND," "MAY," "WILL," "COULD" AND "SHOULD" OR THE NEGATIVES THEREOF OR OTHER VARIATIONS THEREON OR COMPARABLE TERMINOLOGY. ANY SUCH STATEMENTS. THE INCLUSION OF FORWARD-LOOKING STATEMENTS HEREIN SHOULD NOT BE REGARDED AS A REPRESENTATION BY ANY OF THE ISSUER, THE TRUSTEE, THE PLACEMENT AGENTS, THE COLLATERAL MANAGER, THE RETENTION HOLDER, THE COLLATERAL ADMINISTRATOR OR ANY OF THEIR RESPECTIVE AFFILIATES OR ANY OTHER PERSON OF THE RESULTS THAT WILL ACTUALLY BE ACHIEVED. SUCH FORWARD-LOOKING STATEMENTS ARE BASED UPON CERTAIN INPUTS AND/OR ASSUMPTIONS ABOUT FUTURE EVENTS AND CONDITIONS, AND CERTAIN OF THEM ARE INTENDED ONLY TO ILLUSTRATE HYPOTHETICAL RESULTS USING THOSE INPUTS AND ASSUMPTIONS (NOT ALL OF WHICH ARE SPECIFIED HEREIN OR CAN BE ASCERTAINED AS OF THE DATE HEREOF). SUCH FORWARD-LOOKING STATEMENTS DO NOT REPRESENT ANY ACTUAL PRICES, VALUES OR THE PERFORMANCE OF THE ISSUER OR ANY CLASS OF NOTES AND NEITHER DO THEY PRESENT ALL POSSIBLE OUTCOMES OR DESCRIBE ALL FACTORS THAT MAY AFFECT THE VALUE OF ANY APPLICABLE INVESTMENT. ACTUAL EVENTS OR CONDITIONS ARE UNLIKELY TO BE CONSISTENT WITH, AND MAY DIFFER SIGNIFICANTLY FROM, THOSE ASSUMED. ACCORDINGLY, ACTUAL RESULTS MAY VARY AND THE VARIATIONS MAY BE SUBSTANTIAL. EXCEPT TO THE EXTENT REQUIRED BY APPLICABLE LAW, NONE OF THE FOREGOING PERSONS HAS ANY OBLIGATION TO UPDATE OR OTHERWISE REVISE ANY FORWARD-LOOKING STATEMENTS, INCLUDING ANY REVISION TO REFLECT CHANGES IN ANY CIRCUMSTANCES ARISING AFTER THE DATE HEREOF RELATING TO ANY ASSUMPTIONS OR OTHERWISE.

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.

Notwithstanding the reference to "professional client" the only client of the Collateral Manager is the Issuer. The Collateral Manager will not provide any investment services to any Noteholder or advise on the merits of, or make any recommendation in relation to, the terms of any transaction. No representative of the Collateral Manager is authorised to behave in anyway which would lead Noteholders or any other person to believe otherwise. The Noteholders are not therefore "clients" of the Collateral Manager and the Collateral Manager is not responsible for providing Noteholders or any party other than the Issuer with the protections afforded to its clients. Such persons should seek their own independent legal, investment and tax advice as they see fit.

PRIIPs Regulation and Prohibition of Sales to EEA retail investors

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

Notwithstanding the reference to "retail client" the only client of the Collateral Manager is the Issuer. The Collateral Manager will not provide any investment services to any Noteholders or advise on the merits of, or make any recommendation in relation to, the terms of any transaction. No representative of the Collateral Manager is authorised to behave in anyway which would lead Noteholders or any other person to believe otherwise. Noteholders are not therefore "clients" of the Collateral Manager and the Collateral Manager is not responsible for providing Noteholders or any party other than the Issuer with the protections afforded to its clients. Such persons should seek their own independent legal, investment and tax advice as they see fit.

Benchmarks Regulation

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

NEITHER THE PLACEMENT AGENTS NOR THEIR AFFILIATES ACCEPTS ANY RESPONSIBILITY FOR ANY ACTS OR OMISSIONS OF THE ISSUER OR ANY OTHER PERSON (OTHER THAN THE INITIAL PURCHASER) IN CONNECTION WITH THE OFFERING CIRCULAR OR THE ISSUE AND OFFERING OF THE NOTES.

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

Issuer	Ares European CLO XIII B.V., a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) incorporated under the laws of The Netherlands.
Collateral Manager	Ares European Loan Management LLP.
Trustee	U.S. Bank Trustees Limited.
Placement Agents	Citigroup Global Markets Limited and Citigroup Global Markets Europe AG.
Collateral Administrator	U.S. Bank Global Corporate Trust Limited.

Notes

Class of Notes	Principal Amount	Initial Stated Interest Rate[1]	Alternative Stated Interest Rate[3]	S&P Ratings of at least[4]	Fitch Ratings of at least[4]	Maturity Date	Issue Price[5]
X	€2,000,000	3 month EURIBOR + 0.40 per cent.	6 month EURIBOR + 0.40 per cent.	AAA(sf)	AAAsf	2032	100.00 per cent.
A	€240,000,000	3 month EURIBOR + 0.98 per cent.	6 month EURIBOR + 0.98 per cent.	AAA(sf)	AAAsf	2032	100.00 per cent.
B-1	€36,000,000	3 month EURIBOR + 1.80 per cent.	6 month EURIBOR + 1.80 per cent.	AA(sf)	AAsf	2032	100.00 per cent.
B-2	€10,000,000	2.10 per cent.	2.10 per cent.	AA(sf)	AAsf	2032	100.00 per cent.
C-1	€24,000,000	3 month EURIBOR + 2.50 per cent.	6 month EURIBOR + 2.50 per cent.	A(sf)	Asf	2032	100.00 per cent.
C-2	€10,000,000	2.60 per cent.	2.60 per cent.	A(sf)	Asf	2032	100.00 per cent.
D	€24,000,000	3 month EURIBOR + 4.10 per cent [2]	6 month EURIBOR + 4.10 per cent.	BBB(sf)	BBB-sf	2032	100.00 per cent.
E	€19,000,000	3 month EURIBOR + 6.35 per cent.	6 month EURIBOR + 6.35 per cent.	BB-(sf)	BB-sf	2032	96.50 per cent.
F	€11,000,000	3 month EURIBOR + 8.77 per cent.	6 month EURIBOR + 8.77 per cent.	B-(sf)	B-sf	2032	90.65 per cent.
Subordinated Notes	€36,000,000	N/A	N/A	Not Rated	Not Rated	2032	95.00 per cent.

[1] Applicable to each three month Accrual Period, provided that the rate of interest of the Rated Notes (other than the Class B-2 Notes and the Class C-2 Notes) will be determined for the period from, and including, the Issue Date to, but excluding, the first Payment Date, by reference to a straight line interpolation of three month EURIBOR and six month EURIBOR

[2] A Class D Additional Amount will be payable solely to the Class D Noteholders on the first Payment Date.

[3] Applicable at all times following the occurrence of a Frequency Switch Event, provided that the rate of interest of the Notes of each Class (other than the Class B-2 Notes and the Class C-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 in April 2032, be determined by reference to three month EURIBOR.

[4] The ratings assigned to the Class X Notes, the Class A Notes and the Class B Notes by Fitch address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class C Notes, Class D Notes, Class E Notes and Class F Notes by Fitch address the ultimate payment of principal and interest. The ratings assigned to the Rated Notes by S&P address the expected loss posed to investors by the legal final maturity on the Maturity Date. A security rating is not a recommendation to buy, sell or hold the Notes and may be subject to revision, suspension or withdrawal at any time by the applicable Rating Agency. As of the date of this Offering Circular, each of the Rating Agencies is established in the European Union ("**EU**") and is registered under Regulation (EC) No 1060/2009 (as amended) (the "**CRA Regulation**"). As such each Rating Agency is included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website in accordance with the CRA Regulation.

[5] Each of the Issuer and the Placement Agents may offer the 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.

Eligible Purchasers	The Notes of each Class will be offered: (a) to non-U.S. Persons in "offshore transactions" in reliance on Regulation S; and (b) to U.S. Persons, in each case, who are QIB/QPs in reliance on Rule 144A.

Distributions on the Notes

Payment Dates	Interest on the Notes will be payable: (a) following the occurrence of a Frequency Switch Event on (A) 20 January and 20 July (where the Payment Date immediately prior to the occurrence of the relevant Frequency Switch Event falls in either January or July), or (B) 20 April and 20 October (where the Payment Date immediately prior to the occurrence of the relevant Frequency Switch Event falls in either April or October); and (b) 20 January, 20 April, 20 July and 20 October at all other times, commencing on 20 July 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 in respect of the Notes of each Class will be payable semi-annually in arrear in respect of each six month Accrual Period and quarterly in arrear in respect of each three month Accrual Period, in each case on each Payment Date (with the first Payment Date occurring in July 2020) in accordance with the Interest Priority of Payments. A Class D Additional Amount will be payable to the Class D Noteholders on the first Payment Date.
Stated Interest Rate	Interest shall be payable on the Subordinated Notes on each Payment Date to the extent funds are available in accordance with the Priorities of Payment.
Non Payment and Deferral of Interest	Failure on the part of the Issuer to pay the Interest Amounts due and payable on the Class X Notes, the Class A Notes or the Class

B Notes pursuant to Condition 6 (*Interest*) and the Priorities of Payment shall not be a Note Event of Default unless and until such failure continues for a period of at least five Business Days (or seven Business Days in the case of an error or omission), and save in each case as the result of any deduction therefrom or the imposition of any withholding tax thereon as set out in Condition 9 (*Taxation*).

Failure on the part of the Issuer to pay Interest Amounts (and, if applicable, any Class D Additional Amount) due and payable on the Class C Notes, Class D Notes, Class E Notes or Class F Notes pursuant to Condition 6 (*Interest*) and the Priorities of Payment will not constitute a Note Event of Default unless following a Frequency Switch Event only: following redemption in full of the Class X Notes, the Class A Notes and the Class B Notes, failure to pay any interest in respect of the Class C Notes when the same becomes due and payable; following redemption if full of the Class C Notes, failure to pay any interest (and, if applicable, any Class D Additional Amount) in respect of the Class D Notes when the same becomes due and payable; following redemption in full of the Class D Notes, failure to pay any interest in respect of the Class E Notes when the same becomes due and payable; and following redemption if full of the Class E Notes failure to pay any interest in respect of the Class F Notes when the same becomes due and payable.

To the extent that interest payments on the Class C Notes, Class D Notes, Class E Notes or Class F Notes (including, if applicable, any Class D Additional Amount) 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, Class D Notes, Class E Notes and Class F Notes (as applicable), and from the date such unpaid interest is added to the applicable Principal Amount Outstanding of the relevant Class of Notes, such unpaid amount will accrue interest at the rate of interest applicable to the relevant Class of Notes. See Condition 6(c) (*Deferral of Interest*).

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

Redemption of the Notes

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

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

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

(c) if, as at the Business Day prior to the Payment Date following the Effective Date, an Effective Date Rating Event has occurred and is continuing, 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 the Rated Notes are redeemed in full or, if earlier, until such Effective Date Rating Event is no longer continuing (see Condition 7(e) (*Redemption upon Effective Date Rating Event*));

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

(e) on any Payment Date during the Reinvestment Period at the discretion of the Collateral Manager (acting on behalf of the Issuer), following written certification by the Collateral Manager to the Trustee (on which the Trustee may rely without enquiry or liability) that, using commercially reasonable endeavours, it (A) has been unable, for a period of at least 20 consecutive Business Days, to identify additional Collateral Obligations or Substitute Collateral Obligations that are deemed appropriate by the Collateral Manager in its sole discretion in sufficient amounts to permit the investment of all or a portion of the funds then available for reinvestment or (B) at any time after the Effective Date, has determined, acting in a commercially reasonable manner, that a redemption is required in order to avoid a Rating Event, the Collateral Manager may elect, in its sole discretion, to designate all or a portion of those funds as a Special Redemption Amount (see Condition 7(d) (*Special Redemption*));

(f) on any Payment Date during the Reinvestment Period to cure a failure of the Reinvestment Overcollateralisation Test, at the option of the Collateral Manager (see Condition 7(k) (*Reinvestment Overcollateralisation Test*));

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

(h) in part by the redemption in whole of one or more Classes of Rated Notes from Refinancing Proceeds on any Business Day following the expiry of the Non-Call Period if (i) directed in writing by the Collateral Manager or (ii) the Subordinated Noteholders (acting by way of an Ordinary Resolution), in each case at least 30 days prior to the Redemption Date to redeem such Class or Classes of Rated Notes, as long as the Class or Classes of Rated Notes to be redeemed each represents not less than the entire Class of such Rated Notes (see

Condition 7(b)(ii) (*Optional Redemption in Part - Collateral Manager/Subordinated Noteholders*));

(i) the Subordinated Notes may be redeemed in whole at the direction of the holders of the Subordinated Notes (acting by way of Ordinary Resolution) following the redemption in full of all Classes of Rated Notes (see Condition 7(b)(viii) (*Optional Redemption of Subordinated Notes*));

(j) on any Business Day following the occurrence of a Collateral Tax Event in whole (with respect to all Classes of Rated Notes) at the option of the Subordinated Noteholders acting by way of Ordinary Resolution (at their applicable Redemption Prices, subject to the right of the 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) (See Condition 7(b)(i) (*Optional Redemption in Whole - Subordinated Noteholders*));

(k) in whole (with respect to all Classes of Notes) on any Business Day at the option of (i) the Controlling Class or (ii) the holders of the Subordinated Notes, in each case acting by way of Ordinary Resolution following the occurrence of a Note Tax Event (at their applicable Redemption Prices, subject to the right of the 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), subject to (x) the Issuer having failed to change the territory in which it is resident for tax purposes and (y) certain minimum time periods. See Condition 7(g) (*Redemption Following Note Tax Event*);

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

(m) in whole (with respect to all Classes of Rated Notes) but not in part from Sale Proceeds on any Business Day following the expiry of the Non-Call Period if, upon or at any time following the expiry of the Non-Call Period, the Collateral Principal Amount is less than 15 per cent. of the Target Par Amount and such redemption is directed in writing by the Collateral Manager or the Retention Holder (see Condition 7(b)(iii) (*Optional Redemption in Whole - Clean-up Call*)); and

(n) the Class X Notes shall be subject to mandatory redemption in part on each Payment Date commencing on (and including) the second Payment Date immediately following the Issue Date, in each case in an amount equal to the Class X Principal Amortisation Amount (see Condition 7(m) (*Mandatory Redemption of Class X Notes*)).

Non-Call Period	During the period from the Issue Date up to, but excluding, 20 January 2022 or, if such day is not a Business Day, then the next succeeding Business Day (unless it would fall in the following month, in which case it shall be moved 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, the Class E Notes and the Class F Notes, any accrued and unpaid Deferred Interest on such Notes) plus (b) accrued and unpaid interest thereon to the day of redemption. The Redemption Price for each Subordinated Note will be 100 per cent. of the Principal Amount Outstanding thereof (if any) or, if greater, its *pro rata* share (calculated in accordance with paragraph (DD) of the Interest Priority of Payments, paragraph (U) of the Principal Priority of Payments or paragraph (W) 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.
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 (deemed or otherwise) which has subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*), and other than in connection with an Optional Redemption in whole pursuant to Condition 7(b) (*Optional Redemption*) or in connection with a redemption in whole pursuant to Condition 7(g) (*Redemption Following Note Tax Event*), Interest Proceeds will be applied in accordance with the Interest Priority of Payments and Principal Proceeds will be applied in accordance with the Principal Priority of Payments. Upon any redemption in whole of the Notes in accordance with Condition 7(b) (*Optional Redemption*) or in accordance with Condition 7(g) (*Redemption Following Note Tax Event*) or following the delivery of an Acceleration Notice (deemed or otherwise) in accordance with Condition 10(b) (*Acceleration*) which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*), Interest Proceeds and Principal Proceeds will be applied in accordance with the Post-Acceleration Priority of Payments, in each case as described in the Conditions.
Collateral Management Fees	
Senior Management Fee	0.15 per cent. per annum (exclusive of any VAT) of the Collateral Principal Amount. See "*Description of the Collateral Management and Administration Agreement — Compensation of the Collateral Manager*".
Subordinated Management Fee	0.35 per cent. per annum (exclusive of any VAT) of the Collateral Principal Amount. See "*Description of the Collateral*

	Management and Administration Agreement — Compensation of the Collateral Manager".
Incentive Collateral Management Fee	The Collateral Manager will be entitled to an Incentive Collateral Management Fee on each Payment Date on which the Incentive Collateral Management Fee IRR Threshold has been met or surpassed, equal to (exclusive of any VAT) 20 per cent. of any Interest Proceeds and Principal Proceeds that would otherwise be available to distribute to the Subordinated Noteholders in accordance with the Priorities of Payment. See "*Description of the Collateral Management and Administration Agreement — Compensation of the Collateral Manager*".
Security for the Notes	
General	The Notes will be secured in favour of the Trustee for the benefit of the Secured Parties by security over, *inter alia*, a portfolio of Collateral Obligations. The Notes will also be secured by an assignment by way of security of various of the Issuer's other rights, including its rights under certain of the agreements described herein but excluding its rights in respect of amounts standing to the credit of the Issuer Dutch Account and the Issuer Management Agreement. See Condition 4 (*Security*).
Hedging Arrangements	Subject to the Eligibility Criteria, the Issuer or the Collateral Manager on its behalf may purchase Collateral Obligations that are denominated in a Qualifying Currency other than Euro provided that a Currency Hedge Transaction is entered into in respect of each such Non-Euro Obligation with a Hedge Counterparty satisfying the applicable Rating Requirement under which the currency risk is reduced or eliminated. For the avoidance of doubt, the ability of the Issuer (or the Collateral Manager on its behalf) to enter into Currency Hedge Transactions is subject to satisfaction of the Hedging Condition. The Collateral Manager (on behalf of the Issuer) is also authorised to enter into spot exchange transactions, as necessary, to fund the Issuer's payment obligations under any Currency Hedge Transaction. The Issuer (or the Collateral Manager on its behalf) will obtain Rating Agency Confirmation prior to entering into any Hedge Transaction after the Issue Date (save in the case of a Form Approved Hedge). See "*Hedging Arrangements*".
Collateral Manager	Pursuant to the Collateral Management and Administration Agreement, the Collateral Manager is required to act as the Issuer's collateral manager with respect to the Portfolio, to act in specific circumstances in relation to the Portfolio on behalf of the Issuer and to carry out the duties and functions described therein. Pursuant to the Collateral Management and Administration Agreement, the Issuer delegates authority to the Collateral Manager to carry out certain functions in relation to the Portfolio and any Hedge Transactions. See "*Description of the Collateral Management and Administration Agreement*" and "*The Portfolio*".
Purchase and Sale of Collateral Obligations	
Initial Portfolio	The Collateral Manager (on behalf of the Issuer) has purchased a portfolio of Collateral Obligations prior to the Issue Date

	pursuant to the Warehouse Arrangements. For a description of the Warehouse Arrangements see "*Risk Factors – Relating to the Collateral – The Warehouse Arrangements*".
Initial Investment Period	During the period from and including the Issue Date to but excluding the earlier of: (a) the date designated for such purpose by the Collateral Manager, subject to the Effective Date Determination Requirements having been satisfied; and (b) 3 July 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 use reasonable endeavours to purchase the Portfolio of Collateral Obligations, subject to the Eligibility Criteria and certain other restrictions.
Sale of Collateral Obligations	Subject to the limits described in the Collateral Management and Administration Agreement, the Collateral Manager, on behalf of the Issuer, may dispose of any Collateral Obligation during and after the Reinvestment Period. See "*The Portfolio – Management of the Portfolio - Discretionary Sales*" and "*The Portfolio – Management of the Portfolio - Terms and Conditions applicable to the Sale of Credit Risk Obligations, Credit Improved Obligations, Defaulted Obligations and Equity Securities*" and "*The Portfolio – Management of the Portfolio - Terms and Conditions applicable to the Sale of Exchanged Securities*".
Reinvestment in Collateral Obligations	Subject to the limits described in the Collateral Management and Administration Agreement and Principal Proceeds being available for such purpose, the Collateral Manager 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, only Sale Proceeds from the sale of Credit Improved Obligations and Credit Risk Obligations and Unscheduled Principal Proceeds received after the Reinvestment Period may, but are not required to, be reinvested by the Issuer or the Collateral Manager acting on behalf of the Issuer, in Substitute Collateral Obligations meeting the Eligibility Criteria and Reinvestment Criteria and subject to certain other restrictions. See "*The Portfolio — Management of the Portfolio*".
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. See "*The Portfolio – Eligibility Criteria - Restructured Obligations*".

Collateral Quality Tests

The Collateral Quality Tests will comprise the following:

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

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

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

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

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

  (i) the Minimum Weighted Average Spread Test; and

  (ii) 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 Collateral Principal Amount):

	Minimum	**Maximum**
(a) Secured Senior Obligations in aggregate (including the Balances standing to the credit of the Principal Account and the Unused Proceeds Account)	90.0 per cent.	N/A
(b) Secured Senior Loans (including the Balance standing to the credit of the Principal Account and the Unused Proceeds Account)	70.0 per cent.	N/A
(c) Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and High Yield Bonds	N/A	10.0 per cent.
(d) Fixed Rate Collateral Obligations	N/A	10 per cent. or, in relation to a Fitch Test Matrix elected by the Collateral Manager where such Fitch Test Matrix and/or the interpolation between the applicable Fitch Test Matrices applies a maximum percentage of the Collateral Principal Amount that can comprise Fixed Rate Collateral Obligations, such lower percentage calculated in accordance with the provisions

			set out in this Offering Circular.
(e)	Secured Senior Bonds, Mezzanine Obligations in the form of bonds and High Yield Bonds	N/A	30.0 per cent.
(f)	Cov-Lite Loans	N/A	30.0 per cent.
(g)	Currency Hedge Obligations	N/A	20.0 per cent.
(h)	Domicile of Obligors S&P	N/A	15.0 per cent. Domiciled in countries or jurisdictions with a rating below "A-" unless Rating Agency Confirmation from S&P is obtained
(i)	Domicile of Obligors Fitch	N/A	10.0 per cent. Domiciled in countries or jurisdictions with a Fitch country ceiling below "AAA" unless Rating Agency Confirmation from Fitch is obtained
(j)	Current Pay Obligations	N/A	2.5 per cent.
(k)	Bridge Loans		2.5 per cent.
(l)	Unfunded Amounts/ Funded Amounts under Revolving Obligations/ Delayed Drawdown Collateral Obligations	N/A	5.0 per cent.
(m)	PIK Securities	N/A	5.0 per cent.
(n)	Fitch CCC Obligations	N/A	7.5 per cent.
(o)	S&P CCC Obligations	N/A	7.5 per cent.
(p)	S&P Rating derived from a Moody's rating	N/A	15.0 per cent.
(q)	Collateral Obligations of a single Obligor (in the case of Secured Senior Obligations)	N/A	2.5 per cent., provided that up to three Obligors may represent up to 3.0 per cent. each
(r)	Collateral Obligations of a single Obligor (in the case of Collateral Obligations which are not Secured Senior Obligations)	N/A	1.5 per cent.
(s)	Collateral Obligations of a single Obligor	N/A	2.5 per cent. provided that up to three Obligors may represent up to 3.0 per cent. each
(t)	Maximum Fitch industry category in any single Fitch industry	N/A	10.0 per cent. may belong to any single Fitch industry category, provided that (i) the largest Fitch industry category may comprise up to 17.5 per

			cent., (ii) the second largest Fitch industry category may comprise up to 15.0 per cent., (iii) the third largest Fitch industry category may comprise up to 12.0 per cent. and (iv) the three largest Fitch industry categories combined may comprise up to 40.0 per cent.
(u)	S&P industry classification		12.0 per cent. provided that any two S&P industries may each comprise up to 15.0 per cent. and one additional S&P industry may comprise up to 17.5 per cent.
(v)	Corporate Rescue Loan	N/A	5.0 per cent. but no more than 2.0 per cent. of a single Obligor.
(w)	Participations	N/A	5.0 per cent.
(x)	Total Indebtedness of Obligor between €150,000,000 and €250,000,000	N/A	5.0 per cent.
(y)	Collateral Manager Portfolio Companies	N/A	10.0 per cent.
(z)	Collateral Obligations of the ten Obligors with the highest aggregate Principal Balance	N/A	23.0 per cent. or, in relation to a Fitch Test Matrix elected by the Collateral Manager where such Fitch Test Matrix and/or the interpolation between the applicable Fitch Test Matrices applies a maximum percentage of the Collateral Principal Amount that can comprise Collateral Obligations of the ten Obligors with the highest aggregate Principal Balance, such lower percentage calculated in accordance with the provisions set out in this Offering Circular.
(aa)	Bivariate Risk Table	N/A	See limits set out in "*The Portfolio - Management of the Portfolio - Bivariate Risk Table*"
(bb)	Discount Obligations	N/A	25.0 per cent.
(cc)	Annual Obligations	N/A	0.0 per cent.
Coverage Tests		Each of the Par Value Tests and Interest Coverage Tests shall be satisfied on a Measurement Date in the case of (i) the Par Value Tests, on and after the Effective Date, and (ii) the Interest Coverage Tests on and after the Determination Date immediately	

preceding the second Payment Date, if the corresponding Par Value Ratio or Interest Coverage Ratio (as the case may be) is at least equal to the percentage specified in the table below in relation to that Coverage Test. There are no Coverage Tests in respect of the Class X Notes.

Class	**Required Par Value Ratio**
A/B	130.86 per cent.
C	118.00 per cent.
D	110.28 per cent.
E	105.69 per cent.
F	102.95 per cent.

Class	**Required Interest Coverage Ratio**
A/B	120.00 per cent.
C	110.00 per cent.
D	105.00 per cent.

Reinvestment Overcollateralisation Test

On or after the Effective Date and during the Reinvestment Period only, if the Class F Par Value Ratio is less than 103.45 per cent., on the relevant Determination Date, Interest Proceeds shall be applied in an amount (such amount, the "**Required Diversion Amount**") equal to the lesser of (1) 50.0 per cent. of all remaining Interest Proceeds available for payment pursuant to paragraph (V) of the Interest Priority of Payments and (2) the amount which, after giving effect to the payment of all amounts payable in respect of paragraphs (A) through (V) (inclusive) of the Interest Priority of Payments, would be sufficient to cause the Reinvestment Overcollateralisation Test to be met as of the relevant Determination Date, at the discretion of the Collateral Manager (acting on behalf of the Issuer), (i) to the payment into the Principal Account to purchase additional Collateral Obligations as Principal Proceeds or (ii) to payment of the Rated Notes in accordance with the Note Payment Sequence.

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

CM Voting Notes, CM Non-Voting Exchangeable Notes and CM Non-Voting Notes

Each Class A Note, Class B-1 Note, Class B-2 Note, Class C-1 Note, Class C-2 Note and Class D Note 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 Rated Notes held by or on behalf of the Collateral Manager or any Collateral Manager Related Person at any time may only be held in the form of CM Non-Voting Exchangeable Notes.
Authorised Denominations	The Regulation S Notes of each Class will be issued in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof. The Rule 144A Notes of each Class (other than the Class X Notes) will be issued in minimum denominations of €250,000 and integral multiples of €1,000 in excess thereof. The Rule 144A Notes of the Class X Notes will be issued in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof.
Form, Registration and Transfer of the Notes	The Regulation S Notes of each Class will be represented on issue by beneficial interests in one or more Regulation S Global Certificates in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear Bank S.A./N.V. a nominee of, as operator of the Euroclear System ("**Euroclear**") and Clearstream Banking, société anonyme ("**Clearstream, Luxembourg**"). Beneficial interests in a Regulation S Global Certificate may at any time be held only through, and transfers thereof will only be effected through, records maintained by Euroclear or Clearstream, Luxembourg. See "*Form of the Notes*" and "*Book Entry Clearance Procedures*". 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 will be represented on issue by one or more Rule 144A Global Certificates in fully registered form, without interest coupons or principal receipts deposited with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg.

Beneficial interests in a Rule 144A Global Certificate may at any time only be held through, and transfers thereof will only be effected through, records maintained by Euroclear or Clearstream, Luxembourg.

The Rule 144A Global Certificates and Regulation S Global Certificates will bear a legend and such Rule 144A Global Certificates and Regulation S Global Certificates, or any interest therein, may not be transferred except in compliance with the transfer restrictions set out in such legend. See "*Transfer Restrictions*".

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

Except in the limited circumstances described herein, Notes in definitive, certificated, fully registered form ("**Definitive Certificates**") will not be issued in exchange for beneficial interests in either the Regulation S Global Certificates or the Rule 144A Global Certificates. See "*Form of the Notes - Exchange for Definitive Certificates*".

Each initial purchaser (other than the Placement Agents) or a transferee of: (a) any Class E Notes, Class F Notes or Subordinated Notes in the form of Rule 144A Notes; (b) any Subordinated Notes in the form of Regulation S Notes; or (c) any Class E Notes or Class F Notes in the form of Regulation S Notes represented by a Regulation S Definitive Certificate, purchased on the Issue Date will be required to enter into a placement agency agreement (or, in the case of the Collateral Manager, a note purchase agreement) with the Placement Agents in which such investor will certify as to, among other matters, its status under the Securities Act, the Investment Company Act and ERISA.

Each purchaser of Notes represented by a Rule 144A Global Certificate or Regulation S Global Certificate will be deemed to have represented and agreed with respect to each purchaser or transferee of a Class E Note, Class F Note or Subordinated Note in the form of a Rule 144A Global Certificate or Regulation S Global Certificate, (1) it is not, and is not acting on behalf of (and for so long as it holds such Note or interest therein will not be and will not be acting on behalf of), a Benefit Plan Investor or Controlling Person unless such purchaser or transferee receives the written consent of the Issuer (other than in the case of the Notes purchased by the Collateral Manager), provides an ERISA certificate (substantially in the form of Annex B (Form of ERISA Certificate) to this Offering Circular) to the Issuer as to its status as a Benefit Plan Investor or Controlling Person and unless the

written consent of the Issuer to the contrary is obtained and other than in the case of the Notes purchased by the Collateral Manager, holds such Note in the form of a Definitive Certificate, and (2)(a) if it is, or is acting on behalf of, a Benefit Plan Investor, 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, (i) it is not, and for so long as it holds such Note or an interest therein it will not be, subject to any Similar Law, and (ii) its acquisition, holding and disposition of such Note will not constitute or result in a non-exempt violation of any Other Plan Law. Any purported purchase or transfer of the Class E Notes, Class F Notes or Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void ab initio and the acquiror understands that the Issuer will have the right to cause the sale of a Class E Note, Class F Note or Subordinated Note to another acquiror that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

Each purchaser of Rule 144A Notes or Regulation S Notes represented by Definitive Certificates will be required to represent and agree with respect to acquiring or holding a Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate (i) (A) whether or not, for so long as it holds such Class E Note, Class F Note or Subordinated Note or interest therein, it is, or is acting on behalf of, a Benefit Plan Investor, (B) whether or not, for so long as it holds such Class E Note, Class F Note or Subordinated Note or interest therein, it is or is acting on behalf of a Controlling Person and (C) that (1) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Class E Note, Class F Note or Subordinated Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code and (2) if it is a governmental, church, non-U.S. or other plan, (x) it is not, and for so long as it holds such Class E Note, Class F Note or Subordinated Note or interest therein will not be, subject to any Similar Law and (y) its acquisition, holding and disposition of such Class E Note, Class F Note or Subordinated Note will not constitute or result in a non-exempt violation of any Other Plan Law, and (ii) that it will agree to certain transfer restrictions regarding its interest in such Class E Note, Class F Note or Subordinated Note. Any purported purchase or transfer of the Class E Notes, Class F Notes or Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void ab initio and the acquiror understands that the Issuer will have the right to cause the sale of a Class E Note, Class F Note or Subordinated Note to another acquiror that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed. See "*Certain ERISA Considerations*".

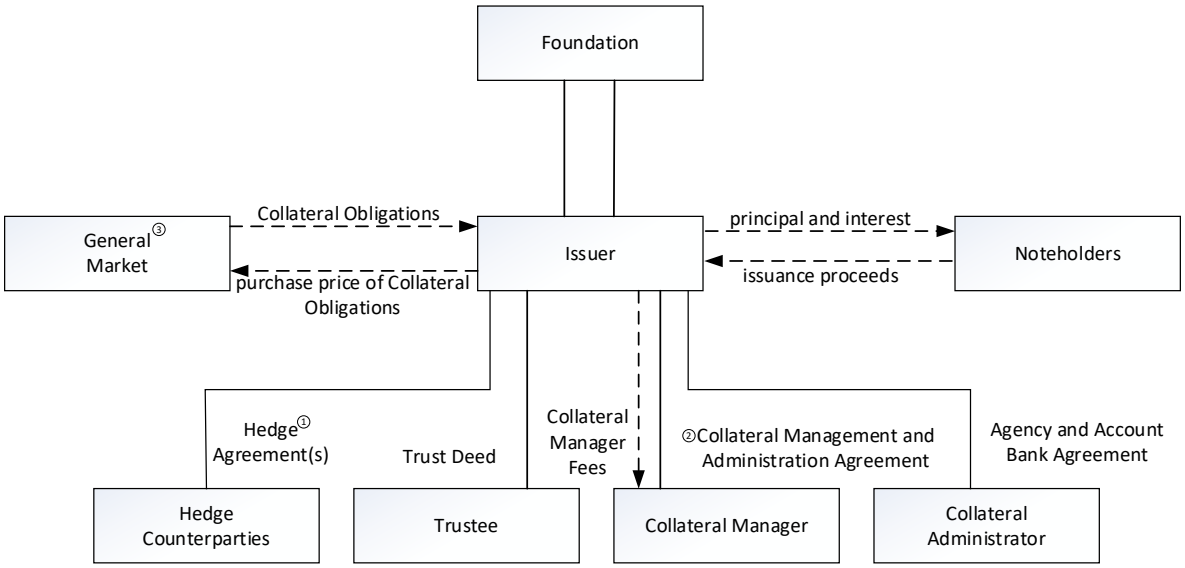
Transfers of interests in the Notes are subject to certain restrictions and must be made in accordance with the procedures set forth in the Trust Deed. See "*Form of the Notes*", "*Book Entry Clearance Procedures*" and "*Transfer Restrictions*". Each purchaser of Notes in making its purchase will be required to make, or will be deemed to have made, certain acknowledgements, representations and agreements. See

	"*Transfer Restrictions*". The transfer of Notes in breach of certain of such representations and agreements will result in affected Notes becoming subject to certain forced transfer provisions. See Condition 2(h) (*Forced Transfer of Rule 144A Notes*), Condition 2(i) (*Forced Transfer pursuant to ERISA*) and Condition 2(j) (*Forced Transfer pursuant to FATCA*).
Class X Notes	The Class X Notes shall not carry any rights to vote in respect of, or be counted for the purposes of determining a quorum and the result of any votes in respect of any CM Removal Resolutions or any CM Replacement Resolutions.
Governing Law	The Notes, the Trust Deed, the Collateral Management and Administration Agreement, the Agency and Account Bank Agreement and all other Transaction Documents (save for the Issuer Management Agreement and the Letter of Undertaking, which are governed by the laws of The Netherlands and the Irish Security Agreement, which is 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 and 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. There can be no assurance that any such listing will be maintained. This document constitutes "listing particulars" for the purposes of such application. Application has been made to Euronext Dublin for the approval of this document as listing particulars. See "*General Information*".
Tax Status	See "*Tax Considerations*".
Certain ERISA Considerations	See "*Certain ERISA Considerations*".
Withholding Tax	No gross-up of any payments will be payable to the Noteholders. See Condition 9 (*Taxation*).
Additional Issuances	Subject to certain conditions being met (including the prior written approval of the Retention Holder), additional Notes of all existing Classes (other than the Class X Notes) or of the Subordinated Notes may be issued and sold. See Condition 17 (*Additional Issuances*).
EU Retention and Transparency Requirements	The Retention Notes will be subscribed for by the Collateral Manager on the Issue Date and, pursuant to the Collateral Management and Administration Agreement, the Collateral Manager will undertake to retain the Retention Notes, with the intention of complying with the EU Retention and Transparency Requirements. See "*Description of the Collateral Management and Administration Agreement*" and "*EU Retention and Transparency Requirements*" and "*Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence Requirements – Transparency Requirements*". In addition, in relation to the reporting obligations in the EU Retention and Transparency Requirements, (a) the Issuer will be designated as the entity responsible to fulfil such reporting obligations, (b) the Collateral Manager will undertake to provide to the Collateral Administrator and the Issuer (and any applicable third party reporting entity) any reports, data and other

information, as may be reasonably 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 in the Notes and the competent authorities the reports and information necessary for the Issuer to fulfil the reporting requirements of Article 7 (*Transparency requirements for originators, sponsors and SSPEs*) of the Securitisation Regulation (and prior to the adoption of final disclosure templates in respect of the Transparency Requirements of Article 7 (*Transparency requirements for originators, sponsors and SSPEs*) of the Securitisation Regulation, 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, see "*Description of the Reports*") and (c) following the adoption of the final disclosure templates in respect of the EU Retention and Transparency Requirements the Issuer (with the consent of the Collateral Manager) will propose in writing to the Collateral Administrator the form, content, method of distribution and timing of such reports and information. 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 in providing such reporting on such proposed terms, shall confirm in writing to the Issuer and the Collateral Manager and shall make such information (as provided to it by the Collateral Manager and the Issuer) available (or procure that such information 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 and the Collateral Manager and as further notified by the Issuer to the Noteholders in accordance with Condition 16 (*Notices*)) which shall be accessible to the competent authorities, any Noteholder and any potential investor in the Notes (and in such other manner as required by any competent authority (as instructed to the Collateral Administrator by the Issuer and as agreed with the Collateral Administrator)). If the Collateral Administrator does not agree on the terms of reporting or, in the reasonable opinion of the Issuer (acting on the advice of the Collateral Manager), the Collateral Administrator is or will be unable or unwilling to provide such reporting, the Issuer (with the consent of the Collateral Manager) shall be entitled to appoint another entity to make the relevant information available for the purposes of Article 7 (*Transparency requirements for originators, sponsors and SSPEs*) of the Securitisation Regulation. In addition, the Issuer may (with the consent of the Collateral Manager) by notice in writing to the Collateral Administrator at any time: (i) if the Issuer has reasonable grounds to believe that the Collateral Administrator will fail or be unable to perform any of its duties or responsibilities under the Collateral Management and Administration Agreement insofar as they relate to the reporting requirements set out in the EU Retention and Transparency Requirements (and any notice given in respect of this sub-paragraph (i) shall include a description of the Issuer's grounds for such belief); or (ii) following the occurrence of a default, failure or inability of the Collateral Administrator to perform any of its duties or responsibilities under the Collateral Management and Administration Agreement insofar as they relate to the reporting requirements set out in the EU Transparency Requirements which has not been cured within five days of the

	occurrence of such default, failure or inability to perform, assume itself or appoint another third party to assume the obligations of the Collateral Administrator to make the relevant information available for the purposes of the EU Retention and Transparency Requirements.
U.S. Risk Retention Rules	Neither the Collateral Manager nor any of its Affiliates intends to obtain on the Issue Date, and retain after the Issue Date, any Notes for the purpose of satisfying the U.S. Risk Retention Rules nor will any party seek to satisfy any other requirements (including with respect to disclosure) set forth under the U.S. Risk Retention Rules. See "*Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence Requirements – U.S. Risk Retention Rules*"

Diagrammatic Overview of the Transaction



① See "Hedging Arrangements"
② See "Description of the Collateral Management and Administration Agreement"
③ See "Risk Factors – Relating to the Collateral – Acquisition and Disposition of Collateral Obligations"

RISK FACTORS

An investment in the Notes of any Class involves certain risks, including risks relating to the Collateral securing such Notes and risks relating to the structure and rights of such Notes and the related arrangements. Prospective investors should carefully consider the following factors, in addition to the matters set forth elsewhere in this Offering Circular, prior to investing in any Notes. Terms not defined in this section and not otherwise defined above have the meanings set out in Condition 1 (Definitions) of the "Terms and Conditions of the Notes".

1. GENERAL

1.1 General

It is intended that the Issuer will invest in loans, bonds and other financial assets with certain risk characteristics as described below and subject to the investment policies, restrictions and guidelines described in "*The Portfolio*". There can be no assurance that the Issuer's investments will be successful, that its investment objectives will be achieved, that the Noteholders will receive the full amounts payable by the Issuer under the Notes or that they will receive any return on their investment in the Notes. Prospective investors are therefore advised to review this entire 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 Priority of Payments. See Condition 3(c) (*Priorities of Payment*). In particular, payments in respect of the Class X Notes and the Class A Notes are generally higher in the Priorities of Payment than those of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes. None of the Placement Agents, the Agents nor the Trustee undertakes to review the financial condition or affairs of the Issuer or the Collateral Manager during the life of the arrangements contemplated by this Offering Circular nor to advise any investor or potential investor in the Notes of any information coming to the attention of the Placement Agents, the Agents or the Trustee which is not included in this Offering Circular.

1.2 Suitability

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

1.3 Limited Resources of Funds to Pay Expenses of the Issuer

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

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

Legal, tax and regulatory changes could occur over the course of the life of the Notes that may adversely affect the Issuer. The regulatory environment for vehicles of the nature of the Issuer is evolving, and changes in regulation may adversely affect the value of investments held by the Issuer and the ability of the Issuer to obtain the leverage it might otherwise obtain or to pursue its investment and trading strategies. In addition, the securities and derivatives markets are subject to comprehensive statutory, regulatory and margin requirements. Certain regulators and self-regulatory organisations and exchanges are authorised to take extraordinary actions in the event of market emergencies. The regulation of transactions of a type similar to this transaction and derivative transactions and vehicles that engage in such transactions is an evolving area of law and is subject to modification by

government and judicial action. The effect of any future regulatory change on the Issuer could be substantial and adverse.

1.5 Events in the CLO and Leveraged Finance Markets

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

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

As discussed further in 1.7 "*European Union and Euro Zone Risk*" below, it is possible that countries that have adopted the Euro could return to a national currency. The effect on a national economy as a result of it leaving the Euro is impossible to predict. The exit of one or more countries from the Euro zone could have a destabilising effect on all European economies and possibly the global economy as well.

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

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

The ability of the Issuer to make payments on the Notes can depend on the general economic climate and the state of the global economy. The business, financial condition or results of operations of the Obligors of the Collateral 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 requirements 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, insolvency or financial distress 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.

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 Risk Obligations, Credit Improved Obligations, and Defaulted Obligations, may be impaired, and (iii) increased illiquidity of the Notes because of reduced secondary trading in CLO securities. These additional risks may affect the returns on the Notes to investors or otherwise adversely affect Noteholders.

1.7 European Union and Euro Zone Risk

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

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

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

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

perceptions concerning these and related issues, could adversely affect the value of the Notes. It is difficult to predict the final outcome of the Euro zone crisis. Investors should carefully consider how changes to the Euro zone may affect their investment in the Notes.

Referendum on the UK's EU Membership

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

Article 50 of the Treaty on European Union ("**Article 50**") provides that a Member State which decides to withdraw from the EU is required to notify the European Council of its intention to do so.

The UK government gave notice of the UK's intention to withdraw from the EU pursuant to Article 50 on 29 March 2017 ("**Article 50 Period**"), which has triggered the commencement of a negotiation process between the UK and the EU in respect of the arrangements for the UK's withdrawal from the EU. Article 50 provides for a two year period for such negotiations to take place. The UK government requested an extension to the Article 50 Period on 20 March 2019. The European Council agreed to such an extension, and subsequently to several further extensions. Most recently, on 28 October 2019, the European Council agreed to a further extension of the Article 50 period until 31 January 2020. On 9 January 2020, the UK Parliament voted to approve the withdrawal agreement and the UK Government has indicated its intention to leave the EU from 31 January 2020. The UK will then enter a transition period, lasting until 31 December 2020, to negotiate its new relationship with the EU.

The EU and the UK government continue to negotiate to try to conclude an agreement setting out the arrangement for the UK's withdrawal, including the future trading relationship. As a result of the Referendum and related matters, there are a number of uncertainties in connection with the future of the UK and its relationship with the EU. Until the terms of the UK's exit from the EU are clearer, it is not possible to determine the impact that the Referendum, the UK's departure from the EU and/or any related matters may have on the business of the Issuer (including the performance of the Portfolio), the Collateral Manager (including its ability to manage the Portfolio), one or more of the other parties to the Transaction Documents or any Obligor, or on the regulatory position of any such entity or of the transactions contemplated by the Transaction Documents under EU regulation or more generally. As such, no assurance can be given that such matters would not adversely affect the ability of the Issuer to satisfy its obligations under the Notes and/or the market value and/or the liquidity of the Notes in the secondary market.

It remains uncertain to what extent the UK and EU will be able to finalise negotiation of a future trading relationship ahead of 31 December 2020. The transition period may be extended once by up to two years. 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, if applicable, any Class D Additional Amount payable to the holders of Class D Notes) and repay principal to the Noteholders.

Applicability of EU law in the UK

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

Upon any withdrawal from the EU by the UK, and subject to agreement on (and the terms of) any future EU-UK relationship, EU laws (other than those EU laws transposed into English law (see below)) will cease to apply within the UK pursuant to the terms and timing of a future withdrawal

agreement. This would be achieved by the UK ceasing to be party to the Treaty on European Union and the Treaty on the Functioning of the European Union, and by the parallel repeal of the European Communities Act 1972. The UK will cease to be a member of the EU from the date of entry into force of a withdrawal agreement or, if a withdrawal agreement has not been concluded, two years after the notification under Article 50 was served, unless the European Council, in agreement with the UK, unanimously decides to extend this period (in respect of which see below).

On 25 November 2018, a negotiated withdrawal agreement was endorsed by leaders at a special meeting of the European Council. The negotiated withdrawal agreement provided for a transition period, which would start on the date of entry into force of the agreement, which it stated to be 30 March 2019, and to end on 31 December 2020. If the UK and the European Union ratify the withdrawal agreement by 31 January 2020, a transition period has been agreed which will last until 31 December 2020. During this period, all European Union rules and regulations will continue to apply to the UK and negotiations in relation to a free trade agreement will commence. The transition period may be extended once by up to two years.

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

Regulatory Risk – UK Collateral Manager

If the UK were, as a consequence of leaving the EU, no longer within the scope of EU Directive 2014/65/EU and EU Regulation 600/2014/EU on Markets in Financial Instruments (collectively referred to as "**MiFID II**") and a passporting regime or third country recognition of the UK, or a Dutch exemption, is not in place, then (a) a UK manager such as the Collateral Manager may be unable to continue to provide collateral management services to the Issuer in reliance upon the passporting of relevant regulated services within the EU on a cross-border basis provided for under MiFID II and (b) the Collateral Manager may not be able to continue to act as Retention Holder to the extent it was holding the retention solely as "sponsor" in accordance with the EU Retention and Transparency Requirements (even if the Collateral Manager were to remain subject to UK financial services regulation). See 2.3 "*Risk Retention and Due Diligence Requirements –Transparency Requirements*" below.

1.8 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 that Issuer is indemnified for such amounts, be borne by the Issuer and would reduce the funds available for distribution and the Issuer's net assets. The funds available to the Issuer to pay certain fees and expenses of the Trustee, the Collateral Administrator and for payment of the Issuer's other accrued and unpaid Administrative Expenses are limited amounts available in accordance with the Priorities of 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.

2. REGULATORY INITIATIVES

2.1 Regulatory Initiatives

In Europe, the U.S. and elsewhere there has been, and there continues to be, increased political and regulatory scrutiny of banks, financial institutions, "shadow banking entities" and the asset-backed securities industry. This has resulted in a raft of measures for increased regulation which are currently at various stages of implementation and which may have an adverse impact on the regulatory capital charge to certain investors in securitisation exposures and/or the incentives for certain investors to hold or trade asset-backed securities, and may thereby affect the liquidity of such securities.

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

None of the Issuer, the Placement Agents, the Collateral Manager, the Agents, the Trustee nor any of their respective affiliates makes any representation as to the proper characterisation of the Notes for legal, investment, financial institution regulatory, financial reporting or other purposes, as to the ability of particular investors to invest in the Notes under applicable legal investment or other restrictions or as to the consequences of an investment in the Notes for such purposes or under such restrictions. All 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, 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 Agents, the Trustee, the Agents, 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).

Regulations Affecting Investors. All investors whose investment activities are subject to investment laws and regulations, regulatory capital requirements, or review by regulatory authorities (including the introduction or proposal of 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 investment or other restrictions, unfavourable accounting treatment, capital charges or reserve requirements. None of the Issuer, the Placement Agents, the Trustee, the Agents, 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, including as any such framework applies to any investor's investment in the Notes.

2.2 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 framework of Directive 2009/138/EC 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 phased in between 1 January 2022 and the end of 2026, becoming fully effective on 1 January 2027.

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

2.3 Risk Retention and Due Diligence Requirements

Securitisation Regulation

Background

A regulation (Regulation (EU) 2017/2401) to amend the CRR *(as defined in the Conditions)* (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 (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 Agents, the Trustee, the Agents, the Retention Holder, their respective Affiliates or any other person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose or that the structure of the Notes and the transactions described herein are compliant with the EU 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 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 (*Transparency requirements for originators, sponsors and SSPEs*) of the Securitisation Regulation (as to which see "*Transparency Requirements*" below) 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 requirements of the Securitisation Regulation 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 *"EU Retention and Transparency Requirements"* below.

In particular, investors should note that the Retention Holder initially intends to retain such material economic interest as "sponsor" pursuant to the EU Retention Requirements. However, if the UK were, as a consequence of leaving the EU, no longer within the scope of MiFID II and a passporting regime or third country recognition of the UK is not in place, then, unless the Collateral Manager elects to take any Retention Cure Action in accordance with the terms of the Transaction Documents, it may not be able to continue to act as Retention Holder. As detailed in "*Description of the Collateral Management and Administration Agreement*" below. The Collateral Manager may in its sole discretion having determined that a Retention Compliance Event has occurred (or with the passage of time is reasonably likely to occur) take any Retention Cure Action which may include, but is not limited to, qualifying as an "originator" for the purposes of the EU Retention and Transparency Requirements, subject to: (i)

internal approval of the Retention Cure Action in accordance with the Collateral Manager's internal policies and procedures and (ii) receipt of legal advice from Paul Hastings (Europe) LLP, DLA Piper UK LLP or other reputable legal counsel as selected in the Collateral Manager's sole discretion that such Retention Cure Action is consistent with the EU Retention and Transparency Requirements. The Collateral Manager does not have any obligation to consider or take any Retention Cure Action and, if the Collateral Manager determines not to take any Retention Cure Action, it may no longer be eligible to act as the Retention Holder pursuant to the EU Retention and Transparency Requirements (and for the avoidance of doubt, even if a Retention Cure Action is taken, it is not certain whether such action would result in compliance with the 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 (*Transparency requirements for originators, sponsors and SSPEs*) (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 (*Transparency requirements for originators, sponsors and SSPEs*) 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 (which may be subject to change following pricing) by way of a website (see https://pivot.usbank.com). Such Transaction Documents in final form will be available on and after the Issue Date.

Article 7 (*Transparency requirements for originators, sponsors and SSPEs*) 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**"). Disclosures relating to any Inside Information and, to the extent applicable, Significant Events are required to be made available "without delay".

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 22 August 2018, the European Securities and Markets Authority ("**ESMA**") published its final report on the 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 Commission stated that it did not endorse these draft Transparency RTS in its letter to ESMA dated 30 November 2018. ESMA submitted revised Transparency RTS to the Commission on 31 January 2019 and the Commission adopted and published on 16 October 2019 the final version of the Transparency RTS. The European Parliament and the Council now have a prescribed period following the Commission's adoption in which they may object to the Transparency RTS. The application date of the technical standards has not yet been specified. There remains significant uncertainty as to the scope and the application date 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 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 *"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 (and any applicable third party reporting entity) any reports, data and other information, as may be reasonably 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 for the Issuer to fulfil the Transparency Requirements; and (c) following the adoption of the final disclosure templates in respect of the EU Retention and Transparency Requirements the Issuer (with the consent of the Collateral Manager) will propose in writing to the Collateral Administrator the form, content, method of distribution and timing of such reports and information. 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 in providing such reporting on such proposed terms, shall confirm in writing to the Issuer and the Collateral Manager and shall make such information (as provided to it by the Collateral Manager and the Issuer) available (or procure that such information 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 and the Collateral Manager and as further notified by the Issuer to the Noteholders in accordance with Condition 16 (*Notices*)) which shall be accessible to the competent authorities, any Noteholder and any potential investor in the Notes (and in such other manner as required by any competent authority (as instructed to the Collateral Administrator by the Issuer and as agreed with the Collateral Administrator)). If the Collateral Administrator does not agree on the terms of reporting or, in the reasonable opinion of the Issuer (acting on the advice of the Collateral Manager), the Collateral Administrator is or will be unable or unwilling to provide such reporting, the Issuer (with the consent of the Collateral Manager) shall be entitled to appoint another entity to make the relevant information available for the purposes of Article 7 (*Transparency requirements for originators, sponsors and SSPEs*) of the Securitisation Regulation. In addition, the Issuer may (with the consent of the Collateral Manager) by notice in writing to the Collateral Administrator at any time: (i) if the Issuer has reasonable grounds to believe that the Collateral Administrator will fail or be unable to perform any of its duties or responsibilities under the Collateral Management and Administration Agreement insofar as they relate to the reporting requirements set out in the EU Retention and Transparency Requirements (and any notice given in respect of this sub-paragraph (i) shall include a description of the Issuer's grounds for such belief); or

(ii) following the occurrence of a default, failure or inability of the Collateral Administrator to perform any of its duties or responsibilities under the Collateral Management and Administration Agreement insofar as they relate to the reporting requirements set out in the EU Transparency Requirements which has not been cured within five days of the occurrence of such default, failure or inability to perform, assume itself or appoint another third party to assume the obligations of the Collateral Administrator to make the relevant information available for the purposes of the EU Retention and Transparency Requirements.

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, 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 Agents, the Trustee 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 sponsor as well as to the Issuer. Any failure by the Issuer, as the reporting entity, or by the Collateral Administrator (on behalf of the Issuer (to the extent the Collateral Administrator agrees to assist the Issuer)), or by 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.

The Collateral Manager is required to indemnify the Issuer for Collateral Manager Breaches in accordance with the Collateral Management and Administration Agreement and the Collateral Manager may be entitled to indemnification from the Issuer in respect of any such Pecuniary Sanctions levied on the Collateral Manager (See *"Description of the Collateral Management and Administration Agreement"* below).

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 Collateral Manager 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 Collateral Manager 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.

U.S. Risk Retention Rules

On October 21, 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, 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% of the credit risk of the assets collateralizing asset-backed securities.

On February 9, 2018, the United States Court of Appeals for the District of Columbia Circuit (the "**Circuit Court**") ruled in favour of the LSTA in its lawsuit against the Securities and Exchange Commission and the Board of Governors of the Federal Reserve System. As a result, the Collateral Manager has informed the Issuer that no party expects to be required to comply with the U.S. Risk

Retention Rules, and none of the Collateral Manager or its affiliates will have any obligation to hold any Notes for any period of time, on the basis that it intends to qualify as an "open market CLO". It should be noted that the LSTA decision (the "**LSTA Decision**") did not specifically address all of the features of the current transaction (including the Collateral Manager's activities prior to the Issue Date to comply with the EU Retention and Transparency Requirements under the Warehouse Arrangements and whether an "open market CLO" includes transactions such as this one, in which the Issuer is permitted to acquire bonds in addition to loans. However, consistent with an "open market CLO", the Issuer is expected to acquire any bonds pursuant to arms-length negotiations in the open market. There can be no assurance that the federal agencies responsible for the U.S. Risk Retention Rules will not seek to distinguish this transaction from the open market CLOs covered by the LSTA Decision and apply the U.S. Risk Retention Rules to this transaction..

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, 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 Collateral Manager 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.

In the event that the U.S. Risk Retention Rules become applicable to this transaction in the future, the Issuers' ability to effect any additional issuance of Notes, any Refinancing or any material amendment may be impaired or limited due to any consent rights of the Collateral Manager with respect to such action. In granting or withholding its consent to any such action to the extent it is required 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 Issuer and/or any Noteholders).

Recent developments concerning the treatment of CLOs for certain Japanese investors

On March 15, 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 March 31, 2019 unless the applicable investor (i) has conducted satisfactory due diligence on the assets underlying such securitisation, including the establishment and utilisation 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 organisation 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 Subordinated Notes with the intention of satisfying the EU Retention and Transparency Requirements,

no party including, without limitation, the Issuer, the Placement Agents, 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 Agents, 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 Agents, 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.

2.4 Restrictions on the Discretion of the Collateral Manager in Order to Comply with EU Risk Retention

- The aim behind the relevant retention requirements described in 2.3 (*Risk Retention and Due Diligence Requirements - Transparency Requirements*) above is that affected investors should only invest in securitisations where the originator, sponsor or original lender for the securitisation has explicitly disclosed that it will retain on an ongoing basis, a net economic interest of not less than five per cent. in the securitisation. The five per cent. net economic interest is measured as the nominal value of the securitised exposures, calculated based on the greater of the Maximum Par Amount and the Collateral Principal Amount. The Retention Holder has agreed to retain such an interest in the transaction by holding Subordinated Notes having a Principal Amount Outstanding being, at any time, an amount equal to or greater than 5 per cent. of the greater of the Maximum Par Amount and the Collateral Principal Amount.

    - Certain discretions of the Collateral Manager acting on behalf of the Issuer are restricted where the exercise of the discretion would cause the retention holding described in "*Description of the Collateral Management and Administration Agreement*" and "*EU Retention and Transparency Requirements*" section of this Offering Circular to be (or to be likely to be) insufficient to comply with the EU Retention and Transparency Requirements.

    - In particular, if, at any time, the deposit of Trading Gains into the Principal Account would, in the sole discretion of the Collateral Manager cause (or would be likely to cause) a Retention Deficiency, such 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 Priority of Payments will instead be deposited into the Interest Account. Such Trading Gains will then be distributed as Interest Proceeds if the reinvestment of such amount would, in the sole discretion of the Collateral Manager, cause (or would be likely to cause) a Retention Deficiency in accordance with the Priorities of Payment. In addition, the Collateral Manager is not permitted to reinvest in Substitute Collateral Obligations where such reinvestment would cause a Retention Deficiency. As a result, the Collateral Manager may be prevented from reinvesting available proceeds in Collateral Obligations in circumstances where such reinvestment would cause (or would be likely to cause) a Retention Deficiency and therefore the Aggregate Principal Balance of Collateral Obligations securing the Notes may be less than what would have otherwise have been the case if such amounts had been reinvested in Collateral Obligations.

    - Also, the Issuer may not issue further Notes without the Retention Holder (a) consenting to such issuance and (b) subscribing for sufficient Subordinated Notes so as not to result in non-compliance with the EU Retention and Transparency Requirements.

As a result of such restrictions, the Issuer, or the Collateral Manager on its behalf, may be restricted from building or maintaining the par value of the Collateral in certain circumstances under which they would otherwise be able to do so, in order to comply with the provisions of the Conditions intended to achieve ongoing compliance with the applicable retention requirements.

2.5 European Market Infrastructure Regulation (EMIR)

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

Financial counterparties ("**FCs**") (as defined in EMIR) 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 subject to the clearing obligation. They must also report the details of all derivative contracts to a trade repository (the "**reporting obligation**"), and undertake certain risk-mitigation techniques in respect of OTC derivative contracts which are not cleared by a central counterparty such as timely confirmation of terms, portfolio reconciliation and compression and the implementation of dispute resolution procedures (the "**risk mitigation obligations**"). As further discussed in "*Margin requirements*" below, FCs must exchange margin in respect of all non-cleared OTC derivatives unless such OTC derivatives are excluded from the scope of the relevant margin rules (the "**margin requirement**"). To the extent that the Issuer becomes FC, this may lead to a termination of the Hedge Agreements or restricting of their terms.

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

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

Clearing obligation

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

Margin requirements

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

The RTS detail the risk mitigation obligations and margin requirements in respect of non-cleared OTC derivatives as well as specify the criteria regarding intragroup exemptions and provide that the margin requirement will take effect on dates ranging, originally, from one month after the RTS enter into force

(for certain entities with a non-cleared OTC derivative portfolio above €3 trillion) to 1 September 2020 (for certain entities with a non-cleared OTC derivative portfolio above €8 billion). The margin requirements apply to financial counterparties and non-financial counterparties above the clearing threshold and, depending on the counterparty, will require collection and posting of variation margin and, for the largest counterparties/groups, initial margin.

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

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

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

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

Prospective investors should also be aware that on 4 May 2017, the European Commission published its proposal for a Regulation amending EMIR as regards the clearing obligation, the suspension of the clearing obligation, the reporting requirements, the risk-mitigation techniques for OTC derivatives contracts not cleared by a central counterparty, the registration and supervision of trade repositories and the requirements for trade repositories (the "**EMIR Refit**").

The final version of EMIR REFIT was published in the EU Official Journal on 28 May 2019, with the majority of the amendments to EMIR coming into force from 17 June 2019.

The most significant amendment in EMIR REFIT is the change to the definition of financial counterparty ("**FC**"). EMIR REFIT brings into that 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 non-financial counterparties ("**NFCs**") if they were established in the EU, meaning that such funds would be 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 in respect of their trading with such funds.

Despite the initial proposal by the European Commission including securitisation special purpose entities ("**SSPEs**", defined by reference to the AIFMD) in the revised financial counterparty definition,

the final version published in the Official Journal instead provides a specific exclusion for such entities from categorisation as a financial counterparty.

EMIR REFIT also amends the clearing obligation through the introduction of a new category of "small financial counterparty", subject to similar clearing thresholds as non-financial counterparties. Another amendment provides that where the clearing threshold has been exceeded by a non-financial counterparty in one asset category, that non-financial counterparty will only have to clear derivatives in that category, rather than for all asset categories (as was the case in the original EMIR). Other amendments in EMIR REFIT include a relaxation of the reporting requirements for non-financial counterparties below the clearing threshold, the imposition of a "fair, reasonable and non-discriminatory commercial terms" access standard for clearing members providing clearing services and new powers for ESMA and the Commission to suspend the clearing obligation for certain classes of derivative.

2.6 Alternative Investment Fund Managers Directive

EU Directive 2011/61/EU on Alternative Investment Fund Managers ("**AIFMD**") introduced authorisation and regulatory requirements for managers of alternative investment funds ("**AIFs**"). If the Issuer were to be considered to be an AIF within the meaning in AIFMD, it would need to be managed by a manager authorised under AIFMD (an "**AIFM**"). The Collateral Manager is not authorised under AIFMD but is authorised under MiFID II. The Collateral Manager would not be permitted to be authorised under both AIFMD and under MiFID II. It would therefore not be able to apply for authorisation under AIFMD unless it ceases to maintain its current MiFID II (in which case it may not be able to hold the retention as a "sponsor" as required under the EU Retention and Transparency Requirements (see 2.3 "*Risk Retention and Due Diligence Requirements - Transparency Requirements*" above)). If considered to be an AIF managed by an AIFM, 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 "*European Market Infrastructure Regulation (EMIR)*" above.

There is an exemption from the definition of AIF in AIFMD for "securitisation special purpose entities" (the "**SSPE Exemption**"). The European Securities and Markets Authority ("**ESMA**") has not yet given any formal guidance on the application of the SSPE Exemption or whether a vehicle such as the Issuer would fall within it.

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 the AIFMD may affect the return investors receive from their investment.

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

2.7 U.S. Dodd-Frank Act

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

Manager and its subsidiaries and affiliates, will be affected by the Dodd-Frank Act as implementing regulations are finalised over time and come into effect.

The Securities and Exchange Commission (the "**SEC**") 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 or any Refinancing. On 27 August 2014, the SEC adopted final rules amending Regulation AB that did not implement these proposals. However, the SEC has indicated that it is continuing to consider amendments that were proposed with respect to Regulation AB but not adopted, and that further amendments may be forthcoming in the future. If such amendments are made to Regulation AB in the future, they may place additional requirements and expenses on the Issuer in the event of the issuance and sale of any additional notes, which expenses may reduce the amounts available for distribution to the Noteholders.

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

2.8 Prudential Regulations

Pursuant to the Dodd-Frank Act, regulators in the United States have promulgated and continue to promulgate a range of new regulatory requirements that may affect the pricing, terms and compliance costs associated with the entry into any Hedge Transaction by the Issuer (or the Collateral Manager on its behalf) and the availability of such Hedge Transactions (for example the recent CFTC final rules on margining). Some or all of the Hedge Transactions that the Issuer (or the Collateral Manager on its behalf) may enter into may be affected by (i) the requirement that certain swaps be centrally cleared and in some cases traded on a designated contract market or swap execution facility, (ii) initial or variation margin requirements of any central clearing organisation (with respect to cleared swaps) or initial or variation margin requirements with respect to uncleared swaps, (iii) swap reporting and recordkeeping obligations, and other matters. These new requirements may (x) significantly increase the cost to the Issuer and/or the Collateral Manager of entering into Hedge Transactions such that the Issuer may be unable to purchase certain types of Collateral 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 variation margin on uncleared swaps entered into by entities such as the Issuer entered into effect in the United States on 1 March 2017. Hedge Transactions may be subject to such requirements, depending on the identity of the Hedge Counterparty. The Trust Deed does not permit the Issuer to post 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.

2.9 Commodity Pool Regulation

The Issuer's ability to enter into Hedge Transactions may cause the Issuer to be a "commodity pool" as defined in the United States Commodity Exchange Act, as amended ("**CEA**") and the Collateral Manager to be a "commodity pool operator" ("**CPO**") and/or a "commodity trading advisor" (a "**CTA**"), each as defined in the CEA in respect of the Issuer. The CEA, as amended by the Dodd-Frank Act, defines a "commodity pool" to include certain investment vehicles operated for the purpose of trading in "commodity interests" which includes swaps. CPOs and CTAs are subject to regulation by the CFTC and must register with the CFTC unless an exemption from registration is available. Based on applicable CFTC interpretive guidance, the Issuer is not expected to fall within the definition of a "commodity pool" under the CEA and as such, the Issuer (or the Collateral Manager on the Issuer's behalf) may enter into Hedge Agreements (or any other agreement that would fall within the definition of "swap" as set out in the CEA) following receipt of legal advice from reputable counsel to the effect that the entry into such arrangements should not require any of the Issuer, its directors or officers, the Collateral Manager or any of its directors, officers or employees to register with the CFTC as a CPO or a CTA.

In the event that trading or entering into one or more Hedge Agreements would result in the Issuer's activities falling within the definition of a "commodity pool", the Collateral Manager may cause the Issuer to be operated in compliance with the exemption set forth in CFTC Rule 4.13(a)(3) 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 per cent. 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 per cent. 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, in the event that the CFTC guidance referred to above changes or the Issuer engages in one or more activities that might cause it to fall within the definition of a "commodity pool" under the CEA and no exemption from registration is available, registration of the Collateral Manager as a CPO 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 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 placement agency agreement.

2.10 Volcker Rule

Section 619 of the Dodd-Frank Act (the "**Volcker Rule**") prevents "banking entities" (a term which includes affiliates of a U.S. banking organisation as well as affiliates of a foreign banking organisation that has a branch or agency office in the U.S., regardless 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.

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.

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

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

The Class X Notes shall not carry any rights to vote in respect of, or be counted for the purposes of determining a quorum and the result of any votes in respect of any CM Removal Resolutions or any CM Replacement Resolutions. There can be no assurance that these features will be effective in resulting in investments in the Class X Notes by U.S. banking institutions and other banking entities subject to the Volcker Rule not being characterised as an "ownership interest" in the Issuer.

If the Issuer is deemed to be a "covered fund" 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.

Earlier this year, 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 not relevant to this transaction. 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. It is unclear at this time what changes (if any) ultimately will be made to the Volcker Rule's implementing regulations arising from this public comment process, 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 on the ability of certain investors subject thereto to acquire or retain an interest in the Notes. Each prospective investor in the Notes should independently consider the potential impact of the Volcker Rule in respect of any investment in the Notes. Investors should conduct their own analysis to determine whether the Issuer is a "covered fund" for their purposes.

2.11 Reliance on Rating Agency Ratings

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

2.12 Flip Clauses

The validity and enforceability of certain provisions in contractual priorities of payment (such as the 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 Priority of Payments and as a result, the Issuer's ability to repay the Noteholders in full may be adversely affected. There is a particular risk of such conflicting judgments where a Hedge Counterparty is the subject of bankruptcy or insolvency proceedings outside England and Wales.

2.13 LIBOR and EURIBOR Reform

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

(a) the activities of administering a specified benchmark and of providing information in relation to a specified benchmark becoming regulated activities in the UK (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 UK Financial Conduct Authority ("**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 Limited, and the panel banks could continue to produce LIBOR on the current basis after 2021, if they are willing and able to do so. However, the survival of LIBOR in its current form, or at all, is not guaranteed after 2021.

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.

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

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 Rated Notes will be calculated under Condition 6(e) (*Interest on the Rated Notes*). In general, fallback 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, in the event 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, provided that the Controlling Class and the Subordinated Noteholders have consented within the timescale provided in Condition 14(c) (*Modification and Waiver*), in each case, acting by way of Ordinary Resolution. 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 Rated Notes.

2.14 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 (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.

On 10 October 2016, following a meeting of the Finance Ministers of the ten remaining Participating Member States, it was reported that an agreement in principle had been reached on certain key aspects of the FTT and that the EU Commission had consequently been asked to prepare draft FTT legislation on the basis of that agreement. However, the details of the FTT remain to be agreed. A written answer given by Pierre Moscovici in the European Parliament, speaking on behalf of the Commission on 28 April 2017, confirmed the Commission's intention to continue to assist the remaining Participating Member States with the aim of reaching a compromise agreement during the course of 2017. 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.

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

Many jurisdictions have adopted wide-ranging anti-money laundering, economic and trade sanctions, and anti-corruption and anti-bribery laws, and regulations (collectively, the "**AML Requirements**"). Any of the Issuer, the Placement Agents, 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 corporate services provider who is managing the Issuer, the Agents, the Placement Agents, the Collateral Manager and the Trustee will comply with AML Requirements to which they are or may become subject and to interpret such AML Requirements broadly in favour of disclosure. In addition, it is expected that each of the Issuer, the Agents, the Placement Agents, the Collateral Manager and the Trustee intends to comply with applicable anti-money laundering and anti-terrorism, economic and trade sanctions, and anti-corruption or anti-bribery laws, and regulations of the United States and other countries, and will disclose any information

required or requested by authorities in connection therewith. A Noteholder may also be obliged to provide information they may have previously identified or regarded as confidential to satisfy the Issuer AML Requirements.

2.16 CRA

CRA Regulation in Europe

Regulation (EU) 462/2013 of the European Parliament and of the European Council amending Regulation EC 1060/2009 on credit rating agencies ("**CRA3**") came into force on 20 June 2013. Article 8(c) of CRA3 has introduced a requirement that where an issuer or a related third party intends to solicit a credit rating of structured finance instruments, it shall obtain two independent ratings for such instruments. Article 8(d) of CRA3 has introduced a requirement that where an issuer or a related third party intends to appoint at least two credit rating agencies to rate the same instrument, the issuer or a related third party shall consider appointing at least one rating agency having less than a 10 per cent. market share among agencies capable of rating that instrument. The Issuer intends to have two rating agencies appointed, but does not make any representation as to market share of either agency, and any consequences for the Issuer, related third parties and investors if an agency does not have a less than 10 per cent. market share are not specified. Investors should consult their legal advisors as to the applicability of CRA3 and any consequence of non-compliance in respect of their investment in the Notes.

2.17 Action Plan on Base Erosion and Profit Shifting

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

The 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" 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 The Netherlands and the UK (the "**Multilateral Instrument**"). The Multilateral Instrument is to be applied alongside existing tax treaties (rather than amending them directly), modifying the application of those existing treaties in order to implement BEPS measures.

The United Kingdom and The Netherlands signed the Multilateral Instrument with both countries indicating that the double tax treaty entered into between the United Kingdom and The Netherlands is to be designated as a Covered Tax Agreement ("**CTA**"), being a tax treaty that is to be modified by the

Multilateral Instrument. The United Kingdom deposited its instrument of ratification with the OECD on 29 June 2018 and therefore the Multilateral Instrument came into force in respect of the United Kingdom on 1 October 2018. On 29 March 2019, The Netherlands deposited its instrument of ratification, acceptance or approval with the OECD and therefore the Multilateral Instrument came into force in respect of The Netherlands on 1 July 2019. The changes made by the Multilateral Instrument to the CTA do not have effect immediately following entry into force with respect to The Netherlands (except for the mutual agreement and arbitration provisions, which will generally apply to cases presented on or after 1 July 2019) but, instead, apply to taxes withheld at source, and for the purposes of all other taxes, from 1 January 2020.

Upon ratifying the Multilateral Instrument, the United Kingdom and The Netherlands each deposited 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 The Netherlands has entered into with the United Kingdom and other jurisdictions (which have ratified the Multilateral Instrument) by the inclusion of a PPT.

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

Provided that the Issuer carries on investment activities as opposed to a trade, the incorporation of the final recommendations for Action 6 in the UK/The Netherlands double tax treaty is not expected to affect the Issuer's exposure to United Kingdom corporation tax.

If as a consequence of the application of Action 6, United Kingdom tax were imposed on the net income or profits of the Issuer, the amount of UK tax due would be significant on the basis that some or all of the interest which the Issuer pays on the Notes may not be deductible for United Kingdom tax purposes. If the United Kingdom imposed tax on the net income or profits of the Issuer, this may constitute a Note Tax Event pursuant to which 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 Noteholders, in each case acting by way of Ordinary Resolution, subject to certain conditions. See Condition 7(g) (*Redemption Following Note Tax Event*).

If as a consequence of the application of Action 6, the Issuer were to be denied the benefit of a treaty entered into by The Netherlands and as a consequence, payments of interest were made by an Obligor to the Issuer subject to a withholding or deduction for or on account of tax in respect of any payments of interest on the Collateral Obligations, this may constitute a Collateral Tax Event pursuant to which the Rated Notes may be redeemed in whole but not in part at the direction of the Subordinated Noteholders acting by way of Ordinary Resolution. See Condition 7(b)(i) (*Optional Redemption in Whole – Subordinated Noteholders*).

It is also possible that The Netherlands 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 *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.

2.18 EU Anti-Tax Avoidance Directive and EU Anti-Tax Avoidance Directive 2

As part of its anti-tax avoidance package the EU Commission published a draft Anti-Tax Avoidance Directive on 28 January 2016, which was formally adopted by the EC Council on 12 July 2016 in Council Directive (EU) 2016/1164 (the "**Anti-Tax Avoidance Directive**"). Member States had until 31

December 2018 to implement the Anti-Tax Avoidance Directive, subject to derogations for Member States which have equivalent measures in their domestic law.

Amongst the measures contained in the Anti-Tax Avoidance Directive is an interest deductibility limitation rule similar to the recommendation contained in the BEPS Action 4 proposals. The Anti-Tax Avoidance Directive provides that interest costs in excess of the higher of (a) EUR 3,000,000 or (b) 30% of an entity's earnings before interest, tax, depreciation and amortisation will not be deductible in the year in which they are incurred but would remain available for carry forward.

According to the Tax Plan 2019 as published on 18 September 2018, when implementing the Anti-Tax Avoidance Directive, The Netherlands intends to take a stricter approach than that prescribed by the Anti-Tax Avoidance Directive, reducing the threshold for deductible interest to EUR 1,000,000 (instead of EUR 3,000,000).

However, the restriction on interest deductibility would only be in respect of the amount by which the borrowing costs exceed "interest revenues and other equivalent taxable revenues from financial assets". Accordingly, as the Issuer will generally fund interest payments it makes under the Notes from interest payments to which it is entitled under Collateral Obligations (that is such that the Issuer pays limited or no net interest), the restriction may be of limited relevance to the Issuer even if the Anti-Tax Avoidance Directive were implemented as proposed.

There is also a carve out in the Anti-Tax Avoidance Directive for financial undertakings, although as currently drafted the Issuer would not be treated as a financial undertaking. The European Commission is also pursuing other initiatives, such as the introduction of a common corporate tax base, the impact of which, if implemented, is uncertain. On 21 February 2017, the Economic and Financial Affairs Council of the European Union agreed an amendment to the Anti-Tax Avoidance Directive to provide for minimum standards for counteracting hybrid mismatches involving EU Member States and third countries ("**Anti-Tax Avoidance Directive 2**"). Anti-Tax Avoidance Directive 2 requires EU Member States to either delay deduction of payments, expenses or losses or include payments as taxable income, in case of hybrid mismatches. Anti-Tax Avoidance Directive 2 needs to be implemented in the EU Member Sates' national laws and regulations by 31 December 2019 and will have to apply as of 1 January 2020, except for the provision on reverse hybrid mismatches for which implementation can be postponed to 31 December 2021, and will apply as of 1 January 2022. The Netherlands has transposed the Anti-Tax Avoidance Directive 2 into national law with effect from 1 January 2020, although some of the provisions (regarding reverse hybrids) will not come into effect until 1 January 2022.

2.19 Taxation implications of contributions

A Subordinated Noteholder may, in certain circumstances during the Reinvestment Period, provide the Issuer with cash by way of a contribution, designate as a contribution to the Issuer all or a specified portion of Interest Proceeds and/or Principal Proceeds that would otherwise be distributed to such Subordinated Noteholder or subscribe for additional Subordinated Notes in accordance with Condition 3(c)(iv) (*Reinvestment Amounts*). Subordinated Noteholders should consult their own tax advisers as to the tax treatment in respect of the contribution in accordance with Condition 3(c)(iv) (*Reinvestment Amounts*).

2.20 Diverted Profits Tax

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

The basis upon which HM Revenue & Customs will apply the diverted profits tax in practice remains uncertain although it should be noted that there are specific exemptions for United Kingdom investment managers who enter into transactions on behalf of certain overseas persons and in respect of which the Investment Manager Exemption would apply and a general exemption where the activities of

the non-UK resident company in the United Kingdom are carried out by an agent of independent status which is not connected to such non-UK resident company.

2.21 Imposition of unanticipated Taxes on Issuer

The Issuer expects to earn a minimum profit that is subject to Dutch corporate tax but that no Dutch VAT should be payable on the Collateral Management Fees, subject to what follows. This is on the basis of article 11(1)(i)(3) of the Dutch VAT act based upon Article 135(1)(g) of the VAT Directive, which provides that EU member states shall exempt from VAT the management of "special investment funds" (as defined by the relevant EU member state). There can be no assurance, however, that the Issuer will not be or in the future become subject to further tax by The Netherlands or some other jurisdiction. In the event that tax is imposed on the Issuer, the Issuer's ability to repay the Notes may be impaired.

In its judgement of *Staatssecretaris van Financien v Fiscale Eenheid X NV* cs C-595/13 ("**ECJ Fiscale Eenheid X**") the European Court of Justice has ruled that the VAT exemption for investment management services can be applied to: (i) funds which constitute undertakings for collective investment in transferable securities within the meaning of the undertakings for collective investment in transferable securities directive (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, the "**UCITS Directive**") and (ii) funds which, without being collective investment undertakings within the meaning of that directive, display features that are sufficiently comparable for them to be in competition with such undertakings in particular that they are subject to specific State supervision under national law (as opposed to under the UCITS Directive).

Following the ECJ Fiscale Eenheid X case, there is a risk that the Issuer may not qualify as a "special investment fund" under the VAT Directive and/or the Dutch value added tax act. The Issuer (and other Dutch collateralised loan obligation vehicles) has the benefit of a tax ruling from the Dutch tax authorities (which pre-dates the ECJ Fiscale Eenheid X case), confirming that the relevant VAT exemption can be applied for collateral management services to Dutch collateralised loan obligation vehicles (including the Issuer, once it is registered with the designated tax inspector). The Issuer has been advised that although case law from the ECJ and Dutch courts confirms that CLO SPVs can be considered sufficiently comparable to UCITS and therefore qualify as a "special investment fund" within the meaning of Article 11(1)(i)(3) of the Dutch VAT Act respectively Article 135(1)(g) of the VAT Directive, the Issuer cannot exclude that the Dutch tax authorities may seek to change their position in the future and Dutch value added tax may be imposed on the Collateral Management Fees.

On 17 December 2019, the Dutch Senate approved a legislative proposal for a withholding tax on interest and royalties payments to associated companies in low-taxed jurisdictions and in abusive situations which will enter into force on 1 January 2021. For purposes of this legislation, the term 'associated companies' in principle refers to companies with either a direct or indirect decisive influence on the Dutch resident company. The exact threshold percentage in the future legislation has not been announced, nor do we expect any percentage to be announced. Generally speaking, a shareholding of 50 per cent or 50 per cent of the voting rights would qualify. Low-taxed jurisdictions are the jurisdictions included on the EU-blacklist of low-taxed and uncooperative jurisdictions, plus jurisdictions included on the Dutch low-taxed jurisdictions list that was published as part of the new Dutch controlled foreign company legislation. Currently, low-taxed jurisdictions on such list include American Samoa, US Virgin Islands, Fiji, Guam, Oman, Samoa, Trinidad and Tobago, Anguilla, Bahamas, Bahrain, Barbados, Bermuda, British Virgin Islands, Guernsey, Isle of Man, Jersey, Cayman Islands, Turks and Caicos Islands, Turkmenistan, Vanuatu and the United Arab Emirates. In certain abusive situations payments made by a Dutch resident company to an associated intermediary company that is not located in a low-taxed jurisdiction may also be subject to withholding tax. The tax rate of the withholding tax will be equal to the regular Dutch corporate income tax rate (21.7 per cent in 2021).

2.22 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.

Council Directive 2011/16/EU on Administrative Co-operation in the Field of Taxation (as amended by Council Directive 2014/107/EU) ("**DAC II**") implements CRS in a European context and creates a mandatory obligation for all EU Member States to exchange financial account information in respect of residents in other EU Member States on an annual basis commencing in 2017 in respect of the 2016 calendar year (or from 2018 in the case of Austria).

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

Over 95 jurisdictions have committed to exchanging information under the CRS and a group of 50 countries, including The Netherlands and all EU Member States other than Austria (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 Netherlands has enacted legislation to implement the requirements of the CRS and DAC II into Dutch law under which Dutch FIs (such as the Issuer) will be obliged to make a single return in respect of CRS and DAC II. For the purposes of complying with its obligations under CRS and DAC II, a Dutch FI (such as the Issuer) shall be entitled to require Noteholders to provide any information regarding their and, in certain circumstances, their controlling persons' tax status, identity or residence in order to satisfy any reporting requirements which the Issuer may have as a result of 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 Dutch Tax Authorities (*Belastingdienst*). The information will be provided to the Dutch Tax Authorities (*Belastingdienst*) who will exchange the information with the tax authorities of other participating jurisdictions, as applicable. Failure by the Issuer to comply with its CRS and DAC II obligations may result in the Issuer being deemed to be non-compliant in respect of its CRS obligations and monetary penalties may be imposed on a non-compliant FI under Dutch legislation.

The Issuer (or any nominated service provider) will agree that information (including the identity of any Noteholder) supplied for the purposes of CRS and DAC II compliance is intended for the Issuer's (or any nominated service provider's) use for the purposes of satisfying CRS and DAC II requirements and the Issuer (or any nominated service provider) will agree, to the extent permitted by applicable law, that it will take reasonable steps to treat such information in a confidential manner, except that the Issuer may disclose such information (i) to its officers, directors, agents and advisors, (ii) to the extent reasonably necessary or advisable in connection with tax matters, including achieving CRS and 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.

2.23 Regulated Banking Activity

While non-bank lending is currently being promoted within the EU, in many jurisdictions, especially in continental Europe, engaging in lending activities "in" certain jurisdictions particularly via the original extension of credit granting a loan and in some cases including purchases of receivables, discounting of invoices, guarantee transactions or otherwise (collectively, "**Regulated Banking Activities**") is generally considered a regulated financial activity and, accordingly, must be conducted in compliance with applicable local banking laws (or the AIFMD, in the case of European long-term investment funds). Although a number of jurisdictions have consulted and published guidance on non-bank lending, in many such jurisdictions, there is comparatively little statutory, regulatory or interpretive guidance issued by the competent authorities or other authoritative guidance as to what constitutes the conduct of Regulated Banking Activities in such jurisdictions.

Collateral 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.

2.24 EU Bank Recovery and Resolution Directive

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

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

Resolution Authorities also have the right to amend certain agreements, under applicable laws, regulations and guidance ("**Stay Regulations**") to ensure stays or overrides of certain termination rights. Such special resolution regimes ("**SRRs**") vary from jurisdiction to jurisdiction, including differences in their respective implementation dates. In the UK, the Prudential Regulation Authority ("**PRA**") has implemented rules (Appendix 1 to the PRA's policy statement 25/15) which requires relevant institutions to ensure that the discretion of the PRA to temporarily suspend termination and security interests under the relevant SRR is respected by counterparties. Any applicable Stay Regulations may result in the Issuer not being able to immediately enforce liabilities owed by relevant institutions that are subject to "stays" under SRRs.

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

differ from the resolution schemes that would have been applied by the Resolution Authorities. Therefore, the way in which a relevant institution is resolved and ultimately, the effect of any such resolution on the Issuer and the Noteholders may vary depending on the authority applying the resolution framework.

2.25 Centre of Main Interests

Pursuant to Regulation (EU) 2015/848 on insolvency proceedings (recast), which came into force on 26 June 2017, 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. In the case of a company or legal person, the place of the registered office shall be presumed to be the centre of main interests in the absence of proof to the contrary. That presumption shall only apply if the registered office has not been moved to another Member State within the 3-month period prior to the request for the opening of insolvency proceedings.

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

3. RELATING TO THE NOTES

3.1 Limited Liquidity and Restrictions on Transfer

Neither the Arrangers nor the Placement Agents (or any of their affiliates) are under any obligation to make a secondary market in relation to the Notes. The Notes are illiquid investments. Any indicative prices provided by the Placement Agents or their Affiliates shall be determined in the Placement Agents' sole discretion taking into account prevailing market conditions and shall not be a representation by the Placement Agents or their Affiliates that any instrument can be purchased or sold at such prices (or at all). Notwithstanding the above, the Placement Agents or their Affiliates may suspend or terminate making a market and/or providing indicative prices without notice, at any time and for any reason. There can be no assurance that any secondary market for any of the Notes will develop or, if a secondary market does develop, that it will provide the Noteholders with liquidity of investment or that it will continue for the life of such Notes or that any available sale price will be at par. 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 (as the case may be) to register under, or otherwise be subject to the provisions of, the Investment Company Act or any other similar legislation or regulatory action. Furthermore, the Notes will not be registered under the Securities Act or any U.S. state securities laws, and the Issuer has no plans, and is under no obligation, to register the Notes under the Securities Act. The Notes are subject to certain transfer restrictions and can be transferred only to certain transferees. See "*Plan of Distribution*" and "*Transfer Restrictions*". Such restrictions on the transfer of the Notes may further limit their liquidity.

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

3.2 Optional Redemption and Market Volatility

The market value of the Collateral 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.

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

The Rated Notes may be redeemed in whole from Sale Proceeds and/or Refinancing Proceeds:

(a) on any Business Day on or after the expiry of the Non-Call Period, at the direction of the Subordinated Noteholders acting by way of Ordinary Resolution (as evidenced by duly completed Redemption Notices);

(b) on any Business Day following the occurrence of a Collateral Tax Event at the direction of the Subordinated Noteholders acting by Ordinary Resolution (as evidenced by duly completed Redemption Notices); or

(c) (along with the Subordinated Notes) on any Business Day 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, where such Optional Redemption is effected through Refinancing, 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 at the option of the Subordinated Noteholders but subject to the consent of the Collateral Manager, 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*).

Prospective investors in the Subordinated Notes should note that their ability to direct or elect for optional redemption of the Rated Notes (in whole or in part by Class) in the above circumstances is subject to the consent of the Collateral Manager at the time, which consent may be withheld in the Collateral Manager's sole discretion.

The Trust Deed provides that the holders of the Subordinated Notes will not have any cause of action against any of the Issuer, the Collateral Manager, the Collateral Administrator or the Trustee for any failure to obtain a Refinancing. If a Refinancing is obtained meeting the requirements of the Trust Deed, the Issuer may amend the Trust Deed and the Trustee shall concur with such amendments to the Trust Deed 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 the Subordinated Noteholders (acting by Ordinary Resolution).

The Collateral Manager or the Retention Holder may also cause the Issuer to redeem the Rated Notes in whole from Sale Proceeds on any Business Day falling on or after the expiry of the Non-Call Period, if the Collateral Principal Amount is less than 15 per cent. of the Target Par Amount.

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

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

The Notes will be subject to redemption in part by the Issuer on any Payment Date during the Reinvestment Period if either (A) the Collateral Manager (acting on behalf of the Issuer) in its sole discretion certifies to the Trustee (upon which certification the Trustee may rely without enquiry or liability) that, using commercially reasonable endeavours, it has been unable, for a period of at least 20 consecutive Business Days, to identify additional Collateral Obligations or Substitute Collateral Obligations that are deemed appropriate by the Collateral Manager in its sole discretion and which would meet the Eligibility Criteria 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 or Substitute Collateral Obligations, or (B) at any time after the Effective Date, the Collateral Manager (acting on behalf of the Issuer) in its sole discretion notifies the Trustee in writing that, as determined by the Collateral Manager acting in a commercially reasonable manner, a redemption is required in order to avoid a Rating Event (upon which notification the Trustee may rely without enquiry or liability). 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.

3.5 Mandatory Redemption of the Notes

Certain mandatory redemption arrangements may result in an elimination, deferral or reduction in the interest payments or principal repayments made to the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Class F 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*).

3.6 The Reinvestment Period may Terminate Early

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

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

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

(a) 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 and the Collateral Manager, 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 or (in the case of an issuance of additional Subordinated Notes) to be applied towards a Permitted Use. See Condition 17 (*Additional Issuances*).

(b) 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 Supplemental Reserve 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 not more than EURIBOR plus 4.0 per cent. per annum.

(c) Reinvestment Amounts

During the Reinvestment Period, Subordinated Noteholders may elect to make a Reinvestment Amount in accordance with Condition 3(c)(iv) (*Reinvestment Amounts*) by contributing assets to the Issuer either directly or indirectly 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 Reinvestment Amounts contributed by Subordinated Noteholders in cash are required to be in a minimum denomination of €1,000,000 and no more than three such cash contributions may be made by the Subordinated Noteholders.

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 a Note Event of Default which would otherwise have occurred and therefore potentially result in the Notes continuing to be outstanding in circumstances where the Controlling Class may otherwise have had the right to direct the Trustee to accelerate the Notes. Consequentially, the average life of the Notes may be longer than it would otherwise be (see "*Average Life and Prepayment Considerations*" below).

3.9 Additional Issuances of Subordinated Notes not subject to Anti-Dilution Rights

The Issuer may issue and sell additional Notes (other than Class X Notes), subject to the satisfaction of a number of conditions, including that the holders of the relevant Class of Notes in respect of which further Notes are issued 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 of such additional Notes. However, this requirement does not apply to any additional issuance of Subordinated Notes if such issuance is required in order to prevent or cure a Retention Deficiency for any reason. Accordingly, the proportion of Subordinated Notes held by a Subordinated Noteholder may be diluted following an additional issuance of Subordinated Notes. See Condition 17 (*Additional Issuances*).

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 Agents, 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 including the Issuer Dutch Account and its rights within the Issuer Management Agreement (and, in particular, no assets of the Collateral Manager, the Noteholders, the Placement Agents, 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 obligations of the Issuer to pay such deficiency shall be extinguished. Such shortfall will be borne (as amongst the Noteholders) by (a) firstly, the Subordinated Noteholders; (b) secondly, the Class F Noteholders; (c) thirdly, the Class E Noteholders; (d) fourthly, the Class D Noteholders; (e) fifthly, the Class C Noteholders; (e) sixthly, the Class B Noteholders; and (f) lastly, the Class X Noteholders and the Class A Noteholders (on a *pro rata* and *pari passu* basis), in each case in accordance with the Priorities of Payment.

In addition, at any time while the Notes are Outstanding, none of the Noteholders nor the Trustee nor any other Secured Party (nor any other person acting on behalf of any of them) shall be entitled at any time to institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, reorganisation, arrangement, insolvency, winding up or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligations of the Issuer relating to the Notes of any Class, the Trust Deed or otherwise owed to the Secured Parties, save for lodging a claim in the liquidation of the Issuer which is initiated by another non-Affiliated party or taking proceedings to obtain a declaration as to the obligations of the Issuer and without limitation to the Trustee's right to enforce and/or realise the security constituted by the Trust Deed (including by appointing a receiver or an administrative receiver).

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

The payment of principal and interest on any other Classes of Notes may not be made until all payments of principal and interest due and payable on any Classes of Notes ranking in priority thereto pursuant to the Priorities of 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 to transfer amounts which would have been payable on the Subordinated Notes to the Supplemental Reserve Account to be applied towards a Permitted Use in accordance with the Conditions and the requirement to transfer amounts to the Principal Account in the event that 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 X Notes, the Class A Notes or the Class B Notes on any Payment Date will constitute a Note Event of Default (where such non-payment continues for a period of at least five Business Days or seven Business Days in the case of an administrative error or omission). Failure on the part of the Issuer to pay Interest Amounts (and, if applicable, any Class D Additional Amount) due and payable on the Class C Notes, Class D Notes, Class E Notes or Class F Notes pursuant to Condition 6 (*Interest*) and the Priorities of Payment will not constitute a Note Event of Default unless following a Frequency Switch Event only: following redemption in full of the Class X Notes, the Class A Notes and the Class B Notes, failure to pay any interest in respect of the Class C Notes when the same becomes due and payable; following redemption if full of the Class C Notes, failure to pay any interest in respect of the Class D Notes (and, if applicable, any Class D Additional Amount to holders of Class D Notes) when the same becomes due and payable; following redemption if full of the Class D Notes, failure to pay any interest in respect of the Class E Notes when the same becomes due and payable; and following redemption if full of the Class E Notes failure to pay any interest in respect of the Class F Notes when the same becomes due and payable, (in each case where such non-payment continues for a period of at least five Business Days or seven Business Days in the case of an administrative error or omission).

In such circumstances, the Controlling Class, acting by Extraordinary Resolution, may request the Trustee to accelerate the Notes pursuant to Condition 10 (*Events of Default*).

In the event of any acceleration of the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes will also be subject to automatic 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 X Noteholders, the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders or the Subordinated Noteholders, as the case may be. To the extent that any losses are incurred by the Issuer in respect of any Collateral, such losses will be borne first by the Noteholders. Remedies pursued on behalf of the Class X Noteholders and the Class A Noteholders could be adverse to the interests of the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class B Noteholders could be adverse to the interests of the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class C Noteholders could be adverse to the interests of the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class D Noteholders could be adverse to the interests of the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class E Noteholders could be adverse to the interests of the Class F Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class F Noteholders could be adverse to the interests of the Subordinated Noteholders.

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

3.13 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 Collateral Manager will be able to select four Reference Banks to provide quotations, in order to determine any 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 Collateral Manager is unable to select Reference Banks to provide quotations in the manner described in Condition 6(e)(i) (*Floating Rate of Interest*), the relevant Rate of Interest in respect of such Payment Date shall be determined, pursuant to Condition 6(e)(i) (*Floating Rate of Interest*), as the Rate of Interest in effect as at the immediately preceding Accrual Period that was determined by reference to a EURIBOR screen rate or through quotations provided by four Reference Banks provided that, in respect of any Accrual Period during which a Frequency Switch Event occurs, the relevant Rate of Interest shall be calculated using the offered rate for six month Euro deposits using the rate available as at the previous Interest Determination Date. To the extent interest amounts in respect of the Floating Rate Notes are determined by reference to a previously calculated rate, Noteholders may be adversely affected. In such circumstances, neither the Calculation Agent nor the Trustee shall have any obligation to determine the Rate of Interest on any other basis.

3.14 Amount and Timing of Payments

To the extent that interest payments on the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes are not made on a relevant Payment Date, such unpaid interest amounts will be deferred and the amount thereof added to the principal amount Outstanding of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes as the case may be, and earn interest at the interest rate applicable to such Notes. Any failure to pay scheduled interest on the Class C Notes, or to pay scheduled interest (and, if applicable, any Class D Additional Amount) on the Class D Notes, or to pay scheduled interest on the Class E Notes or to pay scheduled interest on the Class F Notes 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 a Note Event of Default unless following a Frequency Switch Event such Class is the senior most Class of Notes Outstanding. 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. Information in the reports will not be audited nor will reports include a review or opinion by a public accounting firm.

3.16 Ratings of the Rated Notes Not Assured and Limited in Scope

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

Rating agencies attempt to evaluate the safety of principal and interest payments and do not evaluate the risks of fluctuations in market value, and therefore, credit ratings do not fully reflect all risks of an investment. Also, rating agencies may fail to make timely changes in credit ratings in response to subsequent events, and the credit quality of a debt security may be worse than a rating indicates.

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

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

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

Rating Agencies may refuse to give rating agency confirmations

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

Rating Agency is unwilling to provide the required confirmation, it may be impossible to effect such action, which could result in losses being realised by the Issuer and, indirectly, by holders of the Notes.

If a Rating Agency announces or informs the Trustee, the Collateral Manager or the Issuer that confirmation from such Rating Agency is not required for a certain action or that its practice is to not give such confirmations for certain types of actions, the requirement for confirmation from such Rating Agency will not apply. Further, in connection with the Effective Date, if 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 Notes.

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

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

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

Under Rule 17g-5, rating agencies providing the requisite certifications described above may issue unsolicited ratings of the Rated Notes ("**Unsolicited Ratings**") which may be lower and, in some cases, significantly lower than the ratings provided by the Rating Agencies. The Unsolicited Ratings may be issued prior to, on or after the Issue Date and will not be reflected herein. Issuance of any Unsolicited Rating will not affect the issuance of the Notes. A rating agency that has reviewed the transaction may have a fundamentally different methodology or approach to or opinion of the structure or the nature or quality of all or some of the underlying Collateral Obligations which may result in a view or rating which differs significantly from the ratings assigned by the Rating Agencies. Issuance of an Unsolicited Rating lower than the ratings assigned by the Rating Agencies on the applicable Rated Notes might adversely affect the liquidity and market value of the Rated Notes and, for regulated entities, could adversely affect the value of the Rated Notes as an investment or the capital treatment of the Rated Notes.

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

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

The SEC adopted Rule 15Ga-2 and Rule 17g-10 to the United States Securities Exchange Act of 1934, on 27 August 2014, which require certain filings or certifications to be made in connection with the performance of "due diligence services" for rated asset-backed securities on or after 15 June 2015. Under Rule 17g-10, a provider of third-party due diligence services must provide to each nationally recognised statistical rating organisation that is rating the applicable transaction, a written certification in a prescribed form (which obligation may be satisfied if the Issuer posts such certification in the required form to the Rule 17g-5 website referred to above, maintained in connection with the

transaction). In connection with the Effective Date, the Collateral Management 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, 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, and consequently, no assurance can be given as to whether any certification will be posted by the Issuer or delivered by any applicable third party service provider to the Rating Agencies in circumstances where such certification is deemed to have been required under the rules. If the Issuer or any third party that provides due diligence services to the Issuer does not comply with its obligations under Rule 17g-10, the Rating Agencies may withdraw (or fail to confirm) their ratings of the Rated Notes. In such case, the price or transferability of the Notes (and any beneficial owner of the 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 the Payment Date falling in July 2032 (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.

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, any Collateral Manager Related Person, the Trustee, the Placement Agents, the Arrangers, 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.

3.18 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.

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

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

3.19 Net Proceeds less than Aggregate Amount of the Notes

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

3.20 Withholding Tax on the Notes

Although no withholding tax is currently imposed on payments of principal or interest on the Notes, there can be no assurance that the law will not change. In addition, under Condition 2(j) (*Forced Transfer Pursuant to FATCA*), 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 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 principal or interest on the Notes (including FATCA), the holders of the Notes will not be entitled to receive grossed-up amounts to compensate for such withholding tax and no Note Event of Default shall occur as a result of any such withholding or deduction.

In the event of the occurrence of a Note Tax Event pursuant to which any payment on the Notes of any Class becomes properly subject to any withholding tax or deduction on account of tax (other than in the circumstances set out in the definition thereof, including, without limitation, withholding tax in respect of FATCA), 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.

3.21 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 or its sub-custodian on behalf of the Issuer pursuant to the Agency and Account Bank Agreement. The Custodian or its sub-custodian will hold such assets which can be cleared through Euroclear in an account with Euroclear 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 Issuer and (ii) the Issuer's ancillary contractual rights against the Custodian in accordance with the terms of the Agency and Account Bank Agreement (as defined in the Conditions) which may expose the Secured Parties to the risk of loss in the case of a shortfall of such securities in the event of insolvency of the Custodian or its sub-custodian.

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

Any risk of loss arising from any insufficiency or ineffectiveness of the security for the Notes or the custody and clearance risks which may be associated with assets comprising the Portfolio will be borne by the Noteholders without recourse to the Issuer, the Placement Agents, the Arrangers, 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 or the Irish Security Agreement 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, the Trust Deed and the Irish Security Agreement) take effect as a floating charge which, in particular, would rank after a subsequently created fixed charge.

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

However, if the fixed charge security constituted by the Trust Deed or the Irish Security Agreement were to be re-categorised as floating charge security, the Issuer has covenanted in the Trust Deed and the Irish Security Agreement not to create any subsequent security interests (other than those permitted under the Trust Deed and the Irish Security Agreement) without the consent of the Trustee.

3.22 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. in principal amount of the Notes Outstanding of a particular Class, subject to certain conditions including minimum notice periods.

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

Any Notes held by or on behalf of any Collateral Manager Related Person 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.

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 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 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. 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 66⅔ per cent. of the aggregate Principal Amount Outstanding of each Class of Notes (or the relevant Class or Classes only, if applicable) and in the case of an Ordinary Resolution this is one or more persons holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of each Class of Notes (or the relevant Class or Classes only, if applicable). Such quorum provisions still, however, require considerably lower thresholds than would be required for a Written Resolution. In addition, in the event that 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 and/or as applicable, 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.

Investors in the Class X Notes should note that the Class X Notes shall not carry any rights to vote in respect of, or be counted for the purposes of determining a quorum and the result of any votes in respect of any CM Removal Resolutions or any CM Replacement Resolutions, and the Class X Notes will not, at any point, be or form part of the Controlling Class.

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

Investors should note that 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*), (i) 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 (ii) the Class C-1 Notes and the Class C-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). As a consequence, (i) holders of the Class B-1 Notes and the Class B-2 Notes shall act not separately, but together as a single Class for voting purposes, including in relation to amendments where the interests of such Noteholders may not be aligned and (ii) holders of the Class C-1 Notes and Class C-2 Notes shall act not separately, but together as a single Class for voting purposes, including in relation to amendments where the interests of such Noteholders may not be aligned.

Certain entrenched rights relating to the Conditions 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 Conditions and the provisions of the Trust Deed will be binding on all such dissenting Noteholders.

In addition to the Trustee's right to agree to changes to the Transaction Documents to correct a manifest error, or to changes which, in its opinion, are not materially prejudicial to the interests of the Noteholders of any Class without the consent of the Noteholders, 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. The Hedge Agreements may allow 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 may not be able to make such modification, amendment or supplement and therefore implementation thereof may be delayed. Any such consent, if withheld, may prevent the modification, amendment or supplement of the Transaction Documents which may be beneficial to or in the best interests of the Noteholders.

3.23 Concentrated Ownership of One or More Classes of Notes

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

3.24 Enforcement Rights Following a Note Event of Default

If a Note Event of Default occurs and is continuing, the Trustee may, at its discretion, and shall, at the request of the Controlling Class acting by way of Ordinary Resolution (subject, in each case, to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction 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 and the Collateral Manager that all the Notes are immediately due and repayable, provided that following the occurrence of a Note Event of Default described in Condition 10(a)(vi) (*Insolvency Proceedings*) 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 and the Irish Security Agreement becomes enforceable, the Trustee may, at its discretion (subject to being indemnified and/or secured and/or prefunded to its satisfaction), and shall, if so directed by the Controlling Class acting by Extraordinary Resolution, take Enforcement Action (as defined in the Conditions) in respect of the security over the Collateral provided that no such Enforcement Action may be taken by the Trustee unless: (A) it determines that the anticipated proceeds realised from such Enforcement Action (after deducting and allowing for any expenses properly incurred in connection therewith) would be sufficient to discharge in full all amounts due and payable in respect of all Classes of Notes other than the Subordinated Notes (including, without limitation, Deferred Interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes) and all amounts payable in priority to the Subordinated Notes pursuant to the Post-Acceleration Priority of Payments or (B) otherwise, in the case of a Note Event of Default specified in sub-paragraphs (i), (ii), (iv) or (vi) 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 Note Event of Default which has occurred prior to, contemporaneously or subsequent to such Note Event of Default.

The requirements described above could result in the Controlling Class being unable to procure enforcement of the security over the Collateral in circumstances in which they desire such enforcement (in particular, where paragraph (B) above does not apply) 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 Priority of Payments and/or at a time when enforcement thereof may be adverse to the interests to certain Classes of Notes and, in particular, the Subordinated Notes.

3.25 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, the Class F Notes and the Subordinated Notes), the assets of the Issuer could be considered to be assets of such Plans. In addition, certain of the transactions contemplated under such Notes could be considered "prohibited transactions" under Section 406 of ERISA or Section 4975 of the Code. See the section entitled "*Certain ERISA Considerations*" below.

3.26 Forced Transfer

Each placement agent 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 Noteholder**"), the Issuer shall, promptly after determination that such person is a Non-Permitted Noteholder by the Issuer, send notice to such Non-Permitted Noteholder demanding that such holder transfer its interest outside the United States to a non-U.S. Person or within the United States to a U.S. Person that is a QIB/QP within 30 days of the date of such notice. If such holder fails to effect the transfer required within such 30-day period, (a) the Issuer or the Collateral Manager on its behalf and at the expense of the Issuer shall cause such Rule 144A Notes to be transferred in a sale to a person or entity that certifies to the Issuer, in connection with such transfer,

that such person or entity either is not a U.S. Person or is a QIB/QP and (b) pending such transfer, no further payments will be made in respect of such Rule 144A Notes.

The Trust Deed provides that if, notwithstanding the restrictions on transfer contained therein, the Issuer determines that any Noteholder is a Non-Permitted ERISA Noteholder, the Non-Permitted ERISA Noteholder may be required by the Issuer to sell or otherwise transfer its Notes to an eligible purchaser (selected by the Issuer) within 10 days of receipt of notice from the Issuer to such Non-Permitted ERISA Noteholder 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.

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.

3.27 U.S. Tax Risks

Imposition of tax on Non-U.S. Holders

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

U.S. trade or business

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

FATCA

Under FATCA, the Issuer may be subject to a 30 per cent. withholding tax on certain income. Under an intergovernmental agreement entered into between the United States and The Netherlands, the Issuer will not be subject to withholding under FATCA if it complies with Dutch implementing legislation that is expected to 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 Netherlands Tax and Customs Administration, which would then provide this information to the IRS. The Issuer shall use

reasonable best efforts to comply with the intergovernmental agreement and the legislation; however, there can be no assurance that the Issuer will be able to do so. Moreover, the intergovernmental agreement or the Dutch implementing legislation could be amended to require the Issuer to withhold on "passthru" payments to holders that fail to provide certain information to the Issuer or are certain "foreign financial institutions" that do not comply with FATCA.

If a 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.

The Issuer is Expected to be Treated as a Passive Foreign Investment Company and may be a Controlled Foreign Corporation for U.S. Federal Income Tax Purposes

The Issuer is expected to be a passive foreign investment company (a "**PFIC**") for U.S. federal income tax purposes, which means that a U.S. Holder of Subordinated Notes (or any other Class of Notes that is treated as equity of the Issuer) may be subject to adverse tax consequences. Such a U.S. Holder may elect to treat the Issuer as a qualified electing fund ("**QEF**") in order to avoid certain adverse tax consequences that arise as a result of the Issuer being a PFIC. In addition, depending on the overall ownership of the Subordinated Notes, a U.S. holder of ten per cent. or more of the Subordinated Notes may be treated as a "U.S. Shareholder" in a controlled foreign corporation (a "**CFC**") and be required to recognize currently its proportionate share of the "subpart F income" of the Issuer whether or not distributed to such U.S. holder. The QEF election is effective only if certain information is made available to the U.S. holder. A U.S. holder that makes a QEF election or that is required to recognize currently its proportionate share of the subpart F income of the Issuer will be required to include in current income its pro rata share of the Issuer's earnings or income whether or not the Issuer actually makes any payments to such holder. Accordingly, a U.S. holder that makes a QEF election, or that is required to include subpart F income in the event that the Issuer is treated as a CFC, may recognize income in amounts significantly greater than the payments received from the Issuer. Taxable income may exceed cash payments when, for example, the Issuer uses earnings to repay principal on the Notes or accrues income on the Collateral Obligations prior to the receipt of cash or the Issuer discharges its debt at a discount.

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

The Issuer intends to treat the Class E Notes and Class F Notes as indebtedness for U.S. federal, state, and local income and franchise tax purposes, and the Trust Deed requires Noteholders to treat the Class E Notes and Class F Notes as indebtedness for U.S. federal, state and local income and franchise tax purposes. In general, the characterization of an instrument for U.S. federal income tax purposes as debt or equity by its issuer as of the time of issuance is binding on a holder. An issuer's characterization, however, is not binding on the IRS. In particular, there can be no assurance that the IRS would not contend, and that a court would not ultimately hold, that the Rated Notes, particularly the Class E Notes and Class F Notes, constitute equity of the Issuer. If the Class E Notes or Class F Notes are recharacterised as equity in the Issuer, gain on the sale of a Class E Note or Class F Note could be treated as ordinary income and subject to an additional tax in the nature of interest, and certain interest on the Class E Notes or Class F Notes could be subject to the additional tax. U.S. Holders (as defined in "*Tax Considerations—Certain U.S. Federal Income Tax Considerations*") may be able to avoid these adverse consequences by filing a protective "qualified electing fund" election with respect to their Class E Notes and Class F Notes. Alternatively, if the Class E Notes or Class F 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 CFCs. See "*Tax Considerations — U.S. Federal Tax Treatment of U.S. Holders of Rated Notes - Possible Treatment of Class E Notes and Class F Notes as Equity for U.S. Federal Income Tax Purposes*." U.S. Holders should consult their tax advisors regarding the implications to them if their Notes are treated as equity in the Issuer for U.S. federal income tax purposes and when and whether to make a "protective" QEF election with respect to their Class E Notes and/or Class F Notes.

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

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

4. RELATING TO THE COLLATERAL

4.1 The Portfolio

The decision by any prospective holder of Notes to invest in such Notes should be based, among other things (including, without limitation, the identity of the Collateral Manager), on the Eligibility Criteria (and the 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 the Interest Coverage Tests, which are required to be satisfied on and after the Determination Date immediately preceding the second Payment Date) and in each case thereafter as disclosed in this Offering Circular. 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 judgment and ability of the Collateral Manager in acquiring investments for purchase on behalf of the Issuer over time. No assurance can be given that the Issuer will be successful in obtaining suitable investments or that, if such investments are made, the objectives of the Issuer will be achieved.

None of the Issuer, the Placement Agents or the Arrangers 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 Agents, the Custodian, the Collateral Manager, any Collateral Manager Related Person, 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, any Collateral Manager Related Person, the Collateral Administrator, any Hedge Counterparty, the Placement Agents, the Arrangers 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 Senior Obligations, Mezzanine Obligations and High Yield Bonds lent to or issued by a variety of Obligors with a principal place of business in a Non-Emerging Market Country which are primarily rated below investment grade.

The lower rating of below investment grade collateral reflects a greater possibility that adverse changes in the financial condition of an issuer or borrower or in general economic conditions or both may

impair the ability of the relevant issuer or borrower, as the case may be, to make payments of principal or interest. Such investments may be speculative. See "*The Portfolio*" section of this Offering Circular.

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 Priority of Payments. The risk that payments on the Notes could be adversely affected by defaults on the related Collateral Obligations is likely to be increased to the extent that the Portfolio of Collateral Obligations is concentrated in any one issuer, industry, region or country as a result of the increased potential for correlated defaults in respect of a single issuer or within a single industry, region or country as a result of downturns relating generally to such industry, region or country. Subject to any confidentiality obligations binding on the Issuer, Noteholders will receive information through the Reports from time to time of the identity of Collateral Obligations which are Defaulted Obligations.

To the extent that a default occurs with respect to any Collateral Obligation and the Issuer or the 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.

4.3 The Warehouse Arrangements

Prior to 17 October 2019 (the **"Pre-Warehouse Termination Date**"), the Issuer entered into a master participation and forward purchase deed (the "**Pre-Warehouse Master Participation Deed**") with, among others, Ares European Loan Management LLP (in such capacity, the collateral manager) and an affiliate of the Collateral Manager (the "**Pre-Warehouse Entity**") pursuant to which the Issuer (i) purchased in the primary and secondary markets Collateral Obligations that constitute loan assets (the "**Pre-Warehouse Loan Assets**"), and participated its contractual right to receive interest and principal in respect of such Pre-Warehouse Loan Assets to the Pre-Warehouse Entity (each a "**Pre-Warehouse Loan Participation**"), (ii) purchased in the primary and secondary markets Collateral Obligations that constitute bond assets (the "**Pre-Warehouse Bond Assets**" and, together with Pre-Warehouse Loan Assets, "**Pre-Warehouse Assets**") and transferred its legal and beneficial ownership interest in such Pre-Warehouse Bond Assets to the Pre-Warehouse Entity, (iii) agreed to purchase at a future date from the Pre-Warehouse Entity such Pre-Warehouse Bond Assets and (iv) entered into certain other agreements with the Pre-Warehouse Entity and certain other entities to effect the financing of the Issuer's acquisition of Pre-Warehouse Assets. The Pre-Warehouse Loan Participation was terminated on the Pre-Warehouse Termination Date.

Following the Pre-Warehouse Termination Date, on behalf of the Issuer, the Collateral Manager has acquired, and will continue to enter into binding commitments to acquire, Collateral Obligations (each, a "**Warehoused Asset**", and collectively, "**Warehoused Assets**") during the period prior to the Issue Date (such period, the "**Warehouse Period**") pursuant to financing arrangements (the "**Warehouse Arrangements**") between the Issuer, the Collateral Manager, one or more Affiliates of the Placement

Agents (the "**Citi Parties**") and one or more affiliates of the Collateral Manager (such affiliates of the Collateral Manager, the "**Warehouse Investors**") with respect to such purchase. The Warehouse Arrangements will be terminated on the Issue Date, and all amounts owing to the Citi Parties and the Warehouse Investors in connection with such arrangements will be repaid by the Issue Date from the proceeds of the issuance of the Notes.

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

Under the Warehouse Arrangements, the Citi Parties provided and will provide prior to the Issue Date, financing to the Issuer to allow its acquisition of the Warehoused Assets (provided that a Citi Party approves the purchase of any such Warehoused Assets). The approval by any Citi Party of the purchase of any Warehoused Assets will be in its capacity as financing party and should not be viewed as a determination by such Citi Party or the Placement Agents or any Affiliate thereof as to whether a particular asset is an appropriate investment by the Issuer or whether it will satisfy the portfolio criteria applicable to the Issuer. If the Citi Parties do not approve the purchase of any Warehoused Assets, the Issuer may be restricted from purchasing that asset for a certain period, which may result in the Issuer paying a higher price.

The Warehouse Investors have, during the Warehouse Period, provided the junior funding to the Issuer. On the Issue Date, such junior funding will be redeemed at par plus the interest paid or accrued and any net realised gains on the Warehoused Assets (net of financing costs due to the Citi Parties and any other expenses and fees due under the Warehouse Arrangements). Certain of the Warehouse Investors may, but are not required to, purchase Subordinated Notes on the Issue Date. If the Issue Date occurs, any unrealised losses or gains resulting from changes in the market value of the Warehoused Assets as compared to the purchase price of the Warehoused Assets, will be for the account of the Issuer. If the Issue Date does not occur, the Warehouse Investors and the applicable Citi Parties will bear the risk of loss in value of the Warehoused Assets. The interests of the Citi Parties and the Warehouse Investors in respect of the Warehoused Assets will not necessarily align with, and may be directly contrary to, those of the investors in the Notes.

The prices paid for such Collateral Obligations will be the prevailing prices at the time of the execution of such trades and in market circumstances applicable at that time, which may be greater or less than the market value thereof on the Issue Date. Events occurring between the date of the Issuer first acquiring a Collateral Obligation and on or prior to the Issue Date, including changes in prevailing interest rates, prepayments of principal, developments or trends in any particular industry, changes in the financial condition of the Obligors of Collateral Obligations, the timing of purchases prior to the Issue Date and a number of other factors beyond the Issuer's control, including the condition of certain financial markets, general economic conditions and international political events, could adversely affect the market value of the Collateral Obligations acquired prior to the Issue Date.

In addition, any interest or other amounts paid or accrued on such Collateral Obligations during the period prior to the Issue Date will be paid to the Citi Parties and the Warehouse Investors on the Issue Date. Investors in the Notes will be assuming the risk of market value and credit quality changes in the Collateral Obligations from the date such Collateral Obligations are acquired during the period prior to the Issue Date but will not receive the benefit of interest earned on the Collateral Obligations during such period provided that any risk in relation to any Collateral Obligations which are ineligible collateral as at the Issue Date or which do not satisfy the Eligibility Criteria as at the Issue Date shall be borne by the Warehouse Investors and the applicable Citi Parties. The financing provided pursuant to the Warehouse Arrangements will be repaid on the Issue Date by applying part of the proceeds of the issuance of the Notes. Certain costs and expenses related to the Warehouse Arrangements, including the interest and commitment fees payable to the lenders under the Warehouse Arrangements and payment of certain fees and reimbursement of certain expenses to such lender and any agents appointed in respect of the Warehouse Arrangements, will therefore be borne by the Issuer as such amounts will be paid by application of the proceeds of the issuance of the Notes.]

4.4 Considerations Relating to the Initial Investment Period

During the Initial Investment Period, the Collateral Manager, on behalf of the Issuer, will seek to acquire additional Collateral 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 the Interest Coverage Tests, which are required to be satisfied on and after the Determination Date immediately preceding the second Payment Date), Collateral Quality Tests, and Portfolio Profile Tests. See 4.1 ("*The Portfolio*"). The ability to satisfy such tests and requirement will depend on a number of factors beyond the control of the Issuer and the Collateral Manager, including the availability of obligations that satisfy the Eligibility Criteria and other Portfolio related requirements in the primary and secondary loan markets, the condition of the financial markets, general economic conditions and international political events. Therefore, there can be no assurance that such tests and requirements will be met. In addition, the ability of the Issuer to enter into Currency Hedge 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 Currency Hedge Counterparty with whom the Issuer may enter into Currency Hedge Transactions. See also "*European Market Infrastructure Regulation (EMIR)*" above. 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 Currency Hedge 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.

4.5 Prepayment Risk

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

4.6 Defaults and Recoveries

There is limited historical data available as to the levels of defaults and/or recoveries that may be experienced on Senior Obligations 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 and Mezzanine Obligations purchased by the Issuer. As referred to above, although any particular Senior Obligations 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 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 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 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 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 in determining whether to purchase the Notes.

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

4.7 Underlying Portfolio

Characteristics of Senior Obligations and Mezzanine Obligations

The Portfolio Profile Tests provide that as of the Effective Date, at least 90 per cent. of the Collateral Principal Amount must consist of Secured Senior Obligations in aggregate (which shall comprise the aggregate of the Aggregate Principal Balance of the Secured Senior Obligations and the Balances standing to the credit of the Principal Account and the Unused Proceeds Account, in each case as at the relevant Measurement Date). Senior Obligations 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 borrower in the course of such a transaction, the Obligor's creditworthiness is typically judged by the rating agencies to be below investment grade. Senior Obligations are typically at the

most senior level of the capital structure with Second Lien Loans and Mezzanine Obligations being subordinated to any Senior Obligations or to any other senior debt of the Obligor. Secured Senior Obligations 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 Obligations 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 4.16 "*Interest Rate Risk*" below.

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

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

In order to induce banks and institutional investors to invest in a Senior Obligation or Mezzanine Obligation, and to obtain a favourable rate of interest, an Obligor under such an obligation often provides the investors therein with extensive information about its business, which is not generally available to the public. Because of the provision of confidential information, the unique and customised nature of the loan agreement relating to such Senior Obligation or Mezzanine Obligation, and the private syndication of the Senior Obligations and Mezzanine Obligations are not as easily purchased or sold as a publicly traded security, and historically the trading volume in the loan market has been small relative to, for example, the high yield bond market. Historically, investors in or lenders under European Senior Obligations 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.

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.

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

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

European High Yield Bonds are generally subordinated structurally, as opposed to contractually, to senior secured debtholders. Structural subordination is when a high yield security investor lends to a holding company whose primary asset is ownership of a cash- generating operating company or companies. The debt investment of the high yield investor is serviced by passing the revenues and tangible assets from the operating companies upstream through the holding company (which typically has no revenue- generating capacity of its own) to the security holders. In the absence of upstream guarantees from operating or asset owning companies in the group, such a process leaves the High Yield Bond investors deeply subordinated to secured and unsecured creditors of the operating companies and means that investors therein will not necessarily have access to the same security package as the senior lenders (even on a second priority charge basis) or be able to participate directly in insolvency proceedings or pre-insolvency discussions relating to the operating companies within the group. This facet of the European high yield market differs from the U.S. high yield market, where structural subordination is markedly less prevalent.

In the case of High Yield Bonds issued by issuers with their principal place of business in Europe, structural subordination of High Yield Bonds, coupled with the relatively shallow depth of the European high yield market, leads European high yield defaults to realise lower average recoveries than their U.S. counterparts. Another factor affecting recovery rates for European high yield bonds is the bankruptcy regimes applicable in different European jurisdictions and the enforceability of claims against the high yield bond issuer. See 4.21 (*Insolvency Considerations relating to Collateral Obligations*) below. It must be noted, however, that the overall probability of default (based on credit rating) remains similar for both U.S. and European credits; it is the severity of the effect of any default that differs between the two markets as a result of the aforementioned factors.

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

Investing in Second Lien Loans involves certain risks

The Collateral Obligations may include Second Lien Loans, each of which will be secured by a collateral, but which is subordinated (with respect to liquidation preferences with respect to pledged collateral) to other secured obligations of the Obligors secured by all or a portion of the collateral securing such secured loan. Second Lien Loans are typically subject to intercreditor arrangements, the provisions of which may prohibit or restrict the ability of the holder of a Second Lien Loan to

(i) exercise remedies against the collateral with respect to their second liens; (ii) challenge any exercise of remedies against the collateral by the first lien lenders with respect to their first liens; (iii) challenge the enforceability or priority of the first liens on the collateral; and (iv) exercise certain other secured creditor rights, both before and during a bankruptcy of the borrower. In addition, during a bankruptcy of the Obligor, the holder of a Second Lien Loan may be required to give advance consent to (a) any use of cash collateral approved by the first lien creditors; (b) sales of collateral approved by the first lien lenders and the bankruptcy court, so long as the second liens continue to attach to the sale proceeds; and (c) "debtor-in-possession" financings.

Liens arising by operation of law may take priority over the Issuer's liens on an Obligor's underlying collateral and impair the Issuer's recovery on a Collateral 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 Obligations

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

4.8 Corporate Rescue Loans

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

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

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

4.9 Bridge Loans

The Portfolio Profile Tests provide that not more than 2.5 per cent. of the Collateral Principal Amount (excluding Defaulted Obligations) may be comprised of Bridge Loans. Bridge Loans are generally a

temporary financing instrument and as such the interest rate may increase after a short period of time in order to encourage an Obligor to refinance the Bridge Loan with more long term financing. If an Obligor is unable to refinance a Bridge Loan, the interest rate may be subject to an increase and as such Bridge Loans may have greater credit and liquidity risk than other types of loans.

4.10 Collateral Enhancement Obligations

All funds required in respect of the purchase price of any Collateral Enhancement Obligations and all funds required in respect of the exercise price of any rights or options thereunder, may only be paid out of the Balance standing to the credit of the Supplemental Reserve Account at the relevant time. 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 Supplemental Reserve Account pursuant to the Priorities of Payment rather than being paid to the Subordinated Noteholders. The aggregate amount which may be credited to the Supplemental Reserve Account in accordance with the Priorities of Payment are subject to the following caps: (i) in aggregate on any particular Payment Date, such amount may not exceed €3,000,000 and (ii) the cumulative maximum aggregate total in respect of all Payment Dates may not exceed €9,000,000.

The Collateral Manager is under no obligation whatsoever to exercise its discretion (acting on behalf of the Issuer) to take any of the actions described above and there can be no assurance that the Balance standing to the credit of the Supplemental Reserve Account will be sufficient to fund the exercise of any right or option under any Collateral Enhancement Obligation at any time. The ability of the Collateral Manager (acting on behalf of the Issuer) to exercise any rights or options under any Collateral Enhancement Obligation will be dependent upon there being sufficient amounts standing to the credit of the Supplemental Reserve 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 Supplemental Reserve Account from time to time to purchase or exercise rights under Collateral Enhancement Obligations which the Collateral Manager determines on behalf of the Issuer should be purchased or exercised, the Collateral Manager may, at its discretion, pay amounts required in order to fund such purchase or exercise (such amount, a "**Collateral Manager Advance**") to such account pursuant to the terms of the Collateral Management and Administration Agreement, provided that (i) not more than three Collateral Manager Advances in total may be made by the Collateral Manager, (ii) on each occasion a Collateral Manager Advance shall be a minimum of €1,000,000 in aggregate and (iii) 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..

4.11 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.

4.12 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. In the event of the insolvency of the Selling Institution selling a Participation, the Issuer may be treated as a general creditor of the Selling Institution and may not benefit from any set off between the Selling Institution and the borrower and the Issuer may suffer a loss to the extent that the borrower sets off claims against the Selling Institution. The Issuer may purchase a Participation from a Selling Institution that does not itself retain any economic interest of the loan, and therefore, may have limited interest in monitoring the terms of the loan agreement and the continuing creditworthiness of the borrower. When the Issuer holds a Participation in a loan it generally will not have the right to participate directly in any vote to waive enforcement of any covenants breached by a borrower. A Selling Institution voting in connection with a potential waiver of a restrictive covenant may have interests which are different from those of the Issuer and such Selling Institutions may not be required to consider the interest of the Issuer in connection with the exercise of its votes. Whilst the Issuer may have a right to elevate a Participation to a direct interest in the participated loan, such right may be limited by a number of factors.

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

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

4.13 Voting Restrictions on Syndicated Loans for Minority Holders

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

4.14 Counterparty Risk

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

If a Hedge Counterparty is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable Rating Requirement, there will be a termination event under the applicable Hedge Agreement unless, within the applicable grace period following such rating withdrawal or downgrade, such Hedge Counterparty either transfers its obligations under the applicable Hedge Agreement to a replacement counterparty with the requisite ratings, obtains a guarantee of its obligations by a guarantor with the requisite ratings, collateralises its obligations in a manner satisfactory to the Rating Agencies or employs some other such strategy as may be approved by the Rating Agencies. 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 4.16 "*Interest Rate Risk*" and 4.17 "*Non-Euro Obligations and Currency Hedge Transactions – Currency Risk*" below). For further information, see "*Hedging Arrangements*" below.

Similarly, the Issuer will be exposed to the credit risk of the Account Bank and the Custodian to the extent of, respectively, all cash of the Issuer held in the Accounts and all Collateral of the Issuer held by the Custodian. 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.

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

4.15 Concentration Risk

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

4.16 Credit Risk

Risks applicable to Collateral 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 period of rising interest rates and economic downturn. An economic downturn could severely disrupt the market for leveraged loans and adversely affect the value thereof and the ability of the Obligor thereunder to repay principal and interest.

4.17 Interest Rate Risk

The Class A Notes, Class B-1 Notes, Class C-1 Notes, Class D Notes, Class E Notes and Class F Notes bear interest at a floating rate based on EURIBOR. The Class B-2 Notes and the Class C-2 Notes bear interest at a fixed rate of interest. It is possible that Collateral Obligations (in particular High Yield Bonds) may bear interest at fixed rates and there is no requirement that the amount or portion of Collateral Obligations securing the Notes must bear interest on a particular basis, save for the Portfolio Profile Test which requires that not more than 10 per cent. of the Collateral Principal Amount may comprise Fixed Rate Collateral Obligations.

In addition, any payments of principal or interest received in respect of Collateral Obligations and not otherwise reinvested during the Reinvestment Period in Substitute Collateral Obligations will generally be invested in Eligible Investments until shortly before the next Payment Date. There is no requirement that such Eligible Investments bear interest on a particular basis, and the interest rates available for such Eligible Investments are inherently uncertain. As a result of these factors, it is expected that there will be a fixed/floating rate mismatch and/or a floating rate basis mismatch 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 Interest Rate Hedge Transactions in order to mitigate such interest rate mismatch from time to time, subject to receipt in each case of Rating Agency Confirmation in respect thereof (other than in the case of a Form Approved Hedge) and subject to certain regulatory considerations in relation to swaps, discussed in 2.5 (*European Market Infrastructure Regulation (EMIR)*), 2.8 (*Prudential Regulations*) and 2.9 (*Commodity Pool Regulation*) above. However, the Issuer will depend on each Interest Rate Hedge Counterparty to perform its obligations under any Interest Rate Hedge Transaction to which it is a party and if any Interest Rate 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 Interest Rate Hedge Counterparty to cover its interest rate risk exposure. Any termination in the case of an Interest Rate Hedge Transaction would result in the Issuer being exposed to interest rate risk mismatch for so long as the Issuer has not entered into a replacement Interest Rate Hedge Transaction and may result in the Issuer being required to pay a termination amount to the relevant Interest Rate Hedge Counterparty.

In addition, some Collateral Obligations permit the Obligor to re-set the interest period applicable to it from quarterly to semi-annual and vice versa. Interest Amounts are due and payable in respect of the Notes on a semi-annual basis following a Frequency Switch Event and on a quarterly basis at all other times. If a significant number of Collateral Obligations re-set to semi-annual interest payments there may be insufficient interest received to make quarterly interest payments on the Notes. In order to mitigate the effects of any 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 re-set mismatches.

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 or the Custodian 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 or the Custodian, as applicable, 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 and the Custodian. 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.

4.18 Non-Euro Obligations and Currency Hedge Transactions

Currency Risk

The Portfolio Profile Tests provide that up to 20 per cent. of the Collateral Principal Amount may comprise Currency Hedge Obligations. 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 a Currency Hedge Transaction in respect of each Non-Euro Obligation.

Notwithstanding that Non-Euro Obligations are required to be subject to Currency Hedge 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). Any termination in the case of a Currency Hedge Transaction would result in the Issuer being exposed to currency risk in respect of the related Non-Euro Obligations for so long as the Issuer has not entered into a replacement Currency Hedge Transaction and may result in the Issuer being required to pay a termination amount to the relevant Currency Hedge Counterparty. 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 Currency Hedge 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 Currency Hedge Counterparties willing to provide Currency Hedge Transactions. There are also currently a number of regulatory initiatives which may make it difficult or impossible for the Issuer to enter into Currency Hedge Transactions or Interest Rate Hedge Transactions. 2.5 (*European Market Infrastructure Regulation (EMIR)*), 2.8 (*Prudential Regulations*) and 2.9 (*Commodity Pool Regulation*) above.

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

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

The Issuer will depend upon the Currency Hedge Counterparty to perform its obligations under any hedges. If the Currency 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 the Currency Hedge Counterparty to cover its foreign exchange exposure.

4.19 Reinvestment Risk/Uninvested Cash Balances

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

During the Reinvestment Period, subject to compliance with certain criteria and limitations described herein, the Collateral Manager will have discretion to dispose of certain Collateral Obligations on behalf of the Issuer and to reinvest the proceeds thereof in Substitute Collateral Obligations in compliance with the Reinvestment Criteria. In addition, during the Reinvestment Period, to the extent that any Collateral Obligations prepay or mature prior to the Maturity Date, the Collateral Manager will seek, to invest the proceeds thereof in Substitute Collateral Obligations, subject to the Reinvestment Criteria. In addition, following the expiry of the Reinvestment Period, the Collateral Manager may reinvest some types of Principal Proceeds on behalf of the Issuer (see "*The Collateral Manager May Reinvest After the End of the Reinvestment Period*" above). 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 Adjusted Collateral Principal Amount. Any decrease in the Adjusted Collateral Principal Amount 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 in the event Collateral Obligations are sold, prepaid, or mature, yields on Collateral Obligations that are eligible for purchase will be at the same levels as those replaced and there can be no assurance that the characteristics of any Substitute Collateral Obligations purchased will be the same as those replaced and there can be no assurance as to the timing of the purchase of any Substitute Collateral Obligations.

The timing of the initial investment of the net proceeds of issue of the Notes remaining after the payment of certain fees and expenses due and payable by the Issuer on the Issue Date and reinvestment of Sale Proceeds, Scheduled Principal Proceeds and Unscheduled Principal Proceeds, can affect the return to holders of and cash flows available to make payments on, the Notes, especially the most junior Class or Classes of Notes. Loans and privately placed high yield securities are not as easily (or as quickly) purchased or sold as publicly traded securities for a variety of reasons, including confidentiality requirements with respect to Obligor information, the customised nature of 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.

4.20 Ratings on Collateral Obligations

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 Risk 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 Par Value/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 Collateral Principal Amount that may be made up of Collateral Obligations where the S&P Rating is derived from the rating of another rating agency. 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 "*Ratings of the Notes*" and "*The Portfolio*".

There can be no assurance that rating agencies will continue to assign such ratings utilising the same methods and standards utilised today despite the fact that such Collateral Obligation might still be performing fully to the specifications set forth in its Underlying Instrument. Any change in such methods and standards could result in a significant rise in the number of 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 Par Value/Coverage Tests on subsequent Determination Dates, which failure could lead to the early amortisation of some or all of one or more Classes of the Notes or restrict the Issuer (or the Collateral Manager on its behalf from reinvesting in substitute Collateral 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.

4.21 Insolvency Considerations relating to Collateral Obligations

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

delays in payments under Collateral Obligations where obligations thereunder are subject to such regimes, in the event of the insolvency of the relevant Obligor.

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

4.22 Lender Liability Considerations; Equitable Subordination

In recent years, a number of judicial decisions in the United States and other jurisdictions have upheld the right of borrowers to sue lenders or bondholders on the basis of various evolving legal theories (collectively, termed "**lender liability**"). Generally, lender liability is founded upon the premise that an institutional lender or bondholder has violated a duty (whether implied or contractual) of good faith and fair dealing owed to the borrower or issuer or has assumed a degree of control over the borrower or issuer resulting in the creation of a fiduciary duty owed to the borrower or issuer or its other creditors or shareholders. Although it would be a novel application of the lender liability theories, the Issuer may be subject to allegations of lender liability. However, the Issuer does not intend to engage in, and the Collateral Manager does not intend to advise the Issuer with respect to any, conduct that would form the basis for a successful cause of action based upon lender liability.

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

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

4.23 Loan Repricing

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

4.24 Changes in Tax Law; No Gross Up; General

At the time when they are acquired by the Issuer, Eligibility Criteria require that payments of interest on the Collateral Obligations either will not be reduced by any withholding tax imposed by any

jurisdiction or, if and to the extent that any such withholding tax does apply, either (i) such withholding tax can be sheltered by application being made under the applicable double tax treaty; (ii) such withholding tax is a U.S. federal withholding tax imposed on letter of credit fees, consent fees, commitment fees or similar fees; or (iii) 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 make gross up payments 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 The Netherlands and the jurisdiction from which the relevant payment is made, (b) the current applicable law in the jurisdiction of the borrower or (c) the fact that the Issuer has taken a Participation in such Collateral Obligations from a Selling Institution which is able to pay interest payable under such Participation gross. In the event that the Issuer receives any interest payments on any Collateral Obligation net of any applicable withholding tax, the Coverage Tests and Collateral Quality Tests will be determined by reference to such net receipts. Such tax would also reduce the amounts available to make payments on the Notes. There can be no assurance that remaining payments on the Collateral Obligations would be sufficient to make timely payments of interest 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*).

4.25 UK Taxation of the Issuer

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

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

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

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

Even if the Issuer is regarded as carrying on a trade in the UK through the agency of the Collateral Manager for the purposes of UK taxation, it should not be subject to UK corporation tax if the specific domestic UK corporation tax exemption for profits generated in the UK by an investment manager acting on behalf of its non-resident clients (section 1146 of the Corporation Tax Act 2010) (the "**Investment Manager Exemption**") is available in the context of this transaction. It should be noted that the Investment Manager Exemption may not be available if the Collateral Manager (or certain connected entities) holds more than 20 per cent. of the Subordinated Notes. Notwithstanding the foregoing, even if the Investment Manager Exemption is not available in the context of this transaction, the Issuer should not be subject to UK corporation tax if the exemption in Article 7(1) of the UK/The Netherlands double tax treaty applies. This exemption will apply if the Collateral Manager is regarded as an independent agent acting in the ordinary course of its business for the purpose of Article 5(6) of the UK/The Netherlands double tax treaty.

Should the Collateral Manager (or its members, delegates (including Ares Management Limited) or its Affiliates) be assessed to UK tax on behalf of the Issuer, it may be entitled to an indemnity from the Issuer. Any payment to be made by the Issuer under this indemnity will be paid as Administrative Expenses of the Issuer. Administrative Expenses are payable by the Issuer on any Payment Date under

the Priorities of Payment. It should be noted that UK tax legislation makes it possible for H.M. Revenue & Customs to seek to assess the Issuer to UK tax directly rather than through the Collateral Manager (or its members, delegates (including Ares Management Limited) or its Affiliates) as its UK representative. Should the Issuer be assessed on this basis, the Issuer will be liable to pay UK tax on its UK taxable profit attributable to its UK activities, such payment to be made subject to and in accordance with the Priorities of Payment. The Issuer would also be liable to pay UK tax on its UK taxable profits in the unlikely event that it were treated as being tax resident in the UK, such payment to be made in accordance with the Priorities of Payment. Imposition of such tax by the United Kingdom tax authorities may also give rise to a Note Tax Event pursuant to which 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 (see condition 7(g) (*Redemption Following Note Tax Event*).

4.26 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 Portfolio*" and "*Description of the Collateral Management and Administration Agreement*". While the Collateral Manager will be responsible for the collateral management and credit decisions with respect to managing the Collateral on behalf of the Issuer, certain day-to-day discretions relating to the composition of the portfolios of the Issuer as well as authority to execute transactions for the Issuer will be delegated to Ares Management Limited ("**AML**"), a wholly owned subsidiary of Ares Management LLC ("**Ares Management**"). In addition, AML will: (i) perform certain middle- and back-office functions for the Collateral Manager; (ii) make available certain individuals to perform certain functions for the Collateral Manager; and (iii) provide the Collateral Manager with certain intellectual property licences. The Collateral Manager procures these services pursuant to a services agreement with AML.

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 Arrangements. The actual performance of the Issuer will depend on numerous factors which are difficult to predict and may be beyond the control of the Collateral Manager. The nature of and risks associated with, the Issuer's future investments may differ substantially from those investments and strategies undertaken historically by the Collateral Manager and such persons. There can be no assurance that the Issuer's investments will perform as well as the past investments of any such persons or entities.

The performance of other collateralised debt obligation vehicles ("**CLO Vehicles**") or other similar investment funds ("**Other Funds**") managed or advised by the Collateral Manager or Affiliates of the Collateral Manager (including AML) 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 herein under "*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 or sensitive data. Such a failure could impede the ability of the Collateral Manager to perform its duties under the Transaction Documents.

4.27 No Placement Agent Role Post-Closing

The Placement Agents take no responsibility for, and have no obligations in respect of, the Issuer and will have no obligation to monitor the performance of the Portfolio or the actions of the Collateral Manager or the Issuer and no authority to advise the Collateral Manager or the Issuer or to direct their actions, which will be solely the responsibility of the Collateral Manager and the Issuer. If the Placement Agents or their Affiliates own Notes, they will have no responsibility to consider the interests of any other owner of Notes with respect to actions they take or refrain from taking in such capacity.

4.28 Acquisition and Disposition of Collateral Obligations

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 Arrangements (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.

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 as well as any Collateral Obligation that meets the definition of a Defaulted Obligation, an Exchanged Security and, subject to the satisfaction of certain conditions, a Credit Risk Obligation or Credit Improved Obligation. Notwithstanding such restrictions and subject to the satisfaction of the conditions set forth in the Collateral Management and Administration Agreement, sales and purchases by the Collateral Manager of Collateral Obligations 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.

4.29 Valuation Information; Limited Information

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

5. CERTAIN CONFLICTS OF INTEREST

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

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

The scope of the activities of the Affiliates of the Collateral Manager and/or Ares Management Limited and the funds and clients managed or advised by Affiliates of the Collateral Manager and/or Ares Management Limited may give rise to conflicts of interest or other restrictions and/or limitations imposed on the Issuer in the future that cannot be foreseen or mitigated at this time. Various potential and actual conflicts of interest may arise from the overall investment activities of the Collateral Manager, Ares Management Limited, their Affiliates and their respective clients and personnel. The Collateral Manager, Ares Management Limited and their Affiliates may invest, on behalf of themselves and their clients, in obligations and/or securities that would be appropriate as Collateral Obligations, as well as in obligations and/or securities that are senior to, or have interests different from or adverse to, the Collateral Obligations that are assigned or charged as Collateral to secure the Notes. The Collateral Manager, Ares Management Limited and their Affiliates may give advice or take action for their own account or their other client accounts with similar strategies which may differ from action taken for the Issuer. The Collateral Manager, Ares Management Limited and their Affiliates may also have ongoing relationships with companies whose obligations and/or securities are Collateral Obligations, and may own, directly or through other funds or accounts that they manage, loans, equity or debt securities issued by obligors of Collateral Obligations or other Collateral. The Collateral Manager, Ares Management Limited and their Affiliates may have provided and may provide in the future certain services (including advisory services) for a negotiated fee to companies whose obligations or other securities are assigned or charged as Collateral to secure the Notes. In addition, the Collateral Manager, Ares Management Limited, their Affiliates and their respective clients and personnel may invest, or have already invested, in obligations and/or other securities that are identical to or senior to, or have interests different from or adverse to, the Collateral Obligations. The Collateral Manager, Ares Management Limited and their Affiliates, on behalf of themselves or their clients, may also be active on steering committees of creditors in the restructuring of debt obligations issued by companies whose loans or securities are owned by them or their clients, including the Issuer, which relationships could give rise to multiple conflicts of interest. In addition, the Collateral Manager, Ares Management Limited and their Affiliates may serve as a general partner, managing member, adviser, officer, director, sponsor or manager of partnerships or companies organised to issue collateralised bond or loan obligations secured by noninvestment grade bank loans. The Collateral Manager, Ares Management Limited and/or their Affiliates may at certain times be engaged in seeking to purchase or dispose of, or may have already purchased or disposed of, investments for the Issuer while at the same time the Collateral Manager, Ares Management Limited and/or their Affiliates is also seeking to purchase or dispose of, or has already purchased or disposed of, similar or identical investments for its own account or clients or Affiliates or another entity for which it or an Affiliate serves as a general partner, managing member, adviser, officer, director, sponsor or manager. By reason of the various activities of the Collateral Manager, Ares Management Limited and their Affiliates, the Collateral Manager, Ares Management Limited and such Affiliates may acquire or otherwise come into possession of confidential or material non-public information or be restricted from effecting transactions in certain Collateral Obligations or other Collateral that otherwise might have been initiated or prevented from liquidating a position. Such information might also not be known to the

personnel of the Collateral Manager and/or Ares Management Limited responsible for monitoring the Collateral Obligations or other Collateral and performing the other obligations of the Collateral Manager under the Collateral Management and Administration Agreement. At times, the Collateral Manager and/or Ares Management Limited, in an effort to avoid restrictions for the Issuer and its and its Affiliates' other clients, may elect not to receive, or actively avoid exposure to, information that other market participants or counterparties are eligible to receive or have received.

Many of the investment opportunities that Affiliates of the Collateral Manager and/or Ares Management Limited evaluate for potential investment by their clients or funds may be eligible investments for more than one such client or fund. Ares Management LLC ("**Ares Management**") and its Affiliates expect to allocate such investment opportunities generally based on factors and other considerations as Ares Management determines in its sole discretion, including, but not limited to: (i) differences with respect to available capital, size, and remaining life of a fund; (ii) different investment objectives or strategies; (iii) differences in risk profile at the time the opportunity becomes available; (iv) the potential transaction and other costs of allocating an opportunity among various funds; (v) potential conflicts of interest, including whether a fund has an existing investment in the issuer in question; (vi) the nature of the security or the transaction including minimum investment amounts and the source of the opportunity; (vii) current and anticipated market conditions; and (viii) differences in particular portfolio profile covenants or other contractual requirements, including requirements set forth in debt agreements of funds utilising leverage.

Neither the Collateral Manager, Ares Management Limited nor any of their Affiliates have any affirmative obligation to offer any investments to the Issuer or to inform the Issuer of any investments before offering any investments to other funds, accounts or portfolios (including, without limitation, any collateralised loan obligation transaction) that the Collateral Manager, Ares Management Limited or any of their Affiliates manage or advise. The Collateral Manager, Ares Management Limited and their Affiliates may also make investments on their own behalf without effecting such investment opportunities on behalf of the Issuer. Furthermore, the Collateral Manager, Ares Management Limited and their Affiliates may be bound by affirmative obligations at present or in the future, whereby it or they are obligated to offer certain investments to funds or accounts that it or they manage or advise before or without the Collateral Manager Ares Management Limited or their Affiliates effecting those investments on behalf of the Issuer. Alternatively, the Collateral Manager, Ares Management Limited and their Affiliates may offer certain investments to funds or accounts that it or they manage or advise simultaneously with or in addition to effecting those investments on behalf of the Issuer. Thus, other funds, accounts or portfolios that it or they manage or advise could become co-investors with the Issuer.

The Collateral Manager will endeavour to resolve conflicts with respect to investment opportunities in a manner which it deems equitable to the extent possible under the prevailing facts and circumstances. Further, the Collateral Manager will be prohibited under the terms of the Collateral Management and Administration Agreement from directing the acquisition of Collateral Obligations from, or disposition of Collateral Obligations to, its Affiliates or any other account managed by the Collateral Manager except in a transaction conducted on an arm's-length basis.

Affiliates of the Collateral Manager and Ares Management Limited currently serve as the portfolio managers for a number of collateralised loan obligation transactions secured by collateral consisting primarily of non-investment grade secured bank loans. The professional staff of the Collateral Manager and Ares Management Limited may also provide services to such Affiliates of the Collateral Manager and Ares Management Limited. Although the professional staff of the Collateral Manager and AML will devote as much time to the Issuer as the Collateral Manager and Ares Management Limited deem appropriate to perform its duties in accordance with the Collateral Management and Administration Agreement, the staff of the Collateral Manager and Ares Management Limited may have conflicts in allocating their time and services among the Issuer and the Collateral Manager's (and Ares Management Limited's) other accounts and the accounts of the Collateral Manager's Affiliates. The Collateral Manager may, in its sole discretion, aggregate orders for its accounts under management (or for the accounts of its Affiliates). Depending upon market conditions, the aggregation of orders may result in a higher or lower average price paid or received by a client. There is no assurance that the Issuer will hold the same assets as, or perform in a similar manner to, any other collateralised loan obligation or other client with strategies or investment objectives similar to the Issuer.

The Collateral Manager and Ares Management Limited may, in one or more transactions, effect client cross-transactions where the Collateral Manager and/or Ares Management Limited causes a transaction to be effected between the Issuer and another collateralised loan obligation, fund or account managed or advised by it or one or more of its Affiliates, but neither it nor the Affiliate will receive any commission or similar fee in connection with such cross-transaction. In connection with any such acquisition or sale, the Collateral Obligations will be valued and bought or sold for a price based on a price that is equal to the average of the highest current independent bid and lowest current independent offer determined on the basis of reasonable inquiry. Each of the acquisitions or sales described in this paragraph will be effected in accordance with, as applicable, the terms of the Warehouse Arrangements, the Trust Deed, the Collateral Management and Administration Agreement and applicable law, including, without limitation, the applicable provisions of the U.S. Investment Advisers Act of 1940, as amended (the "**Investment Advisers Act**") that govern such transactions.

In addition, with the prior authorisation of the Issuer, which may 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. The Collateral Manager may also effect principal transactions between itself or its Affiliates and the Issuer.

Any transaction effected between the Issuer and the Collateral Manager or its Affiliates on a principal, client cross or agency cross basis will be conducted at arm's length for fair market value and on terms as favourable to the Issuer as would be the case in a transaction with an independent third party and in accordance with any fiduciary obligation of the Collateral Manager under applicable law.

On each Payment Date, the Collateral Manager will be paid the Incentive Collateral Management Fee to the extent funds are available therefor in accordance with the Priorities of Payment if the Subordinated Noteholders have received the Incentive Collateral Management Fee IRR Threshold as of such Payment Date. See "*Description of the Collateral Management and Administration Agreement*". The manner in which the Incentive Collateral Management Fee is determined could create an incentive for the Collateral Manager to make riskier investments in the Collateral Obligations than the Issuer would otherwise make in order to increase the likelihood that the Subordinated Noteholders receive the Incentive Collateral Management Fee IRR Threshold for the Collateral Manager to be paid the Incentive Collateral Management Fee.

The Collateral Manager may enter into, amend or terminate side letters or other similar agreements to or with one or more Noteholders or prospective Noteholders which have the effect of altering or supplementing terms described in this Offering Circular as they pertain to the Collateral Manager or of establishing rights not described therein with respect to a Noteholder that has entered into such side letters or other written agreements or instruments vis à vis the Collateral Manager, including, without limitation, varying fee structures and allowing for varying arrangements with respect to the scope and frequency of information provided about the Portfolio. Unless specifically negotiated, other Noteholders will not have the right to review (or to receive the economic or other benefits of) any such side letters.

The Collateral Manager will purchase the Retention Notes on the Issue Date and the Collateral Manager may purchase other Notes on or after the Issue Date. Any Rated Notes held by or on behalf of the Collateral Manager or any Collateral Manager Related Person may only be held in the form of CM Non-Voting Notes. Subject to the foregoing, there will be no restriction on the ability of the Collateral Manager, the Placement Agents, the Collateral Administrator or any of their respective Affiliates or employees to purchase the Notes, either upon initial issuance or through secondary transfers, and to exercise any voting rights to which such Notes are entitled. The purchase of Notes by the Collateral Manager or any Collateral Manager Related Person may create potential and/or actual conflicts of interest between the Collateral Manager and other investors in the Notes. Such purchases may be in the secondary market and may occur a significant amount of time after the Issue Date. Resulting conflicts of interest could include (a) divergent economic interests between the Collateral Manager and/or its Affiliates, on the one hand, and other investors in the Notes, on the other hand, and (b) voting of Notes by the Collateral Manager, or a recommendation to vote by the same, to cause, among other things, an early redemption of the Notes and/or an amendment of the transaction documents relating to the Notes.

The Collateral Manager has notified the Issuer that it will purchase on the Issue Date, and intends to hold until the Maturity Date, Subordinated Notes with an original Principal Amount Outstanding (such original Principal Amount Outstanding calculated as of the date of issuance of such Subordinated

Notes including the date of any issuance of additional Subordinated Notes) equal to or greater than 5 per cent. of the greater of the Maximum Par Amount and the Collateral Principal Amount on the relevant date of determination. Notwithstanding the foregoing, if the EU Retention and Transparency Requirements are repealed or modified, the Collateral Manager may dispose of all or any portion of the Subordinated Notes it purchases on the Issue Date, provided the Collateral Manager continues to comply with the EU Retention and Transparency Requirements to the extent that such EU Retention and Transparency Requirements apply to the Collateral Manager or the transaction.

The Notes may also be purchased (either upon initial issuance or through secondary transfers) by investment funds or other accounts for which the Collateral Manager, Ares Management Limited, and/or their Affiliates serve as collateral manager or investment advisor and/or for which Affiliates of the Collateral Manager and/or Ares Management Limited are the beneficial owner and there may be no limit on the exercise by such funds or accounts of any voting rights to which such Notes are entitled, and such voting rights may be exercised in a manner adverse to some or all of the other holders of Notes.

The Collateral Manager will discuss the composition of the Collateral Obligations and other matters relating to the transaction contemplated hereby with any Collateral Manager Related Person that is a Subordinated Noteholder and may have such discussions with other beneficial owners of Notes or stakeholders in the Issuer. There can be no assurance that such discussions will not influence the actions or inactions of the Collateral Manager in the conduct of its duties under the Collateral Management and Administration Agreement.

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

In addition, upon any removal or resignation of the Collateral Manager, 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, including receipt of Rating Agency Confirmation in respect thereof (provided that Rating Agency Confirmation from S&P shall not be required so long as S&P is notified by or on behalf of the Issuer of such appointment). If the Collateral Manager resigns, or is removed, the Subordinated Noteholders (acting by Ordinary Resolution) may propose an Eligible Successor by delivering notice thereof to the Issuer, the Trustee and the holders of the Notes. The Controlling Class (acting by Ordinary Resolution) may, within 30 days from receipt of such notice, object to such Eligible Successor by delivery of notice of such objection to the Issuer and the Trustee. If the Controlling Class object as described in the previous sentence, then the Controlling Class, acting by way of Ordinary Resolution, shall propose an alternative replacement collateral manager which shall be appointed a successor provided the holders of the Subordinated Notes (acting by way of an Ordinary Resolution) do not object within 30 days after having been given notice thereof. If no such Eligible Successor has been appointed and approved within 90 days of the delivery by the Collateral Manager to the Issuer of notice of resignation, or delivery by the Issuer to the Collateral Manager of written notice of removal, as applicable, the Controlling Class (acting by Ordinary Resolution) may propose an Eligible Successor. If (i) such successor Collateral Manager agrees in writing to assume all of the Collateral Manager's duties and obligations pursuant to the Collateral Management and Administration Agreement and (ii) the Issuer has not received written objections from the Controlling Class (acting by Ordinary Resolution) within 45 days of such proposal, the Issuer will appoint such proposed Eligible Successor upon the expiration of such 45 day period. If no Eligible Successor has been appointed within 135 days of the delivery by the Collateral Manager to the Issuer of notice of resignation, or delivery by the Issuer to the Collateral Manager of written notice of removal, as applicable, the Issuer and/or the Collateral Manager may petition any court of competent jurisdiction for the appointment of an Eligible Successor without any approval or veto right of any Noteholder (provided that Rating Agency Confirmation from S&P shall not be required so long as S&P is notified by or on behalf of the Issuer of such appointment).

Accordingly, there is a risk to Noteholders that the Controlling Class (acting by Ordinary Resolution) may take (or fail to take) action with respect to the appointment of a successor that is adverse to such Noteholders and that, if the Controlling Class fails to act (by way of Ordinary Resolution), the Collateral Manager could delay its removal for a significant period of time and obstruct the appointment of a successor following a vote to effect its replacement by voting against any successor and refusing to petition a court when no replacement is found.

The Issuer may from time to time acquire Collateral Obligations from one or more funds managed by an Affiliate of the Collateral Manager and/or Ares Management Limited. By purchasing any Notes, each investor therein will be deemed to have acknowledged, ratified and consented for the benefit of each of the Issuer, the Collateral Manager, Ares Management Limited and the Placement Agents (i) to any such acquisition by the Issuer, (ii) to an Affiliate of the Collateral Manager and/or Ares Management Limited having acted as investment manager or adviser to any such seller, (iii) to any related conflicts of interest with respect to the Collateral Manager and/or Ares Management Limited in connection with any such acquisition and (iv) that the acknowledgments, ratifications and consents of the initial Noteholders given on the Issue Date for the benefit of the Issuer, the Collateral Manager and the Placement Agents will be binding on all Noteholders, including future Noteholders.

Rating Agencies

Fitch 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 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 Agents and their Affiliates

Citigroup Global Markets Limited, Citigroup Global Markets Europe AG and their Affiliates (the "**Citi Parties**") will play various roles in relation to the offering, including acting as the structurer of the transaction, as a financing party in respect of the Warehouse Arrangements, and in other roles described below.

The Citi Parties together with the Collateral Manager have formulated and developed the Portfolio Profile Tests, Coverage Tests, Collateral Quality Tests and Priorities of Payment and other criteria in and provisions of the Trust Deed and the Collateral Management and Administration Agreement. These may be influenced by discussions that the Placement Agents may have or have had with one or more investors and there is no assurance that investors would agree with the views of one another or that the resulting modifications will not adversely affect the performance of the Notes or any particular Class of Notes.

Citigroup Global Markets Limited and/or Citigroup Global Markets Europe AG will purchase the Notes from the Issuer on the Issue Date and resell them in individually negotiated transactions at varying prices, which may result in a higher or lower fee being paid to the Placement Agents in respect of those Notes. The Citi Parties may assist clients and counterparties in transactions related to the Notes (including assisting clients in future purchases and sales of the Notes and hedging transactions). The Citi Parties expect to earn fees and other revenues from these transactions. The Citi Parties may retain a certain proportion of the Notes in their portfolios with an intention to hold to maturity or to trade. The holding or any sale of the Notes by these parties may adversely affect the liquidity of the Notes and may also affect the prices of the Notes in the primary or secondary market. The Citi Parties are part of a global investment banking and securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. As such, they actively make markets in and trade financial instruments for their own account and for the accounts of customers in the ordinary course of their business. By purchasing a Note, each investor will be deemed to have acknowledged the existence of the conflicts of interest inherent to this transaction, including as described herein, and to have waived any claim with respect to any liability arising from the existence thereof. In carrying out its obligations as Placement Agents or any other transaction party, no Citi Party shall be under any duty to disclose to the Collateral Manager, the Issuer, the Trustee, any Noteholders, prospective investor or any other person, any non-public information acquired in the course of carrying on any business for, or in connection with, the provision of services to any other party. The Citi Parties may have positions in and will likely have placed, underwritten or syndicated certain of the Collateral Obligations (or other

obligations of the Obligors of Collateral Obligations) when they were originally issued and may have provided or may be providing investment banking services and other services to Obligors of certain Collateral Obligations. In addition, the Citi Parties and their clients may invest in debt obligations and securities that are senior to, or have interests different from or adverse to, Collateral Obligations. Each of the Citi Parties will act in its own commercial interest in its various capacities without regard to whether its interests conflict with those of the holders of the Notes or any other party. Moreover, the Issuer may invest in loans of Obligors affiliated with the Citi Parties or in which one or more Citi Parties hold an equity or participation interest. The purchase, holding or sale of such Collateral Obligations by the Issuer may increase the profitability of the Citi Party's own investments in such Obligors.

From time to time the Collateral Manager will purchase from or sell Collateral Obligations through or to the Citi Parties (including a portion of the Collateral Obligations to be purchased on or prior to the Issue Date) and one or more Citi Parties may act as the selling institution with respect to participation interests and/or a counterparty under a Hedge Agreement. The Citi Parties may act as placement agent and/or placement agent and/or collateral manager in other transactions involving issues of collateralised debt obligations or other investment funds with assets similar to those of the Issuer, which may have an adverse effect on the availability of collateral for the Issuer and/or on the price of the Notes. The Citi Parties do not disclose specific trading positions or their hedging strategies, including whether they are in long or short positions in any Notes or obligations referred to in this Offering Circular except where required in accordance with the applicable law. Nonetheless, in the ordinary course of business, Citi Parties and employees or customers of the Citi Parties may actively trade in and/or otherwise hold long or short positions in the Notes, Collateral Obligations and Eligible Investments or enter into transactions similar to or referencing the Notes, Collateral Obligations and Eligible Investments or the Obligors thereof for their own accounts and for the accounts of their customers. If a Citi Party becomes an owner of or obtains exposure to any of the Notes, through market-making activity or otherwise, any actions that it takes in its capacity as owner, including voting, providing consents or otherwise will not necessarily be aligned with the interests of other owners of the same Class or other Classes of the Notes. To the extent a Citi Party makes a market in the Notes (which it is under no obligation to do), it would expect to receive income from the spreads between its bid and offer prices for the Notes. In connection with any such activity, it will have no obligation to take, refrain from taking or cease taking any action with respect to these transactions and activities based on the potential effect on an investor in the Notes. The price at which a Citi Party may be willing to purchase Notes, if it makes a market, will depend on market conditions and other relevant factors and may be significantly lower than the issue price for the Notes and significantly lower than the price at which it may be willing to sell the Notes.

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.

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 Noteholder, the Issuer shall require the sale of the relevant Notes subject to and in accordance with the Conditions. See "*Forced Transfer*" above.

TERMS AND CONDITIONS

The following are the terms and conditions of each of the Class X Notes, the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes, substantially in the form in which they will be endorsed on such Notes if issued in definitive certificated form and which will be incorporated by reference into the Global Certificates of each Class representing the Notes in global certificated form.

The issue of €2,000,000 Class X Senior Secured Floating Rate Notes due 2032 (the "**Class X Notes**"), €240,000,000 Class A Senior Secured Floating Rate Notes due 2032 (the "**Class A Notes**"), €36,000,000 Class B-1 Senior Secured Floating Rate Notes due 2032 (the "**Class B-1 Notes**"), €10,000,000 Class B-2 Senior Secured Fixed Rate Notes due 2032 (the "**Class B-2 Notes**" and, together with the Class B-1 Notes, the "**Class B Notes**"), €24,000,000 Class C-1 Senior Secured Deferrable Floating Rate Notes due 2032 (the "**Class C-1 Notes**"), €10,000,000 Class C-2 Senior Secured Deferrable Fixed Rate Notes due 2032 (the "**Class C-2 Notes**" and, together with the Class C-1 Notes, the "**Class C Notes**"), €24,000,000 Class D Senior Secured Deferrable Floating Rate Notes due 2032 (the "**Class D Notes**"), €19,000,000 Class E Senior Secured Deferrable Floating Rate Notes due 2032 (the "**Class E Notes**"), €11,000,000 Class F Senior Secured Deferrable Floating Rate Notes due 2032 (the "**Class F Notes**" and, together with the Class X Notes, the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 Notes, the Class D Notes and the Class E Notes, the "**Rated Notes**") and €36,000,000 Subordinated Notes due 2032 (the "**Subordinated Notes**" and, together with the Rated Notes, the "**Notes**" of Ares European CLO XIII B.V. (the "**Issuer**") was authorised by resolution of the board of Directors of the Issuer dated on or about 15 January 2020. The Notes are constituted by a trust deed (together with any other security document entered into in respect of the Notes the "**Trust Deed**") dated on or about 21 January 2020 between (among others) the Issuer and U.S. Bank Trustees Limited (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed as trustee) for the Noteholders and security trustee for the Secured Parties.

These terms and conditions of the Notes (the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed (which includes the forms of the certificates representing the Notes). The following agreements have been entered into in relation to the Notes:

(a) a placement agency agreement dated on or about the Issue Date between the Issuer and the Placement Agents (the "**Placement Agency Agreement**"); (b) an agency and account bank Agreement dated on or about the Issue Date (the "**Agency and Account Bank Agreement**") between, among others, the Issuer, Elavon Financial Services DAC, as registrar (the "**Registrar**", which term shall include any successor or substitute registrar appointed pursuant to the terms of the Agency and Account Bank Agreement), Elavon Financial Services DAC, as transfer agent (the "**Transfer Agent**" (and, together with the Registrar, the "**Transfer Agents**" and each, a "**Transfer Agent**"), which term shall include any successor or substitute transfer agent appointed pursuant to the terms of the Agency and Account Bank Agreement), Elavon Financial Services DAC, as principal paying agent, account bank and custodian (respectively, the "**Principal Paying Agent**", the "**Account Bank**" and the "**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 and Account Bank Agreement), U.S. Bank Global Corporate Trust Limited as calculation agent (the "**Calculation Agent**", which term shall include any successor or substitute calculation agent appointed pursuant to the terms of the Agency and Account Bank Agreement) and the Trustee; (c) a collateral management and administration agreement dated on or about the Issue Date (the "**Collateral Management and Administration Agreement**") between the Issuer, the Trustee, the Custodian, Ares European Loan Management LLP as collateral manager (the "**Collateral Manager**", which term shall include any permitted successors or assigns appointed pursuant to and in accordance with the terms of the Collateral Management and Administration Agreement) and U.S. Bank Global Corporate Trust Limited, as collateral administrator and information agent (the "**Collateral Administrator**" and the "**Information Agent**" which terms shall include any successor or substitute collateral administrator or information agent, respectively, appointed pursuant to the terms of the Collateral Management and Administration Agreement) and the Trustee; (d) a management agreement dated on or about the Issue Date between the Issuer and the Directors (the "**Issuer Management Agreement**", which term shall include any subsequent issuer management agreement entered into between the Issuer and any such successor or replacement Directors); and (e) an Irish security agreement between the Issuer and the Trustee (the "**Irish Security Agreement**").

Copies of the Trust Deed, the Agency and Account Bank Agreement, the Collateral Management and Administration Agreement, the Issuer Management Agreement and the Irish Security Agreement are available for inspection during usual business hours at the registered office of the Issuer (presently at Herikerbergweg

238, 1101 CM Amsterdam, The Netherlands). The holders of each Class of Notes are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Trust Deed, and are deemed to have notice of all the provisions of each other Transaction Document.

1. Definitions

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

"**Accounts**" means the Principal Account, the Custody Account, the Interest Account, the Unused Proceeds Account, the Payment Account, the Expense Reserve Account, the Supplemental Reserve Account, the Counterparty Downgrade Collateral Accounts, the Currency Account, the Hedge Termination Accounts, the First Period Reserve Account, the Interest Smoothing Account and the Unfunded Revolver Reserve Account and the Collection Account, the books and records of which shall be held outside the Netherlands.

"**Accrual Period**" means, in respect of each Class of Notes, the period from and including the Issue Date (or in the case of a Class issued in connection with a Refinancing, the Business Day upon which the Refinancing occurs) to, but excluding, the first Payment Date (or, in the case of a Class issued in connection with a Refinancing, the first Payment Date following such Refinancing) and each successive period from and including each Payment Date to, but excluding, the following Payment Date (or, if earlier, the Business Day upon which the relevant Class is subject to a Refinancing), provided that for the purposes of calculating the interest payable in accordance with Condition 6(e)(iii) (*Interest on 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 an amount equal to:

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

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

(c) without duplication, the amounts on deposit in the Principal Account and the Unused Proceeds Account (only in respect of such amounts that are not designated as Interest Proceeds to be credited to the Interest Account) (including Eligible Investments therein which represent Principal Proceeds); plus

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

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

(f) the Excess CCC Adjustment Amount;

provided that:

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

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

"**Administrative Expenses**" means amounts due and payable by the Issuer in the following order of priority (in each case together with any VAT thereon, whether payable to the relevant tax authority or to the relevant party):

(a) on a *pro rata* basis and *pari passu*, to (i) the Agents pursuant to the Agency and Account Bank Agreement (including by way of indemnity), (ii) the Collateral Administrator and the Information Agent pursuant to the Collateral Management and Administration Agreement (including by way of indemnity); and (iii) 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* basis and *pari passu*, (i) the Directors pursuant to the Issuer Management Agreement; and (ii) each Reporting Delegate pursuant to any Reporting Delegation Agreement;

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

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

(ii) to the independent certified public accountants, auditors, agents and counsel of the Issuer (other than amounts payable to the Agents pursuant to paragraph (a) above) and to the Directors of the Issuer in respect of directors' fees (if any);

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

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

(v) on a *pro rata* basis to any other Person in respect of any other fees or expenses contemplated in the Conditions and in the Transaction Documents or any other documents delivered pursuant to or in connection with the issue and sale of the Notes which are not provided for elsewhere in this definition or in the Priorities of Payment, including, without limitation, amounts payable to any listing agent and 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;

(vi) to the Arrangers and the Placement Agents pursuant to the Placement Agency Agreement in respect of any indemnity payable to them thereunder;

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

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

(ix) to the Hedge Counterparty (if any) in relation to costs incurred in relation to the transaction of any collateral to or from a Counterparty Downgrade Collateral Account;

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

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

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

(xiii) on a *pro rata* basis to any Person (including the Collateral Manager) in connection with satisfying the EU Retention and Transparency Requirements, including any costs or fees related to additional reporting requirements or in respect of taking any Retention Cure Action;

(xiv) the aggregate cumulative costs of the Issuer in order to comply with FATCA and the CRS, including the fees and expenses of the Collateral Manager and any other agent or appointee appointed by or on behalf of the Issuer in respect of complying with FATCA and CRS, as applicable;

(xv) on a *pro rata* basis, any pecuniary sanctions levied on the Issuer arising under Article 32 of the Securitisation Regulation in relation to a failure by the Issuer to meet the requirements of Article 7 (*Transparency requirements for originators, sponsors and SSPEs*) of the Securitisation Regulation; and

(xvi) reasonable fees, costs and expense of the Issuer and Collateral Manager including reasonable attorneys' fees of compliance by the Issuer and the Collateral Manager with the United States Commodity Exchange Act of 1936, as amended (including rules and regulations promulgated thereunder);

(d) except to the extent already provided for above and to the extent not already paid as Trustee Fees and Expenses, any Refinancing Costs; and

(e) except to the extent already provided for above, on a *pro rata* basis payment of any indemnities (to the extent not already covered above) and to the extent not already paid as Trustee Fees and Expenses payable to any Person as contemplated in these Conditions or the Transaction Documents,

provided that:

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

(y) the Collateral Manager, in its reasonable judgement, may determine and direct a payment other than in the order required by paragraph (c) above (but in all cases subject to amounts payable under paragraph (a) above having been paid in priority and, if such payment would decrease an amount otherwise payable to the Arrangers and the Placement Agents pursuant to paragraph (c)(vi) above, the prior consent of the Placement Agents) if such payment is required in order to ensure the delivery of certain accounting services and reports.

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

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

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

(i) of such Person;

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

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

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

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

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

"**AIFMD**" means the European Union Directive 2011/61/EU on Alternative Investment Fund Managers.

"**Applicable Exchange Rate**" means:

(a) with respect to any calculations or determinations to be made under the Transaction Documents or these Conditions in relation to any Non-Euro Obligation which is the subject of a Currency Hedge Transaction, the relevant Currency Hedge Transaction Exchange Rate; and

(b) with respect to any other calculations or determinations not covered by paragraph (a) above and unless otherwise specified in these Conditions or the Transaction Documents, the Spot Rate.

"**Applicable Law**" means any law or regulation.

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

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

"**Arrangers**" means Citigroup Global Markets Limited and Citigroup Global Markets Europe AG.

"**Articles**" means the articles of association (*statuten*) of the Issuer dated 6 June 2019 (as currently in effect).

"**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, for each Class of Notes, €1,000.

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

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

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

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

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

provided that (i) to the extent that the Hedging Condition has been satisfied and a Currency Hedge Agreement is in place, amounts standing to the credit of the Currency Account shall be converted into Euro at the relevant Currency Hedge Transaction Exchange Rate, (ii) to the extent that no Currency Hedge Agreement is in place, any balance which is denominated in a currency other than Euro shall be converted into Euro at the Spot Rate and (iii) other than for the purposes of calculating the Collateral Principal Amount for the purposes of determining compliance with the EU Retention and Transparency Requirements or in determining whether a

Retention Deficiency has occurred, in the event that a default as to payment of principal and/or interest has occurred and is continuing (disregarding any grace periods provided for pursuant to the terms thereof) in respect of any Eligible Investment or any material obligation of the obligor thereunder which is senior or equal in right of payment to such Eligible Investment such Eligible Investment shall have a value equal to the lesser of its S&P Collateral Value and its Fitch Collateral Value (determined as if such Eligible Investment were a Collateral Obligation).

"**Benefit Plan Investor**" means:

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

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

(c) any entity whose underlying assets include plan assets by reason of such an employee benefit plans or plan's investment in such entity.

"**Bivariate Risk Table**" means the table set forth 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, on each date of determination, the amount equal to the greater of:

(a) the excess of the Aggregate Principal Balance of all Fitch CCC Obligations over an amount equal to 7.5 per cent. of the Collateral Principal Amount as of the current Determination Date; and

(b) the excess of the Aggregate Principal Balance of all S&P CCC Obligations over an amount equal to 7.5 per cent. of the Collateral Principal Amount as of the current Determination Date,

provided that:

(i) 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 (expressed as a percentage of the Principal Balance of such Collateral Obligations as of the relevant date of determination) shall be deemed to constitute the CCC Excess; and

(ii) in determining the Principal Balance of such Fitch CCC Obligations or S&P CCC Obligations (as applicable) for the purposes of paragraphs (a) and (b) above, the Principal Balance of Defaulted Obligations shall be excluded.

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

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

"**Class A/B Interest Coverage Ratio**" means, as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date, the ratio (expressed as a percentage) obtained by dividing the Interest Coverage Amount by the sum of (i) the scheduled interest payments due on the

Class X Notes, the Class A Notes, the Class B-1 Notes and the Class B-2 Notes, (ii) any Class X Principal Amortisation Amount due, and (iii) any Unpaid Class X Principal Amortisation Amount due, in each case on the next 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 X Notes, the Class A Notes, the Class B-1 Notes and the Class B-2 Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

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

"**Class A/B Par Value Ratio**" means, as of any Measurement Date on and after the Effective Date, the ratio (expressed as a percentage) obtained by dividing (a) the amount equal to the Adjusted Collateral Principal Amount by (b) the sum of the Principal Amount Outstanding of each of the Class A Notes, the Class B-1 Notes and the Class B-2 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 130.86 per cent.

"**Class B Notes**" means the Class B-1 Notes and the Class B-2 Notes together.

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

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

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

"**Class B-2 CM Voting Notes**" means any 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 Coverage Tests**" means the Class C Interest Coverage Test and the Class C Par Value Test.

"**Class C Interest Coverage Ratio**" means, as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date, the ratio (expressed as a percentage) obtained by dividing the Interest Coverage Amount by the sum of (i) the scheduled interest payments due on the Class X Notes, the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes and the Class C-2 Notes, (ii) any Class X Principal Amortisation Amount due, and (iii) any Unpaid Class X Principal Amortisation Amount due, in each case on the next following Payment Date (excluding Deferred Interest but including any interest on Deferred Interest). For the purposes of calculating the Class C Interest Coverage Ratio, the expected interest income on Collateral Obligations, Eligible Investments and the Accounts (to the extent applicable) and the expected interest payable on the Class X Notes, the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes and the Class C-2 Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

"**Class C Interest Coverage Test**" means the test which will apply as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date and which will be satisfied on such Measurement Date if the Class C Interest Coverage Ratio is at least equal to 110.00 per cent.

"**Class C Notes**" means the C-1 Notes and the Class C-2 Notes.

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

"**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-1 Notes, the Class B-2 Notes, the Class C-1 Notes and the Class C-2 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 118.00 per cent.

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

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

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

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

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

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

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

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

"**Class D Additional Amount**" means an amount equal to €54,720 which shall be payable solely on the first Payment Date to the Class D Noteholders.

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

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

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

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

"**Class D Interest Coverage Ratio**" means, as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date, the ratio (expressed as a percentage) obtained by dividing the Interest Coverage Amount by the sum of (i) the scheduled interest payments due on the Class X Notes, the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 Notes and the Class D Notes (ii) any Class X Principal Amortisation Amount due, and (iii) any Unpaid Class X Principal Amortisation Amount due, in each case on the next following Payment Date (excluding Deferred Interest but including any interest on Deferred Interest). For the purposes of calculating the Class D Interest Coverage Ratio, the expected interest income on Collateral Obligations, Eligible Investments and the Accounts (to the extent applicable) and the expected interest payable on the Class X Notes, the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 Notes and the Class D Notes will be calculated using the then current interest rates applicable thereto as at the relevant Measurement Date.

"**Class D Interest Coverage Test**" means the test which will apply as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date and which will be satisfied on such Measurement Date if the Class D Interest Coverage Ratio is at least 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-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 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 110.28 per cent.

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

"**Class E Par Value Ratio**" means, as of any Measurement Date on and after the Effective Date, the ratio (expressed as a percentage) obtained by dividing (a) the amount equal to the Adjusted Collateral Principal Amount by (b) the sum of the Principal Amount Outstanding of each of the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 Notes, the Class D Notes and the Class E Notes.

"**Class E Par Value Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and which will be satisfied on such Measurement Date if the Class E Par Value Ratio is at least equal to 105.69 per cent.

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

"**Class F Par Value Ratio**" means, as of any Measurement Date on and after the Effective Date, the ratio (expressed as a percentage) obtained by dividing (a) the amount equal to the Adjusted Collateral Principal Amount by (b) the sum of the Principal Amount Outstanding of each of the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 Notes, the Class D Notes, the Class E Notes and the Class F Notes.

"**Class F Par Value Test**" means the test which will apply as of any Measurement Date on or after the Effective Date and which will be satisfied on such Measurement Date if the Class F Par Value Ratio is at least equal to 102.95 per cent.

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

(a) the Class X Notes;

(b) the Class A Notes;

(c) the Class B-1 Notes;

(d) the Class B-2 Notes;

(e) the Class C-1 Notes;

(f) the Class C-2 Notes;

(g) the Class D Notes;

(h) the Class E Notes;

(i) the Class F Notes; and

(j) the Subordinated Notes,

and "**Class of Noteholders**" and "**Class**" shall be construed accordingly. Notwithstanding that (i) (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-1 CM Voting Notes, Class C-1 CM Non-Voting Exchangeable Notes and the Class C-1 CM Non-Voting Notes are in the same Class, (e) the Class C-2 CM Voting Notes, Class C-2 CM Non-Voting Exchangeable Notes and the Class C-2 CM Non-Voting Notes are in the same Class and (f) 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, are in the same Class they shall not be treated as a single Class in respect of any vote or determination of quorum under the Trust Deed in connection with any CM Removal Resolution or CM Replacement Resolution and, instead, the CM Voting Notes shall be treated as the relevant Class solely for such purpose; and (ii) notwithstanding that (a) the Class B-1 Notes and the Class B-2 Notes are separate Classes, they shall be treated as a single Class for the purposes of any consent, direction, objection, approval, vote or determination of

quorum under the Trust Deed, except as expressly provided in the Trust Deed, with each holder of Class B-1 Notes and Class B-2 Notes voting based on the aggregate Principal Amount Outstanding of Class B Notes held by such holder (other than in relation to a Refinancing or for the purposes of Extraordinary Resolutions, in which case each of the Class B-1 Notes and the Class B-2 Notes shall constitute separate Classes) and (b) the Class C-1 Notes and the Class C-2 Notes are separate Classes, they shall be treated as a single Class for the purposes of any consent, direction, objection, approval, vote or determination of quorum under the Trust Deed, except as expressly provided in the Trust Deed, with each holder of Class C-1 Notes and Class C-2 Notes voting based on the aggregate Principal Amount Outstanding of Class C Notes held by such holder (other than in relation to a Refinancing or for the purposes of Extraordinary Resolutions, in which case each of the Class C-1 Notes and the Class C-2 Notes shall constitute separate Classes).

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

"**Class X Principal Amortisation Amount**" means, for each Payment Date beginning on (and including) the second Payment Date immediately following the Issue Date, the lesser of (i) the Principal Amount Outstanding of the Class X Notes (for the avoidance of doubt, taking into account all prior principal payments on the Class X Notes); and (ii)(a) in respect of each such Payment Date prior to the occurrence of a Frequency Switch Event, €250,000 and (b) in respect of each such Payment Date following the occurrence of a Frequency Switch Event, €500,000.

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

"**Clearing System Business Day**" means a day on which Euroclear and Clearstream, Luxembourg are open for business.

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

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

(a) do not carry a right to vote in respect of or be counted for the purposes of determining a quorum and the result of voting on a CM Removal Resolution or a CM Replacement Resolution but which do carry a right to vote on and be so counted in respect of all other matters in respect of which 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 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 following the occurrence of a Collateral Manager Event of Default (other than pursuant to paragraph (vii) of the definition thereof).

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

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

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

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

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

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

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

"**Collateral Enhancement Obligation**" means any warrant or equity security, excluding Exchanged 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, provided that no Collateral Enhancement Obligation may be, or be exchangeable into, a Dutch Ineligible Security.

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

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

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

"**Collateral Manager Event of Default**" means each of the events defined as such in Condition 10(f) (*Collateral Manager Events of Default*).

"**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 Manager Tax Event**" means that the:

(a) Issuer has become subject either (i) to any United Kingdom income or corporation tax liability or (ii) to any U.S. federal income tax, in either case on a net income or profits basis (including, without limitation, in the case of United Kingdom tax by virtue of the Collateral Manager causing the Issuer to be carrying on a trade in the United Kingdom through a United Kingdom permanent establishment), or there being a substantial likelihood that the Issuer will become subject to such United Kingdom tax or such U.S. federal income tax; and

(b) the Collateral Manager has not (i) changed the location from which it provides its collateral management services under the terms of the Collateral Management and Administration Agreement so as to remedy or (ii) otherwise remedied or eliminated the occurrence of such event described in paragraph (a) above (including by the appointment of a replacement Collateral Manager in its place) within 90 days of the date that the Collateral Manager is notified or otherwise first becomes aware of the occurrence of such event.

"**Collateral Obligation**" means any debt obligation or debt security purchased (including by way of a Participation) by or on behalf of the Issuer from time to time (or, if the context so requires, to be purchased by or on behalf of the Issuer) and which satisfies the Eligibility Criteria at the time that any commitment to purchase is entered into by or on behalf of the Issuer (or the Participation Agreement is entered into in respect of a Participation). References to Collateral Obligations shall include Non-Euro Obligations but shall not include Collateral Enhancement Obligations, Eligible Investments or Exchanged Securities. Obligations which are to constitute Collateral Obligations in respect of which the Issuer has entered into a binding commitment to purchase but which have not yet settled shall be included as Collateral Obligations in the calculation of the Portfolio Profile Tests, Collateral Quality Tests, the Coverage Tests and the Reinvestment Overcollateralisation Test at any time as if such purchase had been completed. Each Collateral Obligation in respect of which the

Issuer has entered into a binding commitment to sell, but in respect of which such sale has not yet settled, shall be excluded from being Collateral Obligations solely for the purpose of the calculation of the Portfolio Profile Tests, Collateral Quality Tests, the Coverage Tests and the Reinvestment Overcollateralisation Test 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 Restructured Obligation if it satisfies the Restructured Obligation Criteria on the appropriate Restructuring Date.

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

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

(a) the Aggregate Principal Balance of all Collateral Obligations, provided however, for the purpose of calculating the Aggregate Principal Balance for the purposes only of the Portfolio Profile Tests and the Collateral Quality Tests, other than to the extent expressly specified otherwise, the Principal Balance of each Defaulted Obligation shall be excluded;

(b) for the purpose solely of calculating the Collateral Management Fees, the aggregate amount of all accrued and unpaid interest purchased with Principal Proceeds (other than with respect to Defaulted Obligations);

(c) for the purpose solely of calculating the Collateral Management Fees, the Portfolio Profile Tests, the Collateral Quality Tests and the Coverage Tests, obligations which are to constitute Collateral Obligations in respect of which the Issuer has entered into a binding commitment to purchase, but which have not yet settled, shall be included as Collateral Obligations as if such purchase had been completed and obligations in respect of which the Issuer has entered into a binding commitment to sell, but in respect of which such sale has not yet settled, shall be excluded from being Collateral Obligations as if such sale had been completed; and

(d) the Balances standing to the credit of the Principal Account and the Unused Proceeds Account (only in respect of such amounts that are not designated as Interest Proceeds to be credited to the Interest Account), and including the principal amount of any Eligible Investments purchased with such Balance but excluding, for the avoidance of doubt, any interest accrued on Eligible Investments, *provided that*, for such purpose:

    (i) Principal Proceeds to be used to purchase Collateral Obligations in respect of which the Issuer has entered into a binding commitment to purchase the relevant Collateral Obligations but such purchase(s) have not yet settled shall be excluded from the Balances in the calculation of the Collateral Principal Amount as if such purchase had been completed; and

    (ii) Principal Proceeds to be received from Collateral Obligations in respect of which the Issuer has entered into a binding commitment to sell the relevant Collateral Obligations but such sale(s) have not yet settled, shall be included in the Balances in the calculation of the Collateral Principal Amount as if such sale had been completed.

(e) solely for the purposes of calculating the Collateral Principal Amount for the purposes of determining compliance with the EU Retention and Transparency Requirements, including whether a Retention Deficiency has occurred, the Principal Balance of any Exchanged Security or any other obligation which does not constitute a Collateral Obligation shall be:

    (i) in the case of a debt obligation or security, the principal amount outstanding of such obligation;

(ii) in the case of an equity security received upon a "debt for equity swap" in relation to a restructuring, the principal amount outstanding of the debt which was swapped for the equity security; and

(iii) in the case of any other equity security, the nominal value thereof as determined by the Collateral Manager.

Notwithstanding the above, for the purposes of calculating the Collateral Principal Amount in determining compliance with the EU Retention and Transparency Requirements or in determining whether a Retention Deficiency has occurred, each Collateral Obligation shall be treated as having a Principal Balance without applying any adjustments or haircuts.

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

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

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

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

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

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

(i) the Minimum Weighted Average Spread Test; and

(ii) the Weighted Average Life Test;

each as defined in the Collateral Management and Administration Agreement.

"**Collateral Tax Event**" means at any time, as a result of the introduction of a new, or any change in, any home jurisdiction or foreign tax statute, treaty, regulation, rule, ruling, practice, procedure or judicial decision or interpretation (whether proposed, temporary or final), interest, discount or premium payments due from the Obligors of any Collateral Obligations in relation to any Due Period to the Issuer becoming properly subject to the imposition of home jurisdiction or foreign direct taxation or withholding tax (other than where such tax is compensated for by a "gross up" provision or indemnity in the terms of the Collateral Obligation or such requirement to withhold is eliminated pursuant to a double taxation treaty so that the Issuer receives the same amount on an after tax basis that it would have received had no withholding tax been imposed) so that the aggregate amount of such direct or withholding tax on all Collateral Obligations in relation to such Due Period is equal to or in excess of 6 per cent. of the aggregate interest, discount or premium payments due (for the avoidance of doubt, excluding any additional 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 the 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.

"**Controlling Class**" means:

(a) the Class A Notes; or

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

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

the Class B Notes; or

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

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

the Class C Notes; or

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

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

the Class D Notes; or

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

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

the Class E Notes; or

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

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

provided that, solely in connection with a CM Removal Resolution or a CM Replacement Resolution, no Notes held in the form of CM Non-Voting Exchangeable Notes and/or CM Non-Voting Notes shall (A) constitute or form part of the Controlling Class, (B) be entitled to vote in respect of such CM Removal Resolution or CM Replacement Resolution or (C) be counted for the purposes of determining a quorum or the result of voting in respect of such CM Removal Resolution or CM Replacement Resolution. For the avoidance of doubt the Class X Notes will not constitute the Controlling Class at any time.

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

"**Corporate Rescue Loan**" means any interest in a loan or financing facility that is acquired directly by way of assignment, novation or Participation which is paying interest on a current basis which has an S&P Rating determined in accordance with the definition thereof not less than "CCC-" and either:

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

Rules of Bankruptcy Procedure) and which order provides that (x) such Corporate Rescue Loan is secured by liens on the Debtor's otherwise unencumbered assets pursuant to § 364(c)(2) of the United States Bankruptcy Code; or (y) such Corporate Rescue Loan is secured by liens of equal or senior priority on property of the Debtor's estate that is otherwise subject to a lien pursuant to § 364(d) of the United States Bankruptcy Code; or (z) such Corporate Rescue Loan is secured by junior liens on the Debtor's unencumbered assets and such Corporate Rescue Loan is fully secured based upon a current valuation or appraisal report; or (zz) if the Corporate Rescue Loan or any portion thereof is unsecured, the repayment of such Corporate Rescue Loan retains priority over all other administrative expenses pursuant to § 364(c)(1) of the United States Bankruptcy Code; or

(b) is a credit facility or other advance made available to a company or group in a restructuring or insolvency process with the main proceedings outside of the United States which (i) constitutes the most senior secured obligations of the entity which is the borrower thereof and either (ii) ranks *pari passu* in all respects with the other senior secured debt of the borrower, provided that such facility is entitled to recover proceeds of enforcement of security shared with the other senior secured indebtedness (e.g. bond) of the borrower and its subsidiaries in priority to all such other senior secured indebtedness, or (iii) achieves priority over other senior secured obligations of the borrower otherwise than through the grant of security, such as pursuant to the operation of applicable insolvency legislation (including as an expense of the restructuring or insolvency process) or other applicable law,

provided in each case, that it is not a Dutch Ineligible Security.

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

"**Counterparty Downgrade Collateral Account**" means, in respect of each Hedge Counterparty and a Hedge Agreement to which it is a party, the account of the Issuer with the Custodian into which all Counterparty Downgrade Collateral (other than cash) is to be deposited or (as the case may be) each interest bearing account of the Issuer with the Account Bank into which all Counterparty Downgrade Collateral (in the form of cash) is to be deposited, in each case in respect of such Hedge Counterparty and such Hedge Agreement, each such account to be named including the name of the relevant Hedge Counterparty.

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

"**Cov-Lite Loan**" means a Collateral Obligation, as determined by the Collateral Manager in its reasonable commercial judgement, that is an interest in a loan, the Underlying Instruments for which do not (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); provided, that if such a loan either contains a cross-default provision to, or is *pari passu* with, another loan of the underlying Obligor or a member of its borrowing group that requires compliance with one or more maintenance covenants it will be deemed not to be a Cov-Lite Loan.

"**CRA3**" means the Regulation of the European Parliament and of the Council amending Regulation EC 1060/2009 on credit rating agencies (as the same may be amended from time to time).

"**Credit Improved Obligation**" means any Collateral Obligation which, in the Collateral Manager's reasonable commercial judgment (which judgment will not be called into question as a result of subsequent events), has improved in credit quality after it was acquired by the Issuer; provided that, during a Restricted Trading Period or following the expiry of the Reinvestment Period, a Collateral Obligation will qualify as a Credit Improved Obligation only if: (i) it satisfies at least one of the Credit Improved Obligation Criteria; (ii) the Controlling Class acting by Ordinary Resolution votes to treat such Collateral Obligation as a Credit Improved Obligation; or (iii) it has been upgraded by any Rating Agency at least one rating sub category or has been placed and remains on a watch list for possible upgrade or on positive outlook by the Rating Agency since it was acquired by the Issuer.

"**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 using reasonable commercial judgment (which judgment will not be called into question as a result of subsequent events):

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

(b) if such Collateral Obligation is a loan obligation or floating rate note, the spread over the applicable reference rate for such Collateral Obligation has been decreased in accordance with the applicable Underlying Instrument since the date the Issuer or the Collateral Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by (1) 0.25 per cent. or more (in the case of a loan obligation or floating rate note with a spread (prior to such decrease) less than or equal to 2.0 per cent.), (2) 0.375 per cent. or more (in the case of a loan obligation or floating rate note with a spread (prior to such decrease) greater than 2.0 per cent. but less than or equal to 4.0 per cent.) or (3) 0.5 per cent. or more (in the case of a loan obligation or floating rate note with a spread (prior to such decrease) greater than 4.0 per cent.) due, in each case, to an improvement in the Obligor's financial ratios or financial results;

(c) if the projected cash flow interest coverage ratio for the following year (earnings before interest and taxes divided by cash interest expense as disclosed by the Obligor or arranging bank for the relevant credit facility, or calculated by a third party in published research reports) of the Obligor of such Collateral Obligation is expected to be more than 1.15 times the current year's projected cash flow interest coverage ratio; or

(d) if such Collateral Obligation is a loan or a bond, the proceeds which would be received with respect to its disposition (excluding such proceeds that constitute Interest Proceeds) of such loan or bond would be at least 101 per cent. of its purchase price.

"**Credit Risk 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 reasonable discretion (which judgment will not be called into question as a result of subsequent events):

(a) if such Collateral Obligation is a loan obligation or floating rate note, the price of such Collateral Obligation has changed during the period from the date on which it was acquired by the Issuer to the date of determination by a percentage which is (i) in the case of Secured Senior Obligations, either at least 0.25 per cent. more negative or at least 0.25 per cent. less positive and (ii) in the case of Unsecured Senior Obligations, Second Lien Loans or Mezzanine Obligations, either at least 0.50 per cent. more negative or at least 0.50 per cent. less positive, in each case, than the percentage change in the average price of the Eligible Loan Index or Eligible Bond Index (as applicable) over the same period;

(b) if such Collateral Obligation is a Fixed Rate Collateral Obligation, there has been an increase in the difference between its yield compared to the yield on German government Bund securities of comparable maturity of more than 7.5 per cent. since the date on which such Collateral Obligation was acquired by the Issuer;

(c) if such Collateral Obligation is a loan obligation or floating rate note, the spread over the applicable reference rate for such Collateral Obligation has been increased in accordance with the applicable Underlying Instrument since the date the Issuer or the Collateral Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by (1) 0.25 per cent. or more (in the case of a loan obligation or floating rate note with a spread (prior to such increase) less than or equal to 2.0 per cent.), (2) 0.375 per cent. or more (in the case of a loan obligation with a spread (prior to such increase) greater than 2.0 per cent. but less than or equal to 4.0 per cent.) or (3) 0.50 per cent. or more (in the case of a loan obligation with a spread (prior to such increase) greater than 4.0 per cent.) due, in each case, to a deterioration in the Obligor's financial ratios or financial results; or

(d) if the projected cash flow interest coverage ratio for the following year (earnings before interest and taxes divided by cash interest expense as disclosed by the Obligor or arranging bank for the relevant credit facility, or calculated by a third party in published research reports) of the Obligor of such

Collateral Obligation is less than 1.0 or is expected to be less than 0.85 times the current year's projected cash flow interest coverage ratio.

"**Credit Risk Obligation**" means any Collateral Obligation that, in the Collateral Manager's reasonable commercial judgment (which judgment will not be called into question as a result of subsequent events), has a risk of declining in credit quality or price or where the relevant underlying Obligor has failed to meet its other financial obligations; provided that at any time during a Restricted Trading Period or following the expiry of the Reinvestment Period, a Collateral Obligation will qualify as a Credit Risk Obligation for purposes of sales of Collateral Obligations only if (i) the Credit Risk Criteria are satisfied with respect to such Collateral Obligation, (ii) the Controlling Class by Ordinary Resolution votes to treat such Collateral Obligation as a Credit Risk Obligation or (iii) such Collateral Obligation has been downgraded by any Rating Agency by at least one rating sub-category or has been placed and remains on a watch list for possible downgrade or on negative outlook by 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 (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 which facilitates the implementation of the standard including, without limitation, DAC II.

"**CRS Compliance**" means compliance with the CRS.

"**Currency Account**" means the accounts in the name of the Issuer held with the Account Bank which shall comprise separate accounts denominated in the relevant currencies of Currency Hedge Obligations, into which amounts received in respect of such Currency Hedge Obligations shall be paid and out of which amounts payable to each applicable Currency Hedge Counterparty pursuant to any Currency Hedge Transaction shall be paid.

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

"**Currency Hedge Counterparty**" means any financial institution with which the Issuer has (pursuant to, and in accordance with, the terms of the Collateral Management and Administration Agreement) entered into a Currency Hedge Agreement or any permitted successor or assignee thereof pursuant to the terms of such Currency Hedge Agreement which, in each case, (i) satisfies the applicable Rating Requirement upon the date of entry into such agreement or whose obligations are guaranteed by a guarantor which is required to satisfy the applicable Rating Requirement (or in respect of which Rating Agency Confirmation has been obtained on such date) and (ii) has the appropriate regulatory capacity to enter into derivative transactions with Dutch residents.

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

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

"**Currency Hedge Issuer Termination Payment**" means any amount payable by the Issuer to a Currency Hedge Counterparty upon termination or modification of the applicable Currency Hedge Agreement or Currency Hedge Transaction in whole or in part excluding, for purposes other than payment by the Issuer, the portion thereof representing any due and unpaid scheduled amounts payable thereunder and any Currency Hedge Issuer Principal Exchange Amounts.

"**Currency Hedge Obligation**" means any Collateral Obligation which is denominated in a Qualifying Currency other than Euro and which is, or will no later than the settlement date thereof, become the subject of a Currency Hedge Transaction.

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

"**Currency Hedge Termination Receipt**" means the amount payable by a Currency Hedge Counterparty to the Issuer upon termination or modification of a Currency Hedge 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 Currency Hedge Counterparty Principal Exchange Amounts.

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

"**Currency Hedge Transaction Exchange Rate**" means, in relation to any Currency Hedge Obligation , the rate of exchange set out in the relevant Currency Hedge Transaction.

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

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

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

(c) the Collateral Obligation has a Market Value of at least 80.0 per cent. of its current Principal Balance.

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

"**DAC II**" means the Council Directive 2011/16/EU on Administrative Co-operation in the Field of Taxation (as amended by Council Directive 2014/107/EU).

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

"**Defaulted Deferring Mezzanine Obligation**" means a Mezzanine Obligation which is both a Deferring Security and a Defaulted Obligation (ignoring the exclusion of Defaulted Obligations in the definition of Deferring Security).

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

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

(a) the greater of (i) zero and (ii) the aggregate of all recoveries (including by way of sale proceeds) 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 using reasonable commercial judgment (which judgment will not be called into question as a result of subsequent events):

(a) in respect of which there has occurred and is continuing a default with respect to the payment of interest or principal, disregarding any grace periods applicable thereto or waiver or forbearance thereof, provided that in the case of any Collateral Obligation in respect of which the Collateral Manager has confirmed to the Trustee in writing that, to the knowledge of the Collateral Manager, such default has resulted from non-credit-related causes, such Collateral Obligation shall not constitute a "Defaulted Obligation" for the greater of five Business Days or seven calendar days (but in no case beyond the passage of any grace period applicable thereto), in each case which default entitles the holders thereof, with notice or passage of time or both, to accelerate the maturity of all or a portion of the principal amount of such obligation, but only until such default has been cured;

(b) in respect of which (i) any bankruptcy, insolvency or receivership proceeding has been initiated in connection with the Obligor of such Collateral Obligation, whether initiated under the Obligor's local law or otherwise and, to the knowledge of the Collateral Manager, such proceedings have not been stayed or dismissed or (ii) the Issuer or others have instituted proceedings to have the Issuer adjudicated as bankrupt or insolvent or placed into receivership and such proceedings have not been stayed or dismissed or such Issuer has filed for protection under Chapter 11 of the United States Bankruptcy Code;

(c) in respect of which the Collateral Manager knows the Obligor thereunder is in default as to payment of principal and/or interest on another of its obligations (and such default has not been cured), which ranks at least *pari passu* with the Collateral Obligation in right of payment, without regard to any grace period applicable thereto, or waiver or forbearance thereof, after the passage (other than in the case of a default that, in the Collateral Manager's reasonable judgment (as certified in writing to the Trustee), is not due to credit-related causes) of five Business Days or seven calendar days, whichever is greater, but in no case beyond the passage of any grace period applicable thereto, and the holders of such obligation have accelerated the maturity of all or a portion of such obligation, provided that (x) the Collateral Obligation shall constitute a Defaulted Obligation under this paragraph (c) only until, to the knowledge of the Collateral Manager, such acceleration has been rescinded and (y) both the Collateral Obligation and such other debt obligation are full recourse obligations of the applicable Obligor ;

(d) which (i) has an S&P Rating of "D" or "CC" or lower; or (ii) has a Fitch Rating of "CC" or below or "RD" or lower or, in either case, had such rating immediately prior to it being withdrawn by S&P or Fitch, as applicable;

(e) which is a Participation in a loan with respect to which the Selling Institution has (x) a Fitch Rating of "CC" or below or "RD" or lower or had such rating immediately before such rating was withdrawn or (y) an S&P Rating of "D" or "CC" or below or had such rating immediately before such rating was withdrawn or (z) is a Participation in a loan with respect to which the participating institution has defaulted in any respect in the performance of any of its payment obligations under that Participation;

(f) which is a Participation, the obligation which is the subject of such Participation would constitute a Defaulted Obligation, if the Issuer had a direct interest therein;

(g) which ranks *pari passu* in right of payment as to the payment of principal and/or interest to another obligation of the same Obligor which has (i) an S&P Rating of "D" or "CC" or lower; or (ii) has a Fitch Rating of "CC" or lower or "RD" or lower (in each case, excluding Current Pay Obligations and Corporate Rescue Loans) or, in either case, had such rating immediately prior to it being withdrawn by

S&P or Fitch, as applicable *provided that* both the Collateral Obligation and such other obligation are full recourse obligations of the applicable Obligor or secured by the same collateral;

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

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

(j) which is the subject of an Offer that the Issuer has entered into a binding commitment to accept, but such exchange has not yet settled, where such Offer:

(i) in the reasonable business judgement of the Collateral Manager (which judgement will not be called into question as a result of subsequent events which change the position from that which existed on the date of the original determination), has the purpose of assisting the relevant Obligor of the Collateral Obligation avoid default; and

(ii) the obligation or obligations to be exchanged as part of the Offer did not satisfy the Restructured Obligation Criteria upon the acceptance of the relevant Offer,

provided that, upon the settlement of the obligation or group of obligations exchanged as part of the relevant Offer, the related Collateral Obligation or group of Collateral Obligations shall no longer constitute Defaulted Obligations (provided that, any obligations received after the settlement of the relevant Offer satisfying any paragraph of this definition of "Defaulted Obligation" may still constitute a Defaulted Obligation); or

(k) any Collateral Obligations in excess of the Maturity Amendment Threshold but only for the period such Maturity Amendment Threshold has been exceeded,

provided that:

(A) a Collateral Obligation shall not constitute a Defaulted Obligation pursuant to clauses (b) through (h) above if such Collateral Obligation (or, in the case of a Participation, the underlying Collateral Obligation) is a Current Pay Obligation (provided that the aggregate Principal Balance of Current Pay Obligations exceeding 2.5 per cent. of the Collateral Principal Amount will be treated as Defaulted Obligations and, provided further, that in determining which of the Current Pay Obligations are to be treated as Defaulted Obligations under this proviso, the Current Pay Obligations with the lowest Market Value expressed as a percentage of the Principal Balance of such Collateral Obligations as of the relevant date of determination shall be deemed to constitute the excess);

(B) a Collateral Obligation shall not constitute a Defaulted Obligation pursuant to clauses (b) through (i) above if such Collateral Obligation (or, in the case of a Participation, the underlying obligation) is a Corporate Rescue Loan with an S&P Rating of "CC" or below, *provided that* (1) only where the S&P Rating of such an obligation is determined pursuant to sub-paragraph (d)(i) or (d)(ii) of the definition thereof, such an S&P Rating is "SD", "D" or "CC" or below; and (2) only where the S&P Rating of such an obligation is determined pursuant to sub-paragraph (d)(ii) of the definition thereof, such an S&P Rating has been downgraded to "SD", "D" or "CC" or below at a time which is after the Obligor has exited the restructuring process envisaged at the time such an obligation is purchased by the Issuer, *provided that* for such purpose, a downgrade related to such envisaged restructuring process shall be disregarded; and *provided further that* the aggregate principal balance of Corporate Rescue Loans exceeding 5.0 per cent. of the Collateral Principal Amount or Corporate Rescue Loans in respect of a single Obligor exceed 2.0 per cent. of the Collateral Principal Amount will be treated as Defaulted Obligations; and

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

"**Defaulted Obligation Excess Amounts**" means, in respect of a Defaulted Obligation, the greater of (i) zero and (ii) the aggregate of all recoveries (including by way of sale proceeds) in respect of such Defaulted Obligation for so long as it is a Defaulted Obligation, minus the sum of the Principal Balance of such Defaulted Obligation immediately prior to receipt of such amounts plus any Purchased Accrued Interest related thereto.

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

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

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

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

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

each such term as defined in the applicable Hedge Agreement.

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

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

(a) with respect to Collateral Obligations that have an S&P Rating of at least "BBB-", for the shorter of two consecutive accrual periods or one year; and

(b) with respect to Collateral Obligations that have an S&P Rating of "BB+" or below, for the shorter of one accrual period or six consecutive months, which deferred capitalised interest has not, as of the date of determination, been paid in cash.

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

"**Delayed Drawdown Collateral Obligation**" means a Collateral Obligation denominated in Euro that: (a) requires the Issuer to make one or more future advances to the borrower under the Underlying Instruments relating thereto; (b) specifies a maximum amount that can be borrowed; and (c) does not permit the re-borrowing of any amount previously repaid; but any such Collateral Obligation will be a Delayed Drawdown Collateral Obligation only until all commitments to make advances to the borrower expire or are terminated or reduced to zero.

"**Determination Date**" means the last Business Day of each Due Period or, in the event of any redemption of the Notes, following the occurrence of a Note Event of Default, eight Business Days prior to the applicable Redemption Date.

"**Directors**" means Jakob Boonman, Candice Harper and Robert Lhoest or such other person(s) who may be appointed as Director(s) of the Issuer from time to time.

"**Discount Obligation**" means any Collateral Obligation that is not a Swapped Non-Discount Obligation and that the Collateral Manager determines:

(a) in the case of any Floating Rate Collateral Obligation, is acquired by the Issuer for a purchase price of less than 80.0 per cent. of the Principal Balance of such Collateral Obligation (or, if such obligation has a S&P Rating below "B-", such obligation is acquired by the Issuer for a purchase price of less than 85.0 per cent. of its Principal Balance); provided that such Collateral Obligation shall cease to be a Discount Obligation at such time as the Market Value 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 90.0 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 75.0 per cent. of the Principal Balance of such Collateral Obligation (or, if such obligation has a S&P Rating below "B-", such obligation is acquired by the Issuer for a purchase price of less than 80.0 per cent. of its Principal Balance); provided that such Collateral Obligation shall cease to be a Discount Obligation at such time as the Market Value 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 85.0 per cent. of the Principal Balance of such Collateral Obligation,

provided if such interest is a Revolving Obligation or Delayed Drawdown Collateral Obligation, the purchase price of such Revolving Obligation or Delayed Drawdown Collateral Obligation for such purpose shall include an amount equal to the Unfunded Amount of such Revolving Obligation or Delayed Drawdown Collateral Obligation which is required to be deposited in the Unfunded Revolver Reserve Account.

"**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 Security, as applicable.

"**Dodd-Frank Act**" means the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act, which was signed into law on 21 July 2010.

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

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

(b) the jurisdiction and the country in which, in the Collateral Manager's reasonable 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 majority of revenues, if any, of such Obligor).

"**Due Period**" means, with respect to any Payment Date, the period commencing on and including the day immediately following the eighth Business Day prior to the preceding Payment Date (or on the Issue Date, in the case of the Due Period relating to the first Payment Date) and ending on and including the eighth Business Day prior to such Payment Date (or, in the case of the Due Period applicable to the Payment Date which is the Redemption Date of all the Notes in full ending on and including the Business Day preceding such Payment Date).

"**Dutch Ineligible Securities**" means:

(a) all securities or interests in securities which are bearer instruments (*effecten aan toonder*) physically located in The Netherlands or registered shares (*aandelen op naam*) in a Dutch corporate entity where the Issuer owns such bearer instruments or registered shares directly and in its own name;

(b) all securities or interests in securities, the purchase or acquisition of which by or on behalf of the Issuer would cause the breach of applicable selling or transfer restrictions or of applicable laws of The Netherlands relating to the offering of securities or of collective investment schemes;

(c) shares representing 5 per cent. or more of the nominal paid up share capital of or the voting rights in a corporate entity;

(d) obligations or instruments which are convertible into or exchangeable for shares, rights to acquire shares or derivatives referring to shares, where the shares underlying such obligations, instruments, rights or derivatives, alone or together with any shares held at any time by the Issuer, represent 5 per cent. or more of the nominal paid up share capital of or the voting rights in a corporate entity; or

(e) obligations or instruments which are convertible into or exchangeable for any security falling under paragraph (a) above.

"**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) 3 July 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, each of the Portfolio Profile Tests, the Collateral Quality Tests and the Coverage Tests (save for the Interest Coverage Tests) being satisfied on such date, and the Issuer having acquired or having entered into binding commitments to acquire Collateral

Obligations the Collateral Principal Amount of which equals or exceeds the Target Par Amount by such date (provided that, for the purposes of determining the Collateral Principal Amount as provided above the Principal Balance of a Collateral Obligation which is a Defaulted Obligation will be the lower of its (i) S&P Collateral Value and (ii) Fitch Collateral Value).

"**Effective Date Fitch Condition**" means a condition that will be satisfied if, on or after the Effective Date, Fitch 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 Fitch Condition will be deemed to be satisfied if Fitch:

(c) fails to respond to a request that it provided such Rating Agency Confirmation within 15 Business Days of the Issuer making such request; or

(d) makes a public announcement or informs the Issuer, the Collateral Manager and the Trustee in writing (including by means of email notification or press release) that:

(i) it believes satisfaction of the Effective Date Fitch Condition is not required; or

(ii) its practice is not to give such confirmation.

"**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 calculation of the Aggregate Funded Spread shall be unadjusted by any EURIBOR (or such other floating rate of interest) floors applicable to Floating Rate Collateral Obligations; and

(b) the S&P Collateral Principal Amount shall exclude Principal Proceeds which may be reclassified as Interest Proceeds on or after the Effective Date,

provided that such test shall only be satisfied if the Collateral Manager:

(i) has certified to S&P that the Effective Date Determination Requirements have been satisfied and the Effective Date Report has been published;

(ii) has certified to S&P that the S&P CDO Monitor Test has been run in accordance with paragraphs (a) and (b) above and that such test is satisfied; and

(iii) has provided S&P with an electronic copy of the Portfolio used to run the test in sub-paragraph (ii) above and an accountants' certificate indicating that the Effective Date Determination Requirements are satisfied.

"**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 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 has not been obtained for the Rating Confirmation Plan that the Collateral Manager provides;

(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; or

(d) the Effective Date Fitch Condition not being satisfied, and following a request therefor from the Collateral Manager after the Effective Date, Rating Agency Confirmation from Fitch not having been received following the Effective Date,

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, S&P has provided a Rating Agency Confirmation 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:

(a) if the Effective Date Non-Model CDO Monitor Test is satisfied; or

(b) if S&P makes a public announcement or informs the Issuer, the Collateral Manager and the Trustee in writing (including by means of email 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 proposed by the Collateral Manager and notified to S&P and Fitch.

"**Eligible Investments**" means any investment denominated in Euro that is one or more of the following obligations or securities (other than obligations or securities which are zero coupon obligations or securities), including, without limitation, any Eligible Investments for which the Custodian, the Trustee, the Collateral Manager, a 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 by, a Non-Emerging Market Country (such guarantee to comply with the current S&P and Fitch criteria on guarantees) 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 (such guarantee to comply with the current S&P and Fitch criteria on guarantees) which, in each case, have a rating of not less than the applicable Eligible Investment Minimum Rating;

(b) demand and time deposits in, certificates of deposit of and bankers' acceptances issued by any depository institution (including the Account Bank) or trust company incorporated under the laws of a Non- Emerging Market Country with, in each case, a maturity of no more than 90 days or, following the occurrence of a Frequency Switch Event, 180 days and subject to supervision and examination by governmental banking authorities so long as such depository institution or trust company at the time of such investment or contractual commitment has a rating of not less than the applicable Eligible Investment Minimum Rating;

(c) subject to receipt of Rating Agency Confirmation related thereto, unleveraged repurchase obligations with respect to:

(i) any obligation described in paragraph (a) above; or

(ii) any other security issued or guaranteed by an agency or instrumentality of a Non-Emerging Market Country which has a rating of not less than the applicable Eligible Investment Minimum Rating,

in either case entered into with a depository institution or trust company (acting as principal) described in paragraph (b) above or entered into with a corporation (acting as principal) whose debt obligations are rated not less than the applicable Eligible Investment Minimum Rating at the time of such investment;

(d) securities bearing interest or sold at a discount to the face amount thereof issued by any corporation incorporated under the laws of a Non-Emerging Market Country that has a credit rating of not less than the Eligible Investment Minimum Rating at the time of such investment or contractual commitment providing for such investment;

(e) commercial paper or other short-term obligations having, at the time of such investment, a credit rating of not less than the applicable Eligible Investment Minimum Rating and that either are bearing interest or are sold at a discount to the face amount thereof and have a maturity of not more than 92 days or, following the occurrence of a Frequency Switch Event, 183 days from their date of issuance;

(f) offshore funds investing in the money markets rated, at all times, "AAAm" by S&P and "AAAmmf" by Fitch, provided that any such fund issues shares, units or participations that may be lawfully acquired in The Netherlands; and

(g) any other investment similar to those described in paragraphs (a) to (f) (inclusive) above:

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

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

and, in each case, such instrument or investment provides for payment of a pre-determined fixed amount of principal on maturity that is not subject to change and has a Collateral Obligation Stated Maturity (giving effect to any applicable grace period) no later than the earlier of (x) 365 days and (y) the Business Day immediately preceding the next following Payment Date; provided, however, that Eligible Investments shall not include:

(A) any investment with an "f," "L," "p," "pi," "prelim," "sf" or "t" subscript assigned to its rating by Fitch or an "(sf)" subscript assigned to its rating by S&P;

(B) any investment where the remaining amounts payable thereunder consist of all, or substantially all, interest and not principal payments;

(C) any investment the payments with respect to which or the proceeds of disposition thereof are subject to withholding taxes by any jurisdiction unless the payor is required to make "gross-up" payments that cover the full amount of any such withholding tax on an after-tax basis;

(D) any investment secured by real property;

(E) any investment purchased at a price greater than 100 per cent. of the principal or face amount thereof;

(F) any investment the subject of a tender offer, voluntary redemption, exchange offer, conversion or other similar action;

(G) any investment, in the Collateral Manager's judgment, is subject to material non-credit related risks;

(H) any Structured Finance Security;

(I) any Synthetic Security;

(J) any investment represented by a certificate of interest in a grantor trust; and

(K) any Dutch Ineligible Security.

"**Eligible Investment Minimum Rating**" means:

(a) for so long as any Notes rated by S&P are Outstanding:

(i) in the case of Eligible Investments with a maturity of more than 60 days:

(A) a long-term senior unsecured debt or issuer (as applicable) credit rating of at least "AA-" from S&P; or

(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) a short term debt or issuer (as applicable) credit rating of at least "A-1" from S&P in the case of Eligible Investments with a maturity of 60 days or less; and

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

(i) in the case of Eligible Investments with a Collateral Obligation Stated Maturity of more than 30 days:

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

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

(C) such other ratings as confirmed by Fitch;

(ii) in the case of Eligible Investments with a Collateral Obligation Stated Maturity of 30 days or less:

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

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

(C) such other ratings as confirmed by Fitch.

"**Eligible Loan Index**" means the S&P European Leveraged Loan Index, the Credit Suisse Western European Leveraged Loan Index or any other index proposed by the Collateral Manager and notified to S&P.

"**EMIR**" means Regulation (EU) 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories, including any implementing and/or delegated regulation, technical standards and guidance related thereto.

"**Equity Security**" means any security that by its terms does not provide for periodic payments of interest at a stated coupon rate and repayment of principal at a stated maturity and any other security that is not eligible for purchase by the Issuer as a Collateral Obligation; it being understood that Equity Securities do not include Collateral Enhancement Obligations and Equity Securities may not be purchased by the Issuer but may be received by the Issuer in exchange for a Collateral Obligation or a portion thereof in connection with an insolvency, bankruptcy, reorganisation, debt restructuring or workout of the issuer or obligor thereof.

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

"**EU Retention and Transparency Requirements**" means Article 5 (*Due diligence requirements for institutional investors*), Article 6 (*Risk retention*), Article 7 (*Transparency requirements for originators, sponsors and SSPEs*) and Article 9 (*Credit for credit-granting*) of the Securitisation Regulation (as implemented by the Member States of the European Union), together with any other guidelines and technical standards published in relation thereto by the EBA or contained in any European Commission delegated regulation as may be effective from time to time, in each case together with any amendments to those provisions or any successor or replacement provisions included in any European Union directive or regulation.

"**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, pursuant to a straight line interpolation of the rates applicable to three and six 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 in April 2032, 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 S.A./N.V., as operator of the Euroclear system.

"**Euronext Dublin**" means the Irish Stock Exchange plc trading as Euronext Dublin.

"**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 Exchanged Security Sale Proceeds**" means, in respect of any Exchanged Security, any excess sale proceeds over the outstanding principal amount of the related Collateral Obligation or part thereof, that was exchanged, converted or otherwise subject to the exercise of an option in connection with the acquisition of such Exchanged Security.

"**Exchange Act**" means the United States Securities Exchange Act of 1934, as amended.

"**Exchanged Security**" means any of (a) an equity security or warrant, including any equity security received upon conversion or exchange of, or exercise of an option in respect of a Collateral Obligation, the acquisition of which would not cause the breach of applicable selling or transfer restrictions relating to the offering of securities or of collective investment schemes 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 of a Defaulted Obligation in effect as of the later of the Issue Date and the date of issuance of the relevant Collateral Obligation and (b) a Collateral Obligation which has been restructured (whether effected by way of an amendment to the terms of such Collateral Obligation or by way of substitution of new obligations and/or a change of Obligor) for so long as it does not satisfy the Restructured Obligation Criteria on the applicable Restructuring Date, provided it is not a Dutch Ineligible Security.

"**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 through 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 paragraph (a) or (b) above.

"**FCA**" means the UK Financial Conduct Authority.

"**First Lien Last Out Loan**" means a Collateral Obligation that is an interest in a loan, the Underlying Instruments for which (i) may by its terms become subordinate in right of payment to any other secured obligation of the Obligor of such loan solely upon the occurrence of a default or event of default by the Obligor of such loan and (ii) is secured by a valid first priority security interest or lien in, to or on specified collateral securing the Obligor's obligations under the loan. A First Lien Last Out Loan shall be treated for all purposes as a Second Lien Loan; provided that for (i) above, the Collateral Obligation may be subordinate to a revolving loan of the Obligor that, pursuant to its terms, may require one or more future advances to be made to the borrower, having a higher priority security interest in such assets or shares in the event of an enforcement in respect of such loan representing up to 15 per cent.

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

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

(a) its prevailing Market Value; and

(b) its Fitch Recovery Rate,

multiplied by its Principal Balance, provided that if the Market Value cannot be determined for any reason, the Fitch Collateral Value shall be determined in accordance with paragraph (b) above.

"**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.

"**Floating Rate Collateral Obligation**" means any Collateral Obligation that bears a floating rate of interest.

"**Fixed Rate Notes**" means the Class B-2 Notes and the Class C-2 Notes.

"**Floating Rate Notes**" means the Class X Notes, the Class A Notes, the Class B-1 Notes, the Class C-1 Notes, the Class D Notes, the Class E Notes and the Class F Notes.

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

date, the termination date and other consequential and immaterial changes which have been notified in writing to the Rating Agencies).

"**Foundation**" means Stichting Ares European CLO XIII, a foundation (*stichting*) established under the laws of The Netherlands and registered with the Chamber of Commerce under number 73328170.

"**Frequency Switch Event**" means the occurrence of a Frequency Switch Measurement Date on which either the Collateral Manager declares in its sole discretion (subject to the satisfaction of paragraph (c) below) that a Frequency Switch Event has occurred or, for so long as any of the Class X Notes and the Class A Notes remain outstanding:

(a) the Aggregate Principal Balance of all Frequency Switch Obligations (excluding Defaulted Obligations) in respect of such Frequency Switch Measurement Date is equal to or greater than 20 per cent. of the Collateral Principal Amount (excluding Defaulted Obligations); and

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

(i) the sum of:

(A) the aggregate of scheduled and projected interest (and any commitment fees in respect of any Revolving Obligations or Delayed Drawdown Collateral Obligations, but excluding (x) any scheduled interest payments in respect of Defaulted Obligations as to which the Collateral Manager has actual knowledge that such payment will not be made and (y) any Interest Smoothing Amounts which are required to be transferred to the Interest Smoothing Account at the end of the immediately following Due Period in accordance with these Conditions) which will be due to be paid on each Collateral Obligation during the immediately following Due Period (which, in the case of each Non-Euro Obligation, to the extent that a related Currency Hedge Agreement is in place, shall be converted into Euro at the applicable Currency Hedge Transaction Exchange Rate for the related Currency Hedge Transaction and, to the extent that no related Currency Hedge Agreement is in place, shall be converted into Euro at the Spot Rate); and

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

(ii) all amounts scheduled to be payable in respect of paragraphs (A) to (I) of the Interest Priority of Payments on the second Payment Date following such Frequency Switch Measurement Date,

is less than 120 per cent.; and

(c) the sum of:

(i) the amount determined pursuant to paragraph (b)(i) above plus scheduled and projected principal payments which will be due in the immediately following Due Period; and

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

is equal to or greater than the amount determined pursuant to paragraph (b)(ii) above, with the projected interest amounts described above being calculated in respect of such 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 X Notes or the Class A Notes at all times following such Determination 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.

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

"**FTT**" means a common financial transactions tax as contemplated by the EU Commission in a draft Directive published on 14 February 2013.

"**Funded Amount**" means, with respect to any Revolving Obligation or Delayed Drawdown Collateral Obligation at any time, the aggregate principal amount of advances or other extensions of credit to the extent funded thereunder by the Issuer that are outstanding at such time.

"**Global Certificate**" means any Rule 144A Global Certificate or Regulation S Global Certificate.

"**Global Exchange Market**" means the Global Exchange Market of Euronext Dublin.

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

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

"**Hedge Counterparty Termination Payment**" means the amount payable by a Hedge Counterparty to the Issuer upon termination or modification of a Hedge Transaction, but excluding for all purposes other than determining the amount payable by the Hedge Counterparty thereto upon such termination or modification, any due and unpaid Scheduled Periodic Hedge Counterparty Payments.

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

"**Hedge Issuer Termination Payment**" means the amount payable by the Issuer to a Hedge Counterparty upon termination or modification of a Hedge Transaction, but excluding for all purposes other than determining the amount payable by such Hedge Counterparty thereto upon such termination or modification, any due and unpaid Scheduled Periodic Hedge Issuer Payments.

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

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

"**Hedge Termination Account**" means, in respect of any Hedge Agreement, the accounts of the Issuer with the Account Bank into which all Hedge Counterparty Termination Payments and Hedge Replacement Receipts relating to that Hedge Agreement will be deposited.

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

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

"**High Yield Bond**" means a debt security which, on acquisition by the Issuer, is a high yielding debt security as determined by the Collateral Manager, excluding any debt security which is secured directly on, or represents the ownership of, a pool of consumer receivables, auto loans, auto leases, equipment leases, home or commercial mortgages, corporate debt or sovereign debt obligations or similar assets, including, without limitation, collateralised bond obligations, collateralised loan obligations or any similar security 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 on each Payment Date on which the Incentive Collateral Management Fee IRR Threshold has been met or surpassed, such Incentive Collateral Management Fee being payable (exclusive of any VAT thereon) from 20 per cent. of any Interest Proceeds and Principal Proceeds that would otherwise be available to distribute to the Subordinated Noteholders, in accordance with paragraph (BB) of the Interest Priority of Payments, paragraph (T) of the Principal Priority of Payments and paragraph (V) of the Post-Acceleration Priority of Payments.

"**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 12.0 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).

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

"**Interest Account**" means an account described as such in the name of the Issuer with the Account Bank into which Interest Proceeds are to be paid.

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

(b) plus the scheduled interest payments (and any commitment fees due but not yet received in respect of any Revolving Obligations or Delayed Drawdown Collateral Obligations) due but not yet received (in each case, regardless of whether the applicable due date has yet occurred) in the Due Period in which such Measurement Date occurs, excluding:

(i) accrued and unpaid interest on Defaulted Obligations or Deferring Securities (excluding Current Pay Obligations) unless such amounts constitute Defaulted Obligation Excess Amounts;

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

(vi) any Purchased Accrued Interest,

provided that, in respect of a Non-Euro Obligation (i) that is the subject of a Currency Hedge Transaction, this paragraph (b) shall be deemed to refer to the related Scheduled Periodic Currency Hedge Counterparty Payment, subject to the exclusions set out above and (ii) that is not the subject of a Currency Hedge Transaction, the amount taken into account for this paragraph (b) shall be an amount equal to the scheduled interest payments due but not yet received in respect of such Collateral Obligation (subject to the exclusions set out above), converted into Euro at the then prevailing Spot Rate;

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

(d) minus any of the above amounts that would be payable into the Interest Smoothing Account on the Business Day after the Determination Date at the end of the Due Period in which such Measurement Date falls

(e) plus any amounts that would be payable from the Expense Reserve Account (only in respect of amounts that are not designated for transfer to the Principal Account), the First Period Reserve Account, the Interest Smoothing Account and/or the Currency Account to the Interest Account in the Due Period in which such Measurement Date falls (without double counting any such amounts which have been already transferred to the Interest Account);

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

(g) minus any interest in respect of a PIK Security that has been deferred (but only to the extent such amount has not already been excluded in accordance with (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 three and six month Euro deposits on the Issue Date but such offered rate shall be calculated as of the second Business Day prior to the Issue Date.

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

"**Interest Proceeds**" means all amounts paid or payable into the Interest Account from time to time and, with respect to any Payment Date, means any Interest Proceeds received or receivable by the Issuer during the related Due Period to be disbursed pursuant to the Interest Priority of Payments on such Payment Date, together with any other amounts to be disbursed out of the Payment Account as Interest Proceeds on such Payment Date pursuant to Condition 3(i) (*Accounts*) and Condition 11(b) (*Enforcement*).

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

"**Interest Rate Hedge Counterparty**" means each financial institution (pursuant to, and in accordance with the terms of the Collateral Management and Administration Agreement) with which the Issuer enters into an Interest Rate Hedge Agreement or any permitted assignee or successor under any Interest Rate Hedge Agreement which, in each case, (i) satisfies the applicable Rating Requirement upon the date of entry into such agreement or whose obligations are guaranteed by a guarantor which is required to satisfy the applicable Rating Requirement (or in respect of which Rating Agency Confirmation has been obtained on such date) and (ii) has the appropriate regulatory capacity to enter into derivative transactions with Dutch residents.

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

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

"**Interest Smoothing Account**" means the account described as such in the name of the Issuer with the Account Bank to which the Issuer will procure amounts are deposited in accordance with Condition 3(j)(xii) (*Interest Smoothing Account*).

"**Interest Smoothing Amount**" means, in respect of each Determination Date following (and including) the Determination Date upon which a Frequency Switch Event occurs, zero and, in respect of each other Determination Date and for so long as any Rated Notes are Outstanding, an amount equal to the greater of zero and:

(a) the sum of all payments of interest received during the related Due Period in respect of each Semi-Annual Obligation (that was a Semi-Annual Obligation at all times during such Due Period); *minus*

(b) the sum of:

(x) the product of:

(i) 0.25; multiplied by

(ii) the sum of:

(A) EURIBOR (as of the relevant Determination Date); plus

(B) the Weighted Average Spread provided that, for the purpose of calculating the Weighted Average Spread, such calculation shall only include Floating Rate Collateral Obligations which are Semi-Annual Obligations and that were Semi-Annual Obligations at all times during the related Due Period; multiplied by

(iii) the Aggregate Principal Balance of all Semi-Annual Obligations that were Semi-Annual Obligations at all times during the related Due Period and which are Floating Rate Collateral Obligations; and

(y) the product of:

(i) 0.25; multiplied by

(ii) the Weighted Average Fixed Coupon, provided that, for purposes of calculating the Weighted Average Fixed Coupon, such calculation shall only include Fixed Rate Collateral Obligations which are Semi-Annual Obligations and which were Semi-Annual Obligations at all times during the related Due Period; multiplied by

(iii) the Aggregate Principal Balance of all Semi-Annual Obligations that were Semi-Annual Obligations at all times during the related Due Period and which are Fixed Rate Collateral Obligations,

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 (as at the last day of the related Due Period) is less than or equal to 5 per cent. of the Collateral Principal Amount (for such purpose, the Principal Balance of all Defaulted Obligations shall be the lower of their S&P Collateral Value and their Fitch Collateral Value), such amount shall be deemed to be zero.

"**Intermediary Obligation**" means an interest in relation to a loan which is structured to be acquired indirectly by lenders therein at or prior to primary syndication thereof, including pursuant to a collateralised deposit or guarantee, a sub-participation or other arrangement which has the same commercial effect and, in each case, in respect of any obligation of the lender to a "fronting bank" in respect of non-payment by the Obligor, is 100 per cent. collateralised by such lenders.

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

"**Irish Security Agreement**" mean an Irish law governed account charge and assignment agreement dated on or about the Issue Date (as the same may be amended and/or restated and/or supplemented from time to time) between, amongst others, the Issuer and the Trustee.

"**IRR**" means the compounded annualised internal rate of return (computed on the basis of a 365 day year and the actual number of days elapsed) derived with the Microsoft® Excel "XIRR" function that, when used to discount all of the payments made (including those payments already made or to be made on the date of determination) by the Issuer to the holders of the Subordinated Notes as distributions in respect of the Subordinated Notes, results in a present value as at the Issue Date that is equal to the aggregate Principal Amount Outstanding of the Subordinated Notes on the Issue Date (and assuming for this purpose that all Subordinated Notes were purchased on the Issue Date at a price equal to the Subordinated Notes Initial Offer Price Percentage of the principal amount thereof).

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

"**Issue Date**" means 21 January 2020 (or such other date as may shortly follow such date as may be agreed between the Issuer, the Placement Agents and the Collateral Manager and is notified to the Trustee, the Collateral Administrator and 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 entered into a binding commitment to purchase on or prior to the Issue Date, including pursuant to the Warehouse Arrangements.

"**Issuer Dutch Account**" means the account in the name of the Issuer for the purposes of, *inter alia*, holding the proceeds of the issued share capital of the Issuer.

"**Issuer Management Agreement**" means the management agreement relating to the Issuer dated on or about the Issue Date between the Issuer and the Directors.

"**Letter of Undertaking**" means the letter of undertaking from, amongst others, the Issuer and its Directors to the Placement Agents, Collateral Manager and the Trustee.

"**Long-Dated Collateral Obligation**" means any Collateral Obligation with a Collateral Obligation Stated Maturity which is later than the Maturity Date.

"**Mandatory Redemption**" means a redemption of the Notes pursuant to and in accordance with Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*).

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

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

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

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

(d) if two such broker-dealer prices are not available, the bid side price determined by one independent broker-dealer (unless, in each case, the fair market value thereof determined by the Collateral Manager pursuant to (e) hereafter would be lower) of such Collateral Obligation; or

(e) if the determinations of such broker-dealers or independent recognised pricing service are not available, then the lower of:

(i) the higher of (x) the lower of (A) the S&P Recovery Rate of such Collateral Obligation and (B) the Fitch Recovery Rate of such Collateral Obligation and (y) 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 effort basis in a manner consistent with reasonable and customary market practice and consistent with any determination the Collateral Manager applies with respect to any similar obligation managed by the Collateral Manager, in each case, as notified to the Collateral Administrator on the date of determination thereof,

provided however that:

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

(B) where the Market Value is determined by the Collateral Manager in accordance with paragraph (e) above, such Market Value shall only be valid for 30 days, after which time if the Market Value cannot be ascertained by a third party the Market Value shall be deemed to be zero.

"**Maturity Amendment**" means, with respect to any Collateral Obligation, any waiver, modification, amendment or variance that would extend or have the effect of extending the Collateral Obligation Stated Maturity of such Collateral Obligation (whether by way of amendment and restatement of the existing facility or novation or substitution on substantially the same terms save for the maturity amendment). For the avoidance of doubt, a waiver, modification, amendment or variance that would extend the Collateral Obligation Stated Maturity of the credit facility of which a Collateral Obligation is part, but would not extend the Collateral Obligation Stated Maturity of the Collateral Obligation held by the Issuer, does not constitute a Maturity Amendment.

"**Maturity Amendment Threshold**" means 10 per cent. of the Target Par Amount.

"**Maturity Date**" means the Payment Date falling in July 2032 or, if such day is not a Business Day, then the next succeeding Business Day (unless it would fall in the following month, in which case it shall be moved to the immediately preceding Business Day).

"Maximum Par Amount" means €410,000,000.

"**Measurement Date**" means:

(a) the Effective Date;

(b) for the purposes of determining satisfaction of the Reinvestment Criteria, any Business Day after the Effective Date on which such criteria are required to be determined;

(c) the date of acquisition of any additional Collateral Obligation 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;

(b) in the case of the Rule 144A Notes of each Class (other than the Class X Notes), €250,000; and

(c) in the case of the Rule 144A Notes that are Class X Notes, €100,000.

"**Minimum Weighted Average Spread Test**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Monthly Report**" means the monthly report defined as such in the Collateral Management and Administration Agreement which is prepared by the Collateral Administrator (in consultation with the Collateral Manager) on behalf of the Issuer on such dates as are set forth in the Collateral Management and Administration Agreement, which shall include information regarding the status of certain of the Collateral pursuant to the Collateral Management and Administration Agreement made available 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 Arrangers, the Placement Agents, the Trustee, the Collateral Manager and the Hedge Counterparties and as further notified by the Issuer to the Rating Agencies and the Noteholders from time to time) which shall be accessible to any person who certifies to the Collateral Administrator (such certification to be 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 Administrator and the Collateral Manager from time to time, which 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 Placement Agents, (iii) the Trustee, (iv) a Hedge Counterparty, (v) the Collateral Manager, (vi) a Rating Agency, (vii) a Noteholder, (viii) a potential investor in the Notes, (ix) a competent authority, (x) Intex Solutions,, or (xi) Bloomberg. In addition, for so long as any of the Notes are Outstanding, the Monthly Report will be available for inspection at the offices of, and copies thereof may be obtained free of charge upon request from, the Issuer.

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

"**Non-Call Period**" means the period from and including the Issue Date up to, but excluding, 20 January 2022 (or, if such day is not a Business Day, then the next succeeding Business Day (unless it would fall in the following month, in which case it shall be moved 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-Emerging Market Country**" means any of Austria, Belgium, Canada, the Channel Islands, Denmark, Finland, France, Germany, Iceland, Republic of Ireland, Italy, Liechtenstein, Luxembourg, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, United Kingdom or United States and any other country, the foreign currency country issuer credit rating of which is rated, at the time of acquisition of the relevant Collateral Obligation, at least "BBB-" by S&P and at least "BBB-" by Fitch (provided that Rating Agency Confirmation is received in respect of any such other country which is not in the Euro zone) or any other country in respect of which, at the time of acquisition of the relevant Collateral Obligation, Rating Agency Confirmation is received.

"**Non-Euro Obligation**" means any Collateral Obligation or part thereof, as applicable, denominated in a currency other than Euro.

"**Note Event of Default**" means each of the events defined as such in Condition 10(a) (*Note Events of Default*).

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

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

(b) *secondly*, to the redemption of the Class B-1 Notes and the B-2 Notes (on a *pro rata* and *pari passu* basis) at the applicable Redemption Price in whole or in part until the Class B-1 Notes and the B-2 Notes have been fully redeemed;

(c) *thirdly*, to the redemption of the Class C-1 Notes and the C-2 Notes including any Deferred Interest thereon (on a *pro rata* and *pari passu* basis) at the applicable Redemption Price in whole or in part until the Class C-1 Notes and the C-2 Notes have been fully redeemed;

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

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

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

provided that, for the purposes of any redemption of the Notes in accordance with the Note Payment Sequence following any breach of Coverage Tests, the Note Payment Sequence shall terminate immediately after the paragraph above that refers to the Class of Notes to which such Coverage Test relates.

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

(a) the introduction of a new, or any change in, any home jurisdiction or foreign tax statute, treaty, regulation, rule, ruling, practice, procedure or judicial decision or interpretation (whether proposed, temporary or final) which results in (or would on the next Payment Date result in) any payment of principal or interest on the Class X Notes, the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 Notes, the Class D Notes, the Class E Notes, the Class F Notes and/or the Subordinated Notes becoming properly subject to any withholding tax other than:

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

(ii) withholding tax in respect of FATCA; or

(iii) by reason of the failure by the relevant Noteholder or beneficial owner to comply with any applicable procedures required to establish non-residence or other similar claim for exemption from such tax or to provide information concerning nationality, residency or connection with The Netherlands, the United States or other applicable taxing authority; or

(b) United Kingdom or U.S. state or federal tax authorities impose net income, profits or diverted profits or similar tax upon the Issuer.

"**Noteholders**" means the several persons in whose name the Notes are registered from time to time in accordance with and subject to their terms and the terms of the Trust Deed, and "**holder**" (in respect of the Notes) shall be construed accordingly.

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

"**Offer**" means, with respect to any Collateral Obligation, (a) any offer by the Obligor under such obligation or by any other Person made to all of the creditors of such Obligor in relation to such obligation to purchase or otherwise acquire such obligation (other than pursuant to any redemption in accordance with the terms of the related Underlying Instruments) or to convert or exchange such obligation into or for cash, securities or any other type of consideration (whether by way of amendment and restatement of the existing facility, novation or substitution), (b) any solicitation by the Obligor of such obligation or any other Person to amend, modify or waive any provision of such obligation or any related Underlying Instrument or (c) any offer or consent request with respect to a Maturity Amendment.

"**Optional Redemption**" means a redemption pursuant to and in accordance with Condition 7(b) (*Optional Redemption*).

"**Ordinary Resolution**" means an ordinary resolution as described in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and as further described in, and as defined in, the Trust Deed.

"**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**" means, in relation to the Notes of a Class as of any date of determination, all of the Notes of such Class issued, as further defined in the Trust Deed.

"**Par Value Ratio**" means the Class A/B Par Value Ratio, the Class C Par Value Ratio, the Class D Par Value Ratio, the Class E Par Value Ratio and the Class F Par Value Ratio (as applicable).

"**Par Value Test**" means the Class A/B Par Value Test, the Class C Par Value Test, the Class D Par Value Test, the Class E Par Value Test and the Class F Par Value Test (as applicable).

"**Participation**" means an interest in a Collateral Obligation acquired indirectly by the Issuer by way of sub-participation from a Selling Institution which shall include, for the purposes of the Bivariate Risk Table set 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) following the occurrence of a Frequency Switch Event, 20 January and 20 July (where the Payment Date immediately prior to the occurrence of the relevant Frequency Switch Event falls in either January or July), or 20 April and 20 October (where the Payment Date immediately prior to the occurrence of the relevant Frequency Switch Event falls in either April or October); and

(b) 20 January, 20 April, 20 July and 20 October, at all other times,

in each case in each year commencing on 20 July 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 report defined as such in the Collateral Management and Administration Agreement which is prepared by the Collateral Administrator (in consultation with the Collateral Manager) on behalf of the Issuer on the Business Day preceding the related Payment Date, determined as of the applicable Determination Date 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 Arrangers, the Placement Agents, the Trustee, the Collateral Manager and the Hedge Counterparties and as further notified by the Issuer to the Rating Agencies and the Noteholders from time to time) which shall be accessible to any person who certifies to the Collateral Administrator (such certification to be 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 Administrator and the Collateral Manager from time to time, which 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 Placement Agents, (iii) the Trustee, (iv) a Hedge Counterparty, (v) the Collateral Manager, (vi) a Rating Agency, (vii) a Noteholder, (viii) a potential investor in the Notes, (ix) a competent authority, (x) Intex Solutions, or (xi) Bloomberg. In addition, for so long as any of the Notes are Outstanding, the Monthly Report will be available for inspection at the offices of, and copies thereof may be obtained free of charge upon request from, the Issuer.

"**Permitted Use**" has the meaning ascribed to it in Condition 3(j)(vi) (*Supplemental Reserve Account*).

"**Person**" means an individual, corporation (including a business trust), partnership, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated association or government or any agency or political subdivision thereof.

"**PIK Security**" means any Collateral Obligation which is a security, the terms of which permit the deferral of the payment of interest thereon, including without limitation by way of capitalising interest thereon but excluding current cash interest, provided that, for the avoidance of doubt, Mezzanine Obligations shall not constitute PIK Securities.

"**Placement Agency Agreement**" means the placement Agency Agreement between the Issuer and the Placement Agents dated as of 21 January 2020.

"**Placement Agents**" means each of Citigroup Global Markets Limited and Citigroup Global Markets Europe AG.

"**Plan Asset Regulation**" means 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA, as they may be amended or modified.

"**Portfolio**" means the Collateral Obligations, Collateral Enhancement Obligations, Exchanged Securities, Eligible Investments and other similar obligations or securities held by or on behalf of the Issuer from time to time.

"**Portfolio Profile Tests**" means the Portfolio Profile Tests each as defined in the Collateral Management and Administration Agreement.

"**Post-Acceleration Priority of Payments**" means the priority of payments set out in Condition 11 (*Enforcement*).

"**Presentation Date**" means a day which (subject to Condition 12 (*Prescription*)):

(a) is a Business Day;

(b) is or falls after the relevant due date or, if the due date is not or was not a Business Day in the place of presentation, is or falls after the next following Business Day which is a Business Day in the place of presentation; and

(c) is a Business Day in the place in which the account specified by the payee is located.

"**Principal Account**" means the account described as such in the name of the Issuer with the 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, the Class E Notes and the Class F Notes, Deferred Interest which has been capitalised pursuant to Condition 6(c) (*Deferral of Interest*) save that Deferred Interest shall not be included for the purposes of determining voting rights or quorums attributable to the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, as applicable, and the applicable quorum at any meeting of the Noteholders pursuant to Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*).

"**Principal Balance**" means, with respect to any Collateral Obligation, Eligible Investment, Collateral Enhancement Obligation, Equity Security or Exchanged Security, as of any date of determination, the outstanding principal amount thereof (excluding any interest capitalised pursuant to the terms of such instrument other than, with respect to a Mezzanine Obligation 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 each Equity Security, Exchanged Security and each Collateral Enhancement Obligation shall be deemed to be zero;

(c) the Principal Balance of:

  (i) any Non-Euro Obligation subject to a Currency Hedge Transaction shall be an amount equal to the Euro equivalent of the outstanding principal amount of the reference Non-Euro Obligation, converted into Euro at the Currency Hedge Transaction Exchange Rate; and

  (ii) any Non-Euro Obligation which is not subject to a Currency Hedge Transaction shall be an amount equal to the Euro equivalent of the outstanding principal amount of such Non-Euro Obligation, converted into Euro at the Spot Rate;

(d) the Principal Balance of any cash shall be the amount of such cash; and

(e) the Principal Balance of any Long-Dated Collateral Obligation in excess of 5 per cent. of the Collateral Principal Amount (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 years (rounded to the nearest one-hundredth thereof) by which such Collateral Obligation's Collateral Obligation Stated Maturity exceeds the Maturity Date minus (y) 100 per cent.

"**Principal Priority of Payments**" means the priority of payments in respect of Principal Proceeds set out in Condition 3(c)(ii) (*Application of Principal Proceeds*).

"**Principal Proceeds**" means all amounts payable out of, paid out of, payable into or paid into the Principal Account from time to time and, with respect to any Payment Date, means Principal Proceeds received or receivable by the Issuer during the related Due Period and any other amounts to be disbursed as Principal Proceeds on such Payment Date pursuant to Condition 3(c)(ii) (*Application of Principal Proceeds*) or Condition 11(b) (*Enforcement*). For the avoidance of doubt, amounts received as principal proceeds in connection with an Offer for the exchange of a Collateral Obligation for a new or novated obligation or substitute obligation will not constitute Principal Proceeds and will not be deposited into the Principal Account to the extent such principal proceeds are required to be applied as consideration for the new or novated obligation or substitute obligation (subject to the Restructured Obligation Criteria being satisfied).

"**Priorities of 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 Priority of Payments and, in the case of Principal Proceeds, the Principal Priority of Payments; and

(b) in the event of any optional redemption of the Notes in whole but not in part pursuant to Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption Following Note Tax Event*) or following 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.

"**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 Currency**" means Sterling, U.S. Dollars, Norwegian Krone, Danish Krone, Swedish Krona, Swiss Francs, Australian Dollars, Canadian Dollars and Japanese Yen, or such other currency in respect of which Rating Agency Confirmation is received.

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

"**Rated Notes**" means the Class X Notes, the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 Notes, the Class D Notes, the Class E Notes and the Class F Notes.

"**Rating Agencies**" means Fitch and S&P, provided that if at any time Fitch 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. In the event that at any time a Rating Agency is replaced by a Replacement Rating Agency, references to rating categories of the original Rating Agency in these Conditions, the Trust Deed and the Collateral Management and Administration Agreement shall be deemed instead to be references to the equivalent categories of the relevant Replacement Rating Agency as of the most recent date on which such other rating agency published ratings for the type of security in respect of which such Replacement Rating Agency is used and all references herein to "**Rating Agencies**" shall be construed accordingly. Any rating agency shall cease to be a Rating Agency if, at any time, it ceases to assign a rating in respect of any Class of Rated Notes.

"**Rating Agency Confirmation**" means, with respect to any specified action, determination or appointment, receipt by the Issuer and/or the Trustee of written confirmation (which may take the form of a bulletin, press release, email or other written communication) by each Rating Agency which has, as at the relevant date assigned ratings to any Class of the Rated Notes that are Outstanding (or, if applicable, the Rating Agency specified in respect of any such action or determination, provided that such Rating Agency has, as at the relevant date assigned ratings to any Class of the Rated Notes) that such specified action, determination or appointment will not result in the reduction or withdrawal of any of the ratings currently assigned to the Rated Notes by such Rating Agency. Notwithstanding anything to the contrary in any Transaction Document and these Conditions, no Rating Agency Confirmation shall be required from a Rating Agency in respect of any action, determination or appointment if (i) such Rating Agency has declined a request from the Trustee, the Collateral Manager or the Issuer to review the effect of such action, determination or appointment or (ii) such Rating Agency announces (publicly or otherwise) or confirms to the Trustee, the Collateral Manager or the Issuer that Rating Agency Confirmation from such Rating Agency is not required, or that its practice is to not give such

confirmations for such type of action, determination or appointment or (iii) such Rating Agency has ceased to engage in the business of providing ratings or has made a public statement in writing to the effect that it will no longer review events or circumstances of the type requiring a Rating Agency Confirmation under any Transaction Document or these Conditions for purposes of evaluating whether to confirm the then-current ratings (or initial ratings) of obligations rated by such Rating Agency.

"**Rating Confirmation Plan**" means a plan provided by the Collateral Manager (acting on behalf of the Issuer) to the Rating Agencies setting forth the intended timing and manner of acquisition of additional Collateral Obligations and/or any other intended action which will cause confirmation of the Initial Ratings, as further described and as defined in the Collateral Management and Administration Agreement.

"**Rating Event**" means, at any time, the reduction or withdrawal of any of the ratings then assigned to the Rated Notes by a Rating Agency.

"**Rating Requirement**" means:

(a) in the case of the Account Bank:

(i) a long-term issuer default rating of at least "A" by Fitch or a short-term issuer default 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 or any sub-custodian appointed thereby:

(i) a long-term issuer default rating of at least "A" by Fitch or a short-term issuer default 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; and

(c) in the case of any Hedge Counterparty, the rating requirement(s) as set out in the relevant Hedge Agreement; and

(d) in the case of a Selling Institution with regards to a Participation only, a counterparty which satisfies the ratings set out in the Bivariate Risk Table;

or in each case, (x) such other rating or ratings as may be agreed by the relevant Rating Agency as would maintain the then rating of the Rated Notes and (y) if any of the requirements are not satisfied by any of the parties referred to herein, Rating Agency Confirmation from the relevant Rating Agency is received in respect of such party.

"**Receiver**" means an administrative receiver, trustee, administrator, custodian, conservator, liquidator, curator, examiner, manager, receiver or other similar official appointed in connection with any Insolvency Law or a security enforcement or related proceedings (whether appointed pursuant to the terms of the Trust Deed, the Irish Security Agreement, pursuant to any statute, by a court or otherwise).

"**Record Date**" means:

(a) in respect of Notes represented by a Definitive Certificate, the fifteenth day before the relevant due date for payment of principal and interest in respect of such Note; and

(b) in respect of Notes represented by a Global Certificate, the close of business on the Clearing System Business Day before the relevant due date for payment of principal and interest in respect of such Note.

"**Redemption Date**" means 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 effected through Liquidation only*).

"**Redemption Notice**" means a redemption notice in the form available from the Transfer Agent which has been duly completed by a Noteholder and which specifies, amongst other things, the applicable Redemption Date.

"**Redemption Price**" means, when used with respect to:

(a) any Subordinated Note, 100 per cent. of the Principal Amount Outstanding thereof (if any) or, if greater, such Subordinated Note's *pro rata* share (calculated in accordance with paragraph (DD) of the Interest Priority of Payments, paragraph (U) of the Principal Priority of Payments and paragraph (W) of the Post-Acceleration Priority of Payments) of the aggregate proceeds of liquidation of the Collateral, or realisation of the security thereover in such circumstances, remaining following application thereof in accordance with the Priorities of Payment; and

(b) any Rated Note, 100 per cent. of the Principal Amount Outstanding thereof (if any), together with any accrued and unpaid interest in respect thereof to the relevant day of redemption and, in respect of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, any Deferred Interest.

"**Redemption Threshold Amount**" means the aggregate of all amounts which would be due and payable by the Issuer on redemption of the Rated Notes on the scheduled Redemption Date (to the extent such amounts are ascertainable by the Collateral Administrator or have been provided to the Collateral Administrator by the relevant Secured Party and, for the avoidance of doubt, not taking into account for this purpose any reduction in the Issuer's payment obligations pursuant to the Conditions or any other Transaction Document as a result of any limited recourse provisions) which rank in priority to payments in respect of the Subordinated Notes in accordance with the Post-Acceleration Priority of Payments.

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

"**Refinancing**" has the meaning given to it in Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

"**Refinancing Costs**" means the fees, costs, charges and expenses incurred by or on behalf of the Issuer in respect of a Refinancing, provided that such fees, costs, charges and expenses have been incurred as a direct result of a Refinancing, as determined by the Collateral Manager.

"**Refinancing Proceeds**" means the cash proceeds from a Refinancing.

"**Register**" means the register of holders of the legal title to the Notes kept by the Registrar pursuant to the terms of the Agency and Account Bank Agreement.

"**Regulation S**" means Regulation S under the Securities Act.

"**Regulation S Notes**" means the Notes offered for sale to non-U.S. Persons outside of the United States in reliance on Regulation S.

"**Reinvesting Noteholder**" means each Subordinated Noteholder that, during the Reinvestment Period, elects to make a Reinvestment Amount and whose Reinvestment Amount is accepted, in each case, in accordance with Condition 3(c)(iv) (*Reinvestment Amounts*).

"**Reinvestment Amount**" means:

(a) a cash contribution or designation of Interest Proceeds or Principal Proceeds which a Subordinated Noteholder designates as a Reinvestment Amount pursuant to Condition 3(c)(iv) (*Reinvestment Amounts*); and

(b) an additional issuance of Subordinated Notes pursuant to Condition 17(b) (*Additional Issuances*),

provided that any Reinvestment Amount contributed by Subordinated Noteholders in cash shall be in a minimum denomination of €1,000,000 and no more than three such cash contributions may be made by the Subordinated Noteholders.

"**Reinvestment Criteria**" 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 during the Reinvestment Period only which will be satisfied on such Measurement Date if the Class F Par Value Ratio is at least equal to 103.45 per cent.

"**Reinvestment Period**" means the period from and including the Issue Date up to and including the earliest of: (i) the Business Day preceding the Payment Date falling on 20 July 2024; (ii) the date of the acceleration of the Notes pursuant to Condition 10(b) (*Acceleration*) (provided that such Acceleration Notice (actual or deemed) has not been rescinded or annulled in accordance with Condition 10(c) (*Curing of Default*)); and (iii) the date on which the Collateral Manager reasonably believes and notifies the Issuer, the Rating Agencies and the Trustee that it can no longer reinvest in additional Collateral Obligations in accordance with the Reinvestment Criteria.

"**Reinvestment Target Par Balance**" means, as of any date of determination, the Target Par Amount minus: (i) the amount of any reduction in the Principal Amount Outstanding of the Notes (excluding Deferred Interest which has been capitalised pursuant to Condition 6(c)(*Deferral of Interest*) and excluding any reduction in the Principal Amount Outstanding of the Class X Notes) and plus (ii) the Principal Amount Outstanding of any additional Notes issued pursuant to Condition 17 (*Additional Issuances*) or, if greater, the aggregate amount of Principal Proceeds that result from the issuance of such additional Notes.

"**Replacement Currency Hedge Agreement**" means any Currency Hedge Transactions and/or any Currency Hedge Agreement entered into by the Issuer upon termination of an existing Currency Hedge Transaction and/or Currency Hedge Agreement on substantially the same terms as such existing Currency Hedge Transaction and/or Currency Hedge Agreement that preserves for the Issuer the economic effect of the terminated Currency Hedge Transactions outstanding thereunder, subject to such amendments as may be agreed by the Trustee and in respect of which Rating Agency Confirmation is obtained.

"**Replacement Hedge Agreements**" means each Replacement Currency Hedge Agreement and each Replacement Interest Rate Hedge Agreement and "**Replacement Hedge Agreement**" means any of them.

"**Replacement Hedge Transaction**" means any replacement Interest Rate Hedge Transaction or Currency Hedge Transaction entered into under a Replacement Interest Rate Hedge Agreement or Replacement Currency Hedge Agreement (as applicable) (or under another existing Interest Rate Hedge Agreement or Currency Hedge Agreement with another Hedge Counterparty) in respect of the relevant terminated Interest Rate Hedge Transactions and/or Currency Hedge Transactions under the relevant terminated Interest Rate Hedge Agreement or Currency Hedge Agreement (as applicable).

"**Replacement Interest Rate Hedge Agreement**" means any Interest Rate Hedge Transactions and/or Interest Rate Hedge Agreement entered into by the Issuer upon termination of an existing Interest Rate Hedge Transactions and/or Interest Rate Hedge Agreement in full on substantially the same terms as the original Interest Rate Hedge Transactions and/or Interest Rate Hedge Agreement that preserves for the Issuer the economic equivalent of the terminated Interest Rate Hedge Transactions outstanding thereunder, subject to such amendments as may be agreed by the Trustee and in respect of which Rating Agency Confirmation is obtained.

"**Report**" means each Monthly Report and Payment Date Report.

"**Reporting Delegate**" means a Hedge Counterparty or third party that undertakes to provide delegated reporting in connection with certain derivative transaction reporting obligations of the Issuer.

"**Reporting Delegation Agreement**" means an agreement for the delegation by the Issuer of certain derivative transaction reporting obligations to one or more Reporting Delegates.

"**Resolution**" means any Ordinary Resolution or Extraordinary Resolution, as the context may require.

"**Restricted Trading Period**" means the period during which:

(a) the Fitch rating or the S&P rating of the Class X Notes, the Class A Notes is withdrawn (and not reinstated) or is one or more sub categories below its rating on the Issue Date, provided the Class X Notes, the Class A Notes are Outstanding;

(b) the Fitch rating or the S&P rating of the Class B Notes is withdrawn (and not reinstated) or is two or more sub-categories below its rating on the Issue Date provided that the Class B Notes are Outstanding;

(c) the Fitch rating or the S&P rating of the Class C Notes is withdrawn (and not reinstated) or is two or more sub-categories below its rating on the Issue Date provided that the Class C Notes are Outstanding; or

(d) the Fitch rating or the S&P rating of the Class D Notes is withdrawn (and not reinstated) or is two or more sub-categories below its rating on the Issue Date provided that the Class D Notes are Outstanding;

provided that, in each case, such period will not be a Restricted Trading Period:

(i) if:

(A) 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 Reinvestment Target Par Balance;

(B) each of the Coverage Tests is satisfied;

(C) each of the Collateral Quality Tests is satisfied; and

(D) 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; or

(ii) upon the direction of the Issuer with the consent of the Controlling Class acting by Ordinary Resolution,

provided, further, that 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.

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

"**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 Compliance Event**" means the withdrawal of the UK from the European Union such that:

(a) the UK is no longer within the scope of MiFID II; and

(b) a passporting regime or third country recognition of the UK is not in place,

such that the Collateral Manager is or would, with the passage of time be, unable to qualify as a "sponsor" for the purposes of the EU Retention and Transparency Requirements.

"**Retention Cure Action**" means, following the determination by the Collateral Manager that a Retention Compliance Event has occurred (or with the passage of time, is reasonably likely to occur), any action taken by the Collateral Manager, in its sole discretion, as it may deem to be reasonably necessary or appropriate (in light of the facts and circumstances existing at the time) to comply with, or preserve compliance with, the EU Retention and Transparency Requirements, which action shall be promptly notified to the Issuer, the Trustee and the Noteholders in writing.

"**Retention Deficiency**" means, as of any Measurement Date, an event which occurs if the original Principal Amount Outstanding of the Retention Notes (such original Principal Amount Outstanding calculated as of the date of issuance of such Subordinated Notes) is less than 5 per cent. of the greater of the Maximum Par Amount and the Collateral Principal Amount on the relevant date of determination.

"**Retention Holder**" means Ares European Loan Management LLP in its capacity as initial Retention Holder and any successor, assign or transferee to the extent permitted under the Collateral Management and Administration Agreement and the EU Retention and Transparency Requirements.

"**Retention Note Purchase Deed**" means the note purchase deed in respect of the Retention Notes between the Placement Agents and the Retention Holder dated on or about 21 January 2020.

"**Retention Notes**" has the meaning given to that term in the Collateral Management and Administration Agreement.

"**Revolving Obligation**" means any Collateral Obligation (other than a Delayed Drawdown Collateral Obligation) that is a loan (including, without limitation, revolving loans, funded and unfunded portions of revolving credit lines and letter of credit facilities, unfunded commitments under specific facilities and other similar loans and investments) denominated in Euro that pursuant to the terms of its Underlying Instruments may require one or more future advances to be made to the borrower by the Issuer; but any such Collateral Obligation will be a Revolving Obligation only until all commitments to make advances to the borrower expire or are terminated or reduced to zero.

"**Rule 144A**" means Rule 144A under the Securities Act.

"**Rule 144A Notes**" means Notes offered for sale within the United States or to U.S. Persons in reliance on Rule 144A.

"**Rule 17g-5**" means Rule 17g-5 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 CLO Specified Assets**" means Collateral Obligations with an S&P Rating equal to or higher than "CCC-".

"**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 Principal Amount**" means as of any Determination Date or the Effective Date, as applicable:

(a) the Aggregate Principal Balance of S&P CLO Specified Assets; plus

(b) without duplication, amounts (including Eligible Investments) on deposit in the (i) Principal Account and (ii) Unused Proceeds Account; plus

(c) in relation to Collateral Obligations other than S&P CLO Specified Assets, the S&P Collateral Value of such Collateral Obligations.

"**S&P Collateral Value**" means in the case of any Eligible Investment, Defaulted Obligation or Deferring Security, the lower of:

(a) its prevailing Market Value; and

(b) the relevant S&P Recovery Rate,

in each case, multiplied by its Principal Balance, provided that if the Market Value cannot be determined for any reason, the S&P Collateral Value shall be determined in accordance with paragraph (a) above.

"**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 (other than any Currency Hedge 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; or (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; or (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 such amounts represent Defaulted Obligation Excess Amounts;

(b) in the case of any Currency Hedge Obligation, all amounts in Euros (or other currencies, if applicable) received by the Issuer from the applicable Currency Hedge Counterparty in exchange for payment by the Issuer of the sale proceeds of any Collateral Obligation as described in paragraph (a) above, under the related Currency Hedge Transaction; and

(c) in the case of any Collateral Enhancement Obligation or Equity Security, all proceeds and any fees received upon the sale of such Collateral Enhancement Obligation or Equity Security,

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 the sale, disposition or termination of such Collateral Obligation, Collateral Enhancement Obligation or Equity Security.

"**Scheduled Periodic Currency Hedge Counterparty Payment**" means, with respect to any Currency Hedge Agreement, all amounts scheduled to be paid by the Currency Hedge Counterparty to the Issuer pursuant to the terms of such Currency Hedge Agreement, excluding any Hedge Counterparty Termination Payment.

"**Scheduled Periodic Currency Hedge Issuer Payment**" means, with respect to any Currency Hedge Agreement, all amounts scheduled to be paid by the Issuer to the applicable Currency Hedge Counterparty pursuant to the terms of such Currency Hedge Agreement, excluding any Currency Hedge Issuer Termination Payment.

"**Scheduled Periodic Hedge Counterparty Payment**" means a Scheduled Periodic Currency Hedge Counterparty Payment or a Scheduled Periodic Interest Rate Hedge Counterparty Payment.

"**Scheduled Periodic Hedge Issuer Payment**" means a Scheduled Periodic Currency Hedge Issuer Payment or a Scheduled Periodic Interest Rate Hedge Issuer Payment.

"**Scheduled Periodic Interest Rate Hedge Counterparty Payment**" means, with respect to any Interest Rate Hedge Agreement, all amounts scheduled to be paid by the Hedge Counterparty to the Issuer pursuant to the terms of such Interest Rate Hedge Agreement, excluding any Hedge Counterparty Termination Payment.

"**Scheduled Periodic Interest Rate Hedge Issuer Payment**" means, with respect to any Interest Rate Hedge Agreement, all amounts scheduled to be paid by the Issuer to the applicable Interest Rate Hedge Counterparty pursuant to the terms of such Hedge Agreement, excluding any Interest Rate Hedge Issuer Termination Payment.

"**Scheduled Principal Proceeds**" means:

(a) in the case of any Collateral Obligation (other than Non-Euro Obligations with a related Currency Hedge Transaction), scheduled principal repayments received by the Issuer (including scheduled amortisation, instalment or sinking fund payments);

(b) in the case of any Non-Euro Obligation with a related Currency Hedge Transaction, scheduled final and interim payments in the nature of principal payable to the Issuer by the applicable Currency Hedge Counterparty under the related Currency Hedge Transaction; and

(c) in the case of any Hedge Agreements, any Hedge Replacement Receipts and Hedge Counterparty Termination Payments transferred from the Hedge Termination Accounts into the Principal Account and any amounts transferred from a Counterparty Downgrade Collateral Account to the Principal Account in accordance with Condition 3(j)(v) (*Counterparty Downgrade Collateral Accounts*).

"**Second Lien Loan**" means a loan obligation (including any First Lien Last Out Loan but excluding any Secured Senior Loan) with a junior contractual claim on tangible or intangible property (which property is subject to a prior lien (other than customary permitted liens, such as, but not limited to, any tax liens)) to secure payment of a debt or the fulfilment of a contractual obligation, as determined by the Collateral Manager in its reasonable commercial judgment.

"**Secured Obligations**" has the meaning given to it in the Trust Deed.

"**Secured Party**" means each of the Class X Noteholders, the Class A Noteholders, the Class B-1 Noteholders, the Class B-2 Noteholders, the Class C-1 Noteholders, the Class C-2 Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Subordinated Noteholders, the Reinvesting Noteholders (if any), the Placement Agents, the Collateral Manager, the Trustee, any Receiver or Appointee, the Agents, each Reporting Delegate and each Hedge Counterparty 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 (i) by assets of the Obligor or guarantor 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 or guarantor has any higher priority security interest in such assets or shares referred to in (a) above provided that a revolving loan of the Obligor that, pursuant to its terms, may require one or more future advances to be made to the borrower may have a higher priority security interest in such assets or shares in the event of an enforcement in respect of such loan representing up to the Secured Senior RCF Percentage of the Obligor's senior debt.

"**Secured Senior 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 judgment or a Participation therein, provided that:

(a) it is secured (i) by assets of the Obligor thereof if and to the extent that the provision of security over assets is permissible under applicable law (save in the case of assets where the failure to take such

security is consistent with reasonable secured lending practices), and otherwise (ii) by 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 (a) above provided that a revolving loan of the Obligor that, pursuant to its terms, may require one or more future advances to be made to the borrower may have a higher priority security interest in such assets or shares in the event of an enforcement in respect of such loan representing up to the Secured Senior RCF Percentage of the Obligor's senior debt.

"**Secured Senior Obligation**" means a Secured Senior Bond or a Secured Senior Loan.

"**Secured Senior RCF Percentage**" means, in relation to a Secured Senior Bond or a Secured Senior Loan (x) other than in the circumstances set out in (y) below, 20 per cent., (or more, if Rating Agency Confirmation from each Rating Agency is obtained) and (y) for the purposes of determining the S&P Recovery Rate or the Fitch Recovery Rate of a Collateral Obligation only, 15 per cent..

"**Securities Act**" means the United States Securities Act of 1933, as amended.

"**Securitisation Regulation**" means Regulation (EU) 2017/2401 amending the CRR and Regulation (EU) 2017/2402 relating to a European framework for simple, transparent and standardised securitisation, in each case as amended, varied or substituted from time to time including any implementing regulation, technical standards and official guidance related thereto, in each case as amended, varied or substituted from time to time and applicable laws, regulations, rules, guidance or other applicable implementing measures of the FCA 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.

"**Selling Institution**" means an institution from whom (i) a Participation is taken and satisfies the applicable Rating Requirement or (ii) an Assignment is acquired.

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

"**Senior Expenses Cap**" means, in respect of each Payment Date, the sum of:

(a) €275,000 per annum (pro-rated for the Due Period for the related Payment Date on the basis of (x) in respect of the first Payment Date, a 360 day year and the actual number of days elapsed in the related Due Period and (y) in respect of any other Payment Date, a 360 day year comprised of twelve 30-day months); and

(b) 0.025 per cent. per annum (pro-rated for the Due Period for the related Payment Date on the basis of (x) in respect of the first Payment Date, a 360 day year and the actual number of days elapsed in the related Due Period and (y) in respect of any other Payment Date, a 360 day year and the actual number of days elapsed in such Due Period) of the Collateral Principal Amount as at the Determination Date immediately preceding the Payment Date,

provided however that (i) amounts in respect of any applicable VAT that are payable in respect of expenses expressed to be subject to the Senior Expenses Cap shall count towards the Senior Expenses Cap; and (ii) if the amount of Trustee Fees and Expenses and Administrative Expenses paid on each of the three immediately preceding Payment Dates or, if a Frequency Switch Event has occurred, the immediately preceding Payment Date and in either case, during the related Due Period(s) (including the Due Period relating to the current Payment Date) is less than the stated Senior Expenses Cap, the amount of each such excess (if any) will be added to the Senior Expenses Cap with respect to the then current Payment Date. For the avoidance of doubt, any such excess (if any) may not at any time result in an increase of the Senior Expenses Cap on a per annum basis.

"**Senior Management Fee**" means the fee payable to the Collateral Manager in arrears on each Payment Date in respect of each Due Period pursuant to the Collateral Management and Administration Agreement in an amount, as determined by the Collateral Administrator, equal (exclusive of any VAT thereon) to 0.15 per cent. per annum (calculated semi-annually in respect of each semi-annual Due Period following the occurrence of a Frequency Switch Event and quarterly at all other times and, in each case, on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the Collateral Principal Amount as at the first day of the

Due Period relating to the applicable Payment Date (or, if such day is not a Business Day, the next day which is a Business Day) immediately preceding such Payment Date as determined by the Collateral Administrator.

"**Senior Obligation**" means a Collateral Obligation that is a Secured Senior Obligation, an Unsecured Senior Obligation or a Second Lien Loan.

"**Similar Law**" means any federal, state, local, non-U.S. or other law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or any interest therein) by virtue of its interest and thereby subject the Issuer or the Collateral Manager (or other persons responsible for the investment and operation of the Issuer's assets) to Other Plan Law.

"**Special Redemption**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Special Redemption Amount**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Special Redemption Date**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Spot Rate**" means, with respect to any conversion of any currency into Euro or, as the case may be, of Euro into any other relevant currency, the relevant spot rate of exchange quoted by the Collateral Administrator in consultation with the Collateral Manager on the date of calculation.

"**Structured Finance Security**" means any debt security which is secured directly, or represents the ownership of, a pool of consumer receivables, auto loans, auto leases, equipment leases, home or commercial mortgages, corporate debt or sovereign debt obligations or similar assets, including, without limitation, collateralised bond obligations, collateralised loan obligations or any similar security.

"**Subordinated Management Fee**" means the fee payable to the Collateral Manager in arrears on each Payment Date in respect of the immediately preceding Due Period, pursuant to the Collateral Management and Administration Agreement equal (exclusive of any VAT thereon) to 0.35 per cent. per annum (calculated semi-annually in respect of each semi-annual Due Period following the occurrence of a Frequency Switch Event and quarterly at all other times and, in each case, on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the Collateral Principal Amount as at the first day of the Due Period relating to the applicable Payment Date (or, if such day is not a Business Day, the next day which is a Business Day) immediately preceding such Payment Date, as determined by the Collateral Administrator.

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

"**Subordinated Notes**" have the meaning ascribed to them in the first paragraph of these Conditions.

"**Subordinated Notes Initial Offer Price Percentage**" means 95.00 per cent.

"**Subordinated Obligation**" means a debt obligation that by its terms and conditions is subordinated to all non-subordinated debt obligations of the relevant Obligor.

"**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.

"**Supplemental Reserve Account**" means an account in the name of the Issuer held and administered outside of The Netherlands, so entitled and held with the Account Bank.

"**Supplemental Reserve Amount**" means, with respect to any Payment Date during the Reinvestment Period, the amount of Interest Proceeds deposited to the Supplemental Reserve Account on such Payment Date in accordance with paragraph (AA) of the Interest Priority of Payments, at the sole discretion of the Collateral Manager, which amounts shall not exceed €3,000,000 in the aggregate for any Payment Date or an aggregate amount for all applicable Payment Dates of €9,000,000.

"**Swapped Non-Discount Obligation**" means any Collateral Obligation that would otherwise be considered a Discount Obligation, but that is purchased with the Sale Proceeds of a Collateral Obligation (the "**Original Obligation**") that was not a Discount Obligation at the time of its purchase, and will not be considered a Discount Obligation so long as such purchased Collateral Obligation:

(a) is purchased or committed to be purchased within 15 Business 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;

(c) is purchased at a price not less than 60 per cent. of the Principal Balance thereof; and

(d) the S&P Rating thereof is equal to or higher than the S&P Rating of the Original Obligation or the Fitch Rating thereof is equal to or higher than the Fitch Rating of the Original Obligation,

provided, however that:

(i) to the extent the aggregate Principal Balance of all Swapped Non-Discount Obligations held by the Issuer as at the relevant date of determination exceeds 7.5 per cent. of the Collateral Principal Amount, such excess will not constitute Swapped Non-Discount Obligations;

(ii) to the extent the cumulative aggregate Principal Balance of all Swapped Non-Discount Obligations acquired by the Issuer on or after the Issue Date (for the avoidance of doubt, whether or not each such Swapped Non-Discount Obligation is currently held by the Issuer) exceeds 10.0 per cent. of the Target Par Amount, such excess will not constitute Swapped Non-Discount Obligations;

(iii) in the case of a Collateral Obligation that is an interest in a Floating Rate Collateral Obligation, such Collateral Obligation will cease to be a Swapped Non-Discount Obligation at such time as the Market Value (expressed as a percentage of its Principal Balance) for such Collateral Obligation on each day during any period of 30 consecutive days since the acquisition of such Collateral Obligation equals or exceeds 90.0 per cent.; and

(iv) in the case of any Collateral Obligation that is an interest in a Fixed Rate Collateral Obligation, such Collateral Obligation will cease to be a Swapped Non-Discount Obligation at such time as the Market Value (expressed as a percentage of its Principal Balance) for such Collateral Obligation on each day during any period of 30 consecutive days since the acquisition of such Collateral Obligation equals or exceeds 85.0 per cent.

"**Synthetic Security**" means a security or swap transaction (other than a Participation) that has payments of interest or principal on a reference obligation or the credit performance of a reference obligation.

"**Target Par Amount**" means €400,000,000.

"**TARGET2**" means the Trans-European Automated Real-time Gross Settlement Express Transfer system (or, if such system ceases to be operative, such other system (if any) determined by the Trustee to be a suitable replacement).

"**Trading Gains**" means, in respect of any Collateral Obligation which is repaid, prepaid, redeemed or sold, any excess of (a) the Principal Proceeds or Sale Proceeds received in respect thereof over (b) the greater of (A) the Principal Balance thereof (where for such purpose "**Principal Balance**" shall be determined as set out in the definition of Collateral Principal Amount for the purposes of compliance with the EU Retention and Transparency Requirements) and (B) the product of the purchase price (expressed as a percentage) and the Principal Balance thereof (where for such purpose "**Principal Balance**" shall be determined as set out in the definition of Collateral Principal Amount for the purposes of compliance with the EU Retention and Transparency Requirements), in each case net of (i) any expenses incurred in connection with any repayment, prepayment, redemption or sale thereof, and (ii) 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 the Notes and these Conditions), the Irish Security Agreement, the Agency and Account Bank Agreement, the Placement Agency Agreement, the Retention Note Purchase Deed, the Collateral Management and Administration Agreement, each Hedge Agreement, each Reporting Delegation Agreement, each Collateral Acquisition Agreement, the Participation Agreements, the Issuer Management Agreement, the Letter of Undertaking, the Warehouse Deed of Release and any document supplemental thereto or issued in connection therewith.

"**Trustee Fees and Expenses**" means the fees and expenses (including, without limitation, legal fees) and all other amounts payable to the Trustee (or any Receiver, agent, delegate or other Appointee of the Trustee pursuant to the Trust Deed or the Irish Security Agreement) pursuant to the Trust Deed or any other Transaction Document from time to time plus any applicable VAT (whether payable to the relevant tax authority or to the relevant party) thereon payable under the Trust Deed or any other Transaction Document, including indemnity payments and, in respect of any Refinancing, any fees, costs, charges and expenses (including, without limitation, legal fees) properly incurred by the Trustee.

"**Underlying Instrument**" means the agreements or instruments pursuant to which a Collateral Obligation has been issued or created and each other agreement that governs the terms of, or secures the obligations represented by, such Collateral Obligation or under which the holders or creditors under such Collateral Obligation are the beneficiaries.

"**Unfunded Amount**" means, with respect to any Revolving Obligation or Delayed Drawdown Collateral Obligation, the excess, if any, of (i) the Commitment Amount under such Revolving Obligation or Delayed Drawdown Collateral Obligation, as the case may be, at such time over (ii) the Funded Amount thereof at such time.

"**Unfunded Revolver Reserve Account**" means the account of the Issuer established and maintained with the Account Bank pursuant to the Agency and Account Bank Agreement, amounts standing to the credit of which, subject to certain conditions, may be used to fund in full the amount of any unfunded commitments or unfunded liabilities from time to time, in relation to Delayed Drawdown Collateral Obligations and Revolving Obligations.

"**Unpaid Class X Principal Amortisation Amount**" means, in relation to a Payment Date (the "**Current Payment Date**"), the aggregate amount of the Class X Principal Amortisation Amount for any prior Payment Date that was not paid on such prior Payment Date and remains unpaid on such Current Payment Date.

"**Unsaleable Assets**" means (a)(i) a Defaulted Obligation, (ii) an Equity Security or (iii) an obligation received in connection with an Offer, in a restructuring or plan of reorganisation with respect to the obligor, in each case, in respect of which the Issuer has not received a payment in cash during the preceding 12 months or (b) any Collateral Obligation or Eligible Investment identified in an officer's certificate of the Collateral Manager as having a Market Value multiplied by its Principal Balance of less than Euro 1,000, in the case of each of (a) and (b) with respect to which the Collateral Manager certifies to the Trustee that (x) it has made commercially reasonable endeavours to dispose of such obligation for at least 90 days and (y) in its commercially reasonable judgment such obligation is not expected to be saleable in the foreseeable future.

"**Unscheduled Principal Proceeds**" means:

(a) with respect to any Collateral Obligation (other than a Currency Hedge Obligation), principal proceeds received by the Issuer prior to the Collateral Obligation Stated Maturity thereof as a result of optional redemptions, prepayments (including any acceleration) or Offers (excluding any premiums or make whole amounts in excess of the principal amount of such Collateral Obligation);

(b) with respect to any Currency Hedge Obligation, the Currency Hedge Counterparty Principal Exchange Amount payable in respect of the amounts referred to in (a) above pursuant to the related Currency Hedge Transaction, together with:

  (i) any related Currency Hedge Termination Receipts but less any related Currency Hedge Issuer Termination Payment (to the extent any are payable and in each case determined without regard to the exclusions of unpaid amounts and Currency Hedge Counterparty Principal Exchange Amounts or (as applicable) Currency Hedge 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 Hedge Transaction; and

  (ii) any related Currency Hedge Replacement Receipts but only to the extent not required for application towards any related Currency Hedge Issuer Termination Payments.

"**Unsecured Senior Bond**" means a Collateral Obligation that is a senior unsecured debt security in the form of or represented by a bond, note, certificated debt security or other debt security (that is not an Unsecured Senior Loan) as determined by the Collateral Manager in its reasonable business judgment, provided that it:

(a) is senior to any Subordinated Obligation of the Obligor as determined by the Collateral Manager in its reasonable business judgment; and

(b) is not secured (i) by fixed assets of the Obligor or guarantor thereof if and to the extent that the granting of security over such assets is permissible under applicable law or (ii) by at least 80 per cent. of the equity interests in the stock of an entity owning such fixed assets.

"**Unsecured Senior Loan**" means a Collateral Obligation that:

(a) is a loan obligation senior to any Subordinated Obligation of the Obligor as determined by the Collateral Manager in its reasonable business judgment; and

(b) is not secured (i) by fixed assets of the Obligor or guarantor thereof if and to the extent that the granting of security over such assets is permissible under applicable law or (ii) by at least 80 per cent. of the equity interests in the stock of an entity owning such fixed assets.

"**Unsecured Senior Obligation**" means an Unsecured Senior Bond or an Unsecured Senior Loan.

"**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. Risk Retention Rules**" means the final rules implementing the credit risk retention requirements of Section 15G of the Exchange Act (codified at 17 C.F.R § 246.1-246.22).

"**VAT**" means:

(a) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and

(b) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a), or imposed elsewhere.

"**Warehouse Arrangements**" means the warehouse financing entered into by the Issuer prior to the Issue Date to, *inter alia*, finance the acquisition of Collateral Obligations prior to the Issue Date and related arrangements.

"**Warehouse Deed of Release**" means the termination agreement dated on or about the Issue Date relating to the termination of the Warehouse Arrangements.

"**Weighted Average Fixed Coupon**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Weighted Average Life Test**" has the meaning given to it in the Collateral Management and Administration Agreement.

"**Weighted Average 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 (i) global, certificated, fully registered form, without interest coupons, talons and principal receipts attached or (ii) definitive, certificated, fully registered form, without interest coupons, talons and principal receipts attached, in the applicable Minimum Denomination and integral multiples of any Authorised Integral Amount in excess thereof. A Global Certificate or Definitive Certificate (as applicable) will be issued to each Noteholder in respect of its registered holding of Notes. Each Definitive Certificate will be numbered serially with an identifying

number which will be recorded in the Register which the Issuer shall procure to be kept by the Registrar. The Register (and any entire counterpart thereof) shall at all times be kept and maintained outside the United Kingdom.

(b) Title to the Registered Notes

Title to the Notes passes upon registration of transfers in the Register in accordance with the provisions of the Agency and Account Bank Agreement and the Trust Deed. Notes will be transferable only on the books of the Issuer and its agents. The registered holder of any Note will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the holder.

(c) Transfer

In respect of Notes represented by a Definitive Certificate, one or more Notes may be transferred in whole or in part in nominal amounts of the applicable Authorised Denomination only upon the surrender, at the specified office of the Registrar or the Transfer Agent, of the Definitive Certificate representing such Note(s) to be transferred, with the form of transfer endorsed on such Definitive Certificate duly completed and executed and together with such other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Notes represented by one Definitive Certificate, a new Definitive Certificate will be issued to the transferee in respect of the part transferred and a further new Definitive Certificate in respect of the balance of the holding not transferred will be issued to the transferor. Interests in a Global Certificate will be transferable in accordance with the rules and procedures for the time being of the relevant Clearing System.

(d) Delivery of New Certificates

Each new Definitive Certificate to be issued pursuant to Condition 2(c) (*Transfer*) will be available for delivery within five Business Days of receipt of such form of transfer or of surrender of an existing certificate upon partial redemption. Delivery of new Definitive Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar, as the case may be, to whom delivery or surrender shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the form of transfer or otherwise in writing, shall be sent by courier, at the risk of the holder entitled to the new Definitive Certificate, to such address as may be so specified. In this Condition 2(d) (*Delivery of New Certificates*), "Business Day" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified offices of the Transfer Agent and the Registrar.

(e) Transfer Free of Charge

Transfer of Notes and Global Certificates or Definitive Certificates (as applicable) representing such Notes in accordance with these Conditions on registration or transfer will be effected without charge to the Noteholders by or on behalf of the Issuer, the Registrar or the Transfer Agent, but upon payment (or the giving of such indemnity as the Registrar or the Transfer Agent may require in respect thereof) of any tax or other governmental charges which may be imposed in relation to it.

(f) Closed Periods

No Noteholder may require the transfer of a Note to be registered (i) during the period of 15 calendar days ending on the due date for redemption (in full) of that Note or (ii) during the period of seven calendar days ending on (and including) any Record Date.

(g) Regulations Concerning Transfer and Registration

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning the transfer of Notes scheduled to the Trust Deed, including without limitation, that a transfer of Notes in breach of certain of such regulations will result in such transfer being void *ab initio*. The regulations may be changed by the Issuer in any manner which is reasonably required by the Issuer (after consultation with the Trustee) to reflect changes in legal or regulatory requirements or in any other manner which, in the opinion of the Issuer (after consultation with the Trustee and subject to

not less than 60 days' notice of any such change having been given to the Noteholders in accordance with Condition 16 (*Notices*)), is not prejudicial to the interests of the holders of the relevant Class of Notes. A copy of the current regulations may be inspected at the offices of the Transfer Agent during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for the term of the Notes and will be sent by the Registrar to any Noteholder who so requests.

(h) Forced Transfer of Rule 144A Notes

If the Issuer determines at any time that a holder of Rule 144A Notes is a U.S. Person and is not a QIB/QP (any such person, a "**Non-Permitted Noteholder**"), the Issuer shall promptly after determination that such person is a Non-Permitted Noteholder by the Issuer, send notice to such Non-Permitted Noteholder demanding that such holder transfer its Notes outside the United States to a non-U.S. Person or within the United States to a U.S. Person that is a QIB/QP within 30 days of the date of such notice. If such holder fails to effect the transfer of its Rule 144A Notes within such period, (a) the Issuer or the Collateral Manager on its behalf and at the expense of the Issuer shall cause such Rule 144A Notes to be transferred in a sale to a person or entity that certifies to the Issuer, in connection with such transfer, that such person or entity either is not a U.S. Person or is a QIB/QP and (b) pending such transfer, no further payments will be made in respect of such Rule 144A Notes. The Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the Rule 144A Notes and selling such Rule 144A Notes to the highest such bidder. However, the Issuer may select a purchaser by any other means determined by it in its sole discretion. Each Noteholder and each other person in the chain of title from the permitted Noteholder to the Non-Permitted Noteholder by its acceptance of an interest in the Rule 144A Notes agrees to co-operate with the Issuer to effect such transfers. The proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to the selling Noteholder. The terms and conditions of any sale hereunder shall be determined in the sole discretion of the Issuer, subject to the transfer restrictions set out herein, and none of the Issuer, the Trustee and the Registrar shall be liable to any person having an interest in the Notes sold as a result of any such sale or the exercise of such discretion. The Issuer reserves the right to require any holder of Notes to submit a written certification substantiating that it is a QIB/QP or a non-U.S. Person. If such holder fails to submit any such requested written certification on a timely basis, the Issuer has the right to assume that the holder of the Notes from whom such a certification is requested is not a QIB/QP or a non-U.S. Person. Furthermore, the Issuer reserves the right to refuse to honour a transfer of beneficial interests in a Rule 144A Note to any Person who is not either a non-U.S. Person or a U.S. Person that is a QIB/QP.

(i) Forced Transfer pursuant to ERISA

If any Noteholder has made, as applicable, a representation or deemed representation required hereby regarding its status as a Benefit Plan Investor or Controlling Person, or regarding the prohibited transaction provisions of ERISA or provisions of Similar Law or Other Plan Law (in each case, as applicable), and the Issuer has subsequently determined that (i) the representation or deemed representation is false or misleading, or (ii) that the Noteholder is a Benefit Plan Investor or Controlling Person whose beneficial ownership otherwise causes a violation of the 25 per cent limitation set out in the Plan Asset Regulation (any such Noteholder a "**Non-Permitted ERISA Noteholder**"), the Non-Permitted ERISA Noteholder may be required by the Issuer to sell or otherwise transfer its Notes to an eligible purchaser (selected by the Issuer) at a price to be agreed between the Issuer (exercising its sole discretion) and such eligible purchaser at the time of sale, subject to the transfer restrictions set out in the Trust Deed. Each Noteholder and each other Person in the chain of title from the Noteholder, by its acceptance of an interest in such Notes, agrees to cooperate with the Issuer to the extent required to effect such transfers. None of the Issuer, the Trustee and the Registrar shall be liable to any Noteholder having an interest in the Notes sold or otherwise transferred as a result of any such sale or transfer. The Issuer shall be entitled to deduct from the sale or transfer price an amount equal to all the expenses, taxes and costs incurred and any loss suffered by the Issuer as a result of such forced transfer. The Non-Permitted ERISA Noteholder will receive the balance, if any.

(j) Forced Transfer pursuant to FATCA

Each Noteholder (which, for the purposes of this Condition 2(j) (*Forced transfer pursuant to FATCA*) 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/or the CRS 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 also assign each such Note a separate CUSIP, ISIN, and/or similar identifier in the Issuer's sole discretion. For the avoidance of doubt, the Issuer shall have the right to sell a beneficial owner's interest in a Note in its entirety notwithstanding that the sale of a portion of such an interest would permit the Issuer to comply with FATCA.

(k) Forced Transfer mechanics

In order to effect the forced transfer provisions set out in Conditions 2(h) (*Forced Transfer of Rule 144A Notes*), 2(i) (*Forced Transfer pursuant to ERISA*) and 2(j) (*Forced Transfer pursuant to FATCA*), the Issuer may repay any affected Notes and issue replacement Notes and the Issuer, the Trustee and the Agents (each at the expense of the Issuer) shall work with the Clearing Systems to take such action as may be necessary to effect such repayment and issue of replacement Notes.

Each Noteholder and each other Person in the chain of title from the Noteholder, by its acceptance of an interest in such Notes, authorises the Trustee, the Agents and the Clearing Systems to take such action as may be necessary to effect the forced transfer provisions set out in Conditions 2(h) (*Forced Transfer of Rule 144A Notes*), 2(i) (*Forced Transfer pursuant to ERISA*) and 2(j) (*Forced Transfer pursuant to FATCA*) without the need for further express instruction from any affected Noteholder. Each Noteholder and each other Person in the chain of title from the Noteholder, by its acceptance of an interest in such Notes, agrees that it shall be bound by any such action taken by the Issuer, the Trustee, the Agents and the Clearing Systems.

(l) Registrar authorisation

The Noteholders hereby authorise the Registrar and the Clearing Systems to take such actions as are necessary in order to effect the forced transfer provisions set out in Conditions 2(h) (*Forced Transfer of Rule 144A Notes*), 2(i) (*Forced Transfer pursuant to ERISA*) and 2(j) (*Forced Transfer pursuant to FATCA*) above without the need for any further express instruction from any affected Noteholder. The Noteholders shall be bound by any actions taken by the Registrar, the Clearing Systems or any other party taken pursuant to the above-named Conditions.

(m) Exchange of Voting/Non-Voting Notes

(i) Each Class A Note, Class B-1 Note, Class B-2 Note, Class C-1 Note, Class C-2 Note and Class D Note may be in the form of a CM Voting Note, a CM Non-Voting Exchangeable Note or a CM Non-Voting Note.

(ii) 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.

(iii) 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.

(iv) 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.

(v) Any Rated Notes held by or on behalf of the Collateral Manager or any Collateral Manager Related Person at any time may only be held in the form of CM Non-Voting Exchangeable Notes.

3. Status

(a) Status

The Notes of each Class constitute direct, general, secured, unconditional obligations of the Issuer, recourse in respect of which is limited in the manner described in Condition 4(c) (*Limited Recourse and Non-Petition*). The Notes of each Class are secured in the manner described in Condition 4(a) (*Security*) and, within each Class, shall at all times rank *pari passu* and without any preference amongst themselves.

(b) Relationship Among the Classes

The Notes of each Class are constituted by the Trust Deed and are secured on the Collateral as further described in the Trust Deed and the Irish Security Agreement. Payments of interest on the Class X Notes and 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 X Notes and the Class A Notes and but senior in right of payment to payments of interest in respect of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes; payment of interest on the Class C Notes will be subordinated in right of payment to payments of interest in respect of the Class X Notes, the Class A Notes and the Class B Notes, but senior in right of payment to payments of interest on the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes; payment of interest on the Class D Notes will be subordinated in right of payment to payments of interest in respect of the Class X Notes, the Class A Notes, the Class B Notes and the Class C Notes, but senior in right of payment to payments of interest on the Class E Notes, the Class F Notes and the Subordinated Notes; payment of interest on the Class E Notes will be subordinated in right of payment to payments of interest in respect of the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, but senior in right of payment to payments of interest on the Class F Notes and the Subordinated Notes; payment of interest on the Class F Notes will be subordinated in right of payment to payments of interest in respect of the Class X Notes, the Class A Notes, the Class C Notes, the Class D Notes and the Class E Notes but senior in right of payment to payments of interest in respect of the Subordinated Notes and payment of interest on the Subordinated Notes will be subordinated in right of payment to payment of interest in respect of the Rated Notes. Payments of interest on the Class B-1 Notes and the Class B-2 Notes shall be paid *pari passu* and without any preference amongst themselves. Payments of interest on the Class C-1 Notes and the C-2 Notes shall be paid *pari passu* and without any preference amongst themselves. 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 X Notes, 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 X Notes, 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 X Notes, 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 X Notes, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes. No amount of principal in respect of the Class F Notes shall become due and payable until redemption and payment in full of the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the

Class E Notes. Subject to the applicability of the Post-Acceleration Priority of Payments, the Subordinated Notes will be entitled to receive, out of Principal Proceeds, the amounts described under the Principal Priority of Payments on a *pari passu* basis. Payments on the Subordinated Notes are subordinated to payments on the Rated Notes and other amounts described in the Priorities of 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. Repayment of principal on the Class B-1 Notes and the Class B-2 Notes shall be paid *pari passu* and without any preference amongst themselves. Repayment of principal on the Class C-1 Notes and the Class C-2 Notes shall be paid *pari passu* and without any preference amongst themselves.

(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 on each Payment Date (i) prior to the acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*); (ii) following acceleration of the Notes which has subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*); and (iii) other than in connection with an optional redemption in whole under Condition 7(b) (*Optional Redemption*) or in accordance with Condition 7(g) (*Redemption Following Note Tax Event*) (in which event the Post-Acceleration Priority of Payments shall apply), 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:

(A) to the payment of (i) firstly taxes owing by the Issuer accrued in respect of the related Due Period (other than any Dutch corporate income tax payable in relation to the amounts equal to the minimum profit referred to in (ii) below) as certified by an Authorised Officer of the Issuer to the Collateral Administrator, if any, (save for any VAT payable in respect of any Collateral Management Fee or any other amounts in respect of tax payable to any person in accordance with the following paragraphs (B) to (DD)); and (ii) secondly the amounts equal to the minimum profit to be retained by the Issuer for Dutch tax purposes to be retained by the Issuer, for deposit into the Issuer Dutch Account from time to time;

(B) to the payment of accrued and unpaid Trustee Fees and Expenses, up to an amount equal to the sum of the Senior Expenses Cap in respect of the related Due Period and the Balance of the Expense Reserve Account as at the date of transfer of any amounts from the Expense Reserve Account pursuant to paragraph (4) of Condition 3(j)(x) (*Expense Reserve Account*) (after taking into account all other payments to be made out of the Expense Reserve Account on such date) provided that, following the occurrence of an Event of Default, the Senior Expenses Cap shall not apply;

(C) to the payment of Administrative Expenses in the priority stated in the definition thereof, up to an amount equal to the sum of the Senior Expenses Cap in respect of the related Due Period and the Balance of the Expense Reserve Account as at the date of transfer of any amounts from the Expense Reserve Account pursuant to paragraph (4) of Condition 3(j)(x) (*Expense Reserve Account*) (after taking into account all other payments to be made out of the Expense Reserve Account on such date) less any amounts paid pursuant to paragraph (B) above provided that, following the occurrence of an Event of Default, the Senior Expenses Cap shall not apply;

(D) to the Expense Reserve Account, at the Collateral Manager's discretion, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period less (i) any amounts paid pursuant to paragraph (B) and (C) above and (ii) any amounts paid out of the Expense Reserve Account in respect of the related Due Period;

(E) to the payment:

(1) *firstly*, to the Collateral Manager of the Senior Management Fee due and payable on such Payment Date and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority); and

(2) *secondly*, to the Collateral Manager, any previously due and unpaid Senior Management Fees and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority);

(F) to the payment of:

(1) *firstly*, on a *pro rata* basis, (i) any Scheduled Periodic Hedge Issuer Payments, (ii) any Currency Hedge Issuer Termination Payments (to the extent not paid out of the Currency Account, the relevant Counterparty Downgrade Collateral Account or any Hedge Termination Account and other than Defaulted Currency Hedge Termination Payments) and (iii) any Interest Rate Hedge Issuer Termination Payments (to the extent not paid out of the Interest Account, the relevant Counterparty Downgrade Collateral Account or any Hedge Termination Account and other than Defaulted Interest Rate Hedge Termination Payments) and

(2) *secondly*, on a *pro rata* basis, any Hedge Replacement Payments (to the extent not paid out of any Hedge Termination Account);

(G) to the payment on a *pro rata* and *pari passu* basis of (i)(a) all Interest Amounts due and payable on the Class X Notes in respect of the Accrual Period ending on such Payment Date, (b) the Class X Principal Amortisation Amount due and payable on such Payment Date and (c) any Unpaid Class X Principal Amortisation Amount as of such Payment Date, and (ii) all Interest Amounts due and payable on the Class A Notes in respect of the Accrual Period ending on such Payment Date and all other Interest Amounts due and payable on such Class A Notes;

(H) to the payment on a *pro rata* and pari passu basis of all Interest Amounts due and payable on the Class B-1 Notes and the Class B-2 Notes in respect of the Accrual Period ending on such Payment Date and all other Interest Amounts due and payable on such Class B-1 Notes and Class B-2 Notes;

(I) if either of the Class A/B Coverage Tests is not satisfied on any Determination Date on and after the Effective Date or, in the case of the Class A/B Interest Coverage Test, on the Determination Date preceding the second Payment Date or any Determination Date thereafter, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class A/B Coverage Test to be satisfied if recalculated immediately following such redemption;

(J) to the payment on a *pro rata* basis of the Interest Amounts due and payable on the Class C Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(K) to the payment on a *pro rata* and *pari passu* basis of any Deferred Interest on the Class C-1 Notes and the Class C-2 Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(L) if either of the Class C Coverage Tests is not satisfied on any Determination Date on and after the Effective Date or, in the case of the Class C Interest Coverage Test, on the Determination Date preceding the second Payment Date or any Determination Date thereafter, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class C Coverage Test to be met if recalculated immediately following such redemption;

(M) to the payment on a *pro rata* and *pari passu* basis of the the Interest Amounts and the Class D Additional Amount due and payable on the Class D Notes in respect of the Accrual Period

ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(N) to the payment on a *pro rata* basis of any Deferred Interest on the Class D Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(O) if either of the Class D Coverage Tests is not satisfied on any Determination Date on and after the Effective Date or, in the case of the Class D Interest Coverage Test, on the Determination Date preceding the second Payment Date or any Determination Date thereafter, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class D Coverage Test to be met if recalculated immediately following such redemption;

(P) to the payment on a pro rata basis of 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 on and after the Effective Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause the Class E Par Value Test to be met if recalculated immediately following such redemption;

(S) to the payment on a *pro rata* basis of Interest Amounts due and payable on the Class F Notes in respect of the accrual period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(T) to the payment on a *pro rata* basis of any Deferred Interest on the Class F Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(U) if the Class F Par Value Test is not satisfied on any Determination Date on and after the Effective Date or any Determination Date thereafter, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause the Class F Par Value Test to be satisfied if recalculated immediately following such redemption;

(V) on the Payment Date following the Effective Date and each Payment Date thereafter to the extent required, in the event of the occurrence of an Effective Date Rating Event which is continuing on the 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;

(W) on and after the Effective Date during the Reinvestment Period only, if after giving effect to the payment of all amounts payable in respect of paragraphs (A) through (V) (inclusive) above, the Reinvestment Overcollateralisation Test has not been met, to the payment in an amount (such amount, the "**Required Diversion Amount**") equal to the lesser of (1) 50 per cent. of all remaining Interest Proceeds available for payment and (2) the amount which, after giving effect to the payment of all amounts payable in respect of paragraphs (A) through (V) (inclusive) above, would be sufficient to cause the Reinvestment Overcollateralisation Test to be met, at the discretion of the Collateral Manager (acting on behalf of the Issuer):

(1) into the Principal Account for the acquisition of additional Collateral Obligations; or

(2) to pay the Rated Notes in accordance with the Note Payment Sequence;

(X) to the payment:

(1) *firstly*, to the Collateral Manager of the Subordinated 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);

(2) *secondly*, to the Collateral Manager of any previously due and unpaid Subordinated Management Fee and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority); and

(3) *thirdly*, to the repayment of any Collateral Manager Advances and any interest thereon;

(Y) to the payment of Trustee Fees and Expenses (if any) not paid by reason of the Senior Expenses Cap;

(Z) to the payment of Administrative Expenses (if any) not paid by reason of the Senior Expenses Cap, in relation to each item thereof in the order of priority stated in the definition thereof;

(AA) to the payment on a *pari passu* and *pro rata* basis, any Defaulted Currency Hedge Termination Payments due to any Currency Hedge Counterparty, any Defaulted Interest Rate Hedge Termination Payments due to any Interest Rate Hedge Counterparty, to the extent not paid out of any Hedge Termination Account or any relevant Counterparty Downgrade Collateral Account;

(BB) during the Reinvestment Period at the direction and in the discretion of the Collateral Manager, to transfer to the Supplemental Reserve Account any Supplemental Reserve Amount;

(CC) subject to the Incentive Collateral Management Fee IRR Threshold having been reached (after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date, including pursuant to paragraph (DD) below and paragraph (U) of the Principal Priority of Payments) (a) firstly, to the payment to the Collateral Manager of 20 per cent. of any remaining Interest Proceeds (after any payment required to be made to the Subordinated Noteholders pursuant to paragraph (DD) below to satisfy the Incentive Collateral Management Fee IRR Threshold), in the payment of the Incentive Collateral Management Fee; and (b) secondly to the payment of any VAT in respect of the Incentive Collateral Management Fee referred to in (a) above (whether payable to the Collateral Manager or directly to the relevant taxing authority); and

(DD) any remaining Interest Proceeds 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 Supplemental Reserve Account and whose Reinvestment Amount is accepted subject to the provisions of Condition 3(c)(iv) (*Reinvestment Amounts*)) 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:

(A) to the payment on a sequential basis of the amounts referred to in paragraphs (A) through (H) (inclusive) of the Interest Priority of Payments, but only to the extent not paid in full thereunder;

(B) to the payment of the amounts referred to in paragraph (I) of the Interest Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class A/B Coverage Tests that are applicable on such Payment Date with respect to the Class A Notes or the Class B Notes to be met as of the related Determination Date;

(C) to the payment of the amounts referred to in paragraph (J) of the Interest Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class C Notes are the Controlling Class;

(D) to the payment of the amounts referred to in paragraph (K) of the Interest Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class C Notes are the Controlling Class;

(E) to the payment of the amounts referred to in paragraph (L) of the Interest Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class C Coverage Tests that are applicable on such Payment Date with respect to the Class C Notes to be met as of the related Determination Date;

(F) to the payment of the amounts referred to in paragraph (M) of the Interest Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class D Notes are the Controlling Class;

(G) to the payment of the amounts referred to in paragraph (N) of the Interest Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class D Notes are the Controlling Class;

(H) to the payment of the amounts referred to in paragraph (O) of the Interest Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class D Coverage Tests that are applicable on such Payment Date to be met as of the related Determination Date;

(I) to the payment of the amounts referred to in paragraph (P) of the Interest Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class E Notes are the Controlling Class;

(J) to the payment of the amounts referred to in paragraph (Q) of the Interest Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class E Notes are the Controlling Class;

(K) to the payment of the amounts referred to in paragraph (R) of the Interest Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class E Par Value Test to be met as of the related Determination Date;

(L) to the payment of the amounts referred to in paragraph (S) of the Interest Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class F Notes are the Controlling Class;

(M) to the payment of the amounts referred to in paragraph (T) of the Interest Priority of Payments but only to the extent not paid in full thereunder and only to the extent that the Class F Notes are the Controlling Class;

(N) to the payment of the amounts referred to in paragraph (U) of the Interest Priority of Payments, but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class F Par Value Test to be met as of the related Determination Date;

(O) if such Payment Date is a Special Redemption Date, at the election of the Collateral Manager to make payments in an amount equal to the Special Redemption Amount (if any) applicable to such Payment Date in accordance with the Note Payment Sequence;

(P) (1) during the Reinvestment Period, at the discretion of the Collateral Manager, either to the purchase of Substitute Collateral Obligations or to the Principal Account pending reinvestment in Substitute Collateral Obligations at a later date in each case in accordance with the Collateral Management and Administration Agreement;

(2) after the Reinvestment Period in the case of Principal Proceeds representing Unscheduled Principal Proceeds and Sale Proceeds from the sale of Credit Improved Obligations and Credit Risk Obligations at the discretion of the Collateral Manager, either to the purchase of Substitute Collateral Obligations or to the Principal Account pending reinvestment in Substitute Collateral Obligations at a later date in each case in accordance with the Collateral Management and Administration Agreement;

(Q) after the Reinvestment Period, to redeem the Notes in accordance with the Note Payment Sequence;

(R) after the Reinvestment Period, to the payment on a sequential basis of the amounts referred to in paragraphs (W) through (Z) (inclusive) of the Interest Priority of Payments, but only to the extent not paid in full thereunder;

(S) 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 (S) with respect to their respective Subordinated Notes, *pro rata* in accordance with the respective aggregate Reinvestment Amounts with respect to the Subordinated Notes;

(T) subject to the Incentive Collateral Management Fee IRR Threshold having been reached (after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date, including pursuant to paragraph (U) below and paragraph (DD) of the Interest Priority of Payments) (a) firstly, to the payment to the Collateral Manager of 20 per cent. of any remaining Principal Proceeds (after any payment required to be made to the Subordinated Noteholders pursuant to paragraph (U) below to satisfy the Incentive Collateral Management Fee IRR Threshold) in payment of the Incentive Collateral Management Fee; and (b) secondly, to the payment of any VAT in respect of the Incentive Collateral Management Fee referred to in (a) above (whether payable to the Collateral Manager or directly to the relevant taxing authority); and

(U) any remaining Principal Proceeds to the payment of principal on the Subordinated Notes on a *pro rata* basis and thereafter to the payment of interest on a *pro rata* basis on the Subordinated Notes (in each case determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption).

(iii) Withholding Taxes

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.

(iv) Reinvestment Amounts

During the Reinvestment Period, any holder of Subordinated Notes may notify the Issuer, the Trustee, the Collateral Administrator and the Collateral Manager that it proposes to:

(A) make a cash contribution to the Issuer;

(B) 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 (DD) of the Interest Priority of Payments or paragraph (U) of the Principal Priority of Payments, provided that the relevant Subordinated Notes are held in the form of Definitive Certificates or the procedures of the clearing systems can facilitate such designation; or

(C) subscribe for additional Subordinated Notes issued pursuant to Condition 17(b) (*Additional Issuances*), as applicable. Any such proposed Reinvestment Amount is subject to the condition that:

(1) no more than a total of three Reinvestment Amounts may be effected in aggregate in respect of all Subordinated Notes held by such Subordinated Noteholder; and

(2) each Reinvestment Amount is in an amount no less than Euro 1,000,000.

The Collateral Manager, in consultation with such holder (but in the Collateral Manager's sole discretion), will determine (A) whether to accept any proposed Reinvestment Amount and (B) the Permitted Use to which such proposed Reinvestment Amount would be applied. The Collateral Manager will provide written notice of such determination to the applicable Reinvesting Noteholder(s) thereof and such Reinvestment Amount will be accepted by the Issuer. If such Reinvestment Amount is accepted by the Collateral Manager, it will be deposited by the Issuer into the Supplemental Reserve Account and applied to a Permitted Use determined by the Collateral Manager. Amounts deposited pursuant to sub-paragraph (ii) above will be deemed to constitute payment of the amounts designated thereunder for purposes of all distributions from the Payment Account to be made on such Payment Date. Any amount so deposited shall not earn interest and shall not increase the principal balance of the Subordinated Notes held by such holder. Unless retained as directed by the applicable Reinvesting Noteholder, Reinvestment Amounts will be paid to the applicable Reinvesting Noteholder on the first subsequent Payment Date on which Principal Proceeds are available therefor as provided in paragraph (S) of the Principal Priority of Payments or on which Interest Proceeds and Principal Proceeds are available therefor as provided in the Post-Acceleration Priority of Payments, as applicable. Any request of any Reinvesting Noteholder under sub-paragraph (ii) above shall specify the percentage(s) of the amount(s) that such Reinvesting Noteholder is entitled to receive on the applicable Payment Date in respect of distributions pursuant to paragraphs (DD) of the Interest Priority of Payments or paragraph (U) of the Principal Priority of Payments, as applicable (such Reinvesting Noteholder's "**Distribution Amount**") that such Reinvesting Noteholder wishes the Issuer to deposit in the Supplemental Reserve Account. The Collateral Manager on behalf of the Issuer will provide each such Reinvesting Noteholder with an estimate of such Reinvesting Noteholder's Distribution Amount not later than two Business Days prior to any subsequent Payment Date.

(d) Non-payment of Amounts

Failure on the part of the Issuer to pay the Interest Amounts on the Class X Notes, 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 a Note Event of Default unless and until such failure continues for a period of five Business Days or seven Business Days in the case of an administrative error or omission as described in Condition 10(a)(i) (*Non Payment of Interest)*, save in each case as the result of any deduction therefrom or the imposition of withholding thereon as set forth in Condition 9 (*Taxation*).

Failure on the part of the Issuer to pay the Interest Amounts on the Class C Notes, Class D Notes, Class E Notes or Class F Notes pursuant to Condition 6 (*Interest*) in accordance with the Priorities of Payment by reason solely that there are insufficient funds standing to the credit of the Payment Account shall not constitute a Note Event of Default, but instead will constitute Deferred Interest pursuant to Condition 6(c) (*Deferral of Interest*) unless a Frequency Switch Event has occurred and such Class is the senior most Class of Notes Outstanding.

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

Failure on the part of the Issuer to pay any principal when the same becomes due and payable on any Rated Note on the Maturity Date or any Redemption Date and such failure to pay principal continues for at least five Business Days shall be a Note Event of Default provided that, in the case of a failure to disburse due to an administrative error or omission, such failure continues for a period of at least seven Business Days after the Issuer, the Collateral Administrator or the Principal Paying Agent receives written notice of, or has actual knowledge of, such administrative error or omission and provided further that, failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is withdrawn in accordance with the Conditions or, in the case of an Optional Redemption with respect to which a Refinancing fails, will not constitute a Note Event of Default.

Subject always, in the case of Interest Amounts payable in respect of the Class C Notes, Class D Notes, Class E Notes and Class F Notes pursuant 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, in the event of non-payment of any amounts referred to in the Interest Priority of Payments or the Principal Priority of Payments on any

Payment Date, such amounts shall remain due and shall be payable on each subsequent Payment Date in the orders of priority provided for in this Condition 3 (*Status*). References to the amounts referred to in the Interest Priority of Payments and the Principal Priority of Payments of this Condition 3 (*Status*) shall include any amounts thereof not paid when due 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, on the Business Day immediately following 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 Payment Date Report compiled by the Collateral Administrator on behalf of the Issuer) shall, on behalf of the Issuer not later than 4.00pm (London time) on the Business Day preceding each Payment Date, instruct the amounts standing to the credit of the Principal Account, the Unused Proceeds Account and if applicable the Interest Account and the Supplemental Reserve Account (together with, to the extent applicable, amounts standing to the credit of any other Account) to the extent required to pay the amounts referred to in the Interest Priority of Payments and the Principal Priority of Payments which are payable on such Payment Date to be transferred to the Payment Account in accordance with Condition 3(j) (*Payments to and from the Accounts*).

(f) De Minimis Amounts

The Collateral Administrator on behalf of the Issuer may, in consultation with the Collateral Manager, adjust the amounts required to be applied in payment of principal on the Class X Notes, the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 Notes, the Class D Notes, the Class E Notes, the Class F 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 X Note, Class A Note, Class B-1 Note, Class B-2 Note, Class C-1 Note, Class C-2 Note, Class D Note, Class E Note, Class D 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 11.00 am (London time) on the Business Day following the applicable Payment Date in 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 fraud, negligence or wilful default of the Collateral Administrator) no liability to the Issuer or the Noteholders shall attach to the Collateral Administrator in connection with the exercise or non-exercise by it of its powers, duties and discretions under this Condition 3 (*Status*).

(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:

(i) the Principal Account;

(ii) the Interest Account;

(iii) the Unused Proceeds Account;

(iv) the Payment Account;

(v) the Supplemental Reserve Account;

(vi) the Expense Reserve Account;

(vii) the Unfunded Revolver Reserve Account;

(viii) the Currency Accounts;

(ix) the Custody Account;

(x) the First Period Reserve Account;

(xi) the Interest Smoothing Account;

(xii) the Collection Account;

(xiii) the Counterparty Downgrade Collateral Accounts; and

(xiv) the Hedge Termination Accounts.

The Account Bank and the Custodian shall at all times be a financial institution satisfying the Rating Requirement applicable thereto, which is not resident or which is acting through an office which is not situated in The Netherlands but which has the necessary regulatory permissions under all Applicable Laws (including, for the avoidance of doubt, the laws of The Netherlands) to perform the services required to be performed by it under the relevant Transaction Document. 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 the case may be, which satisfies the Rating Requirement, is appointed in accordance with the provisions of the Agency and Account Bank Agreement. The Account Bank and the Custodian shall be required to hold and administer each Account outside The Netherlands.

Amounts standing to the credit of the Accounts (other than the Unfunded Revolver Reserve Account, the Counterparty Downgrade Collateral Account, the Collection Account and the Payment Account) from time to time may be invested by the Collateral Manager on behalf of the Issuer in Eligible Investments.

All interest accrued on any of the Accounts (other than any Counterparty Downgrade Collateral Accounts) from time to time shall be paid into the Interest Account, save to the extent that the Issuer is contractually bound to pay such amounts to a third party. All principal amounts received in respect of Eligible Investments standing to the credit of any Account from time to time shall be credited to that Account upon maturity, save to the extent that the Issuer is contractually bound to pay such amounts to a third party. All interest accrued on such Eligible Investments (including capitalised interest received upon the sale, maturity or termination of any such investment) shall be paid to the Interest Account as, and to the extent provided, above.

To the extent that any amounts required to be paid into any Account (other than each Counterparty Downgrade Collateral Account) pursuant to the provisions of this Condition 3 (*Status*) or any Administrative Expenses payable by the Issuer are denominated in a currency other than Euro, the Collateral Manager, acting on behalf of the Issuer, may convert such amounts into the currency of the Account at the Spot Rate as determined by the Collateral Administrator at the direction of and in consultation with the Collateral Manager.

Notwithstanding any other provisions of this Condition 3(i) (*Accounts*) or Condition 3(j) (*Payments to and from the Accounts*), all amounts standing to the credit of each of the Accounts (other than (i) the Interest Account, (ii) the Payment Account, (iii) the Expense Reserve Account, (iv) the Supplemental Reserve Account, (v) all interest accrued on the Accounts, (vi) the Counterparty Downgrade Collateral Accounts, (vii) the First Period Reserve Account, (viii) the Interest Smoothing Account and (ix) the Currency Account to the extent that the same represent Sale Proceeds in respect of Non-Euro Obligations sold subject to and in accordance with the terms of a Currency Hedge Transaction which shall be paid to the relevant Hedge Counterparty in accordance with the terms thereof outside the

Priorities of Payment) 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 Supplemental Reserve Account, the Interest Smoothing Account, the First Period Reserve Account and, to the extent not required to be repaid to any Hedge Counterparty in accordance with the Transaction Documents, 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.

Following the end of the Reinvestment Period, the Issuer (or the Collateral Manager acting on its behalf) may open additional ledgers in the Principal Account to separate payments of Scheduled Principal Proceeds and Unscheduled Principal Proceeds.

Application of amounts in respect of Hedge Issuer Tax Credit Payments 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 are paid into the Principal Account promptly upon receipt thereof, excluding any Trading Gains that are required to be paid into the Interest Account in accordance with Condition 3(j)(ii)(K)(1) (*Interest Account*) below:

(A) all principal payments received in respect of any Collateral Obligation including, without limitation:

(1) Scheduled Principal Proceeds;

(2) amounts received in respect of any maturity, scheduled amortisation, mandatory prepayment or mandatory sinking fund payment on a Collateral Obligation;

(3) Unscheduled Principal Proceeds; and

(4) any other principal payments with respect to Collateral Obligations or Eligible Investments (to the extent not included in the Sale Proceeds);

but excluding (i) any such payments received in respect of any Revolving Obligation or Delayed Drawdown Collateral Obligation, to the extent required to be paid into the Unfunded Revolver Reserve Account, (ii) principal proceeds on any Currency Hedge Obligation to the extent required to be paid into the Currency Account, (iii) any such payments received in respect of any Hedge Replacement Receipts or Hedge Counterparty Termination Payments to the extent required to be paid into a Hedge Termination Account, (iv) principal proceeds received both before and after the Reinvestment Period in connection with the acceptance of an Offer where such Offer is by way of novation or substitution (for the avoidance of doubt, such proceeds will be reinvested automatically as consideration for the novated or substitute Collateral Obligation, subject to the Restructured Obligation Criteria being satisfied) and (v) any Trading Gains or Excess Exchanged Security Sale Proceeds required to be paid into the Interest Account in accordance with Condition 3(j)(ii) (*Interest Account*);

(B) all interest and other amounts received in respect of any Defaulted Obligation or any Mezzanine Obligation for so long as it is a Defaulted Obligation 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;

(C) all premiums (including prepayment premiums) receivable upon redemption of any Collateral Obligation at maturity or otherwise or upon exercise of any put or call option in respect thereof which is above the outstanding principal amount of any Collateral Obligation;

(D) all fees and commissions received in connection with the purchase or sale of any Collateral Obligations or Eligible Investments or work out or restructuring of any Defaulted Obligations or Collateral Obligations as determined by the Collateral Manager in its reasonable discretion;

(E) all Sale Proceeds received in respect of a Collateral Obligation, excluding any Trading Gains that are required to be paid into the Interest Account in accordance with Condition 3(j)(ii)(K)(1) (*Interest Account*) below;

(F) all Distributions and Sale Proceeds received in respect of Exchanged Securities provided that any Excess Exchanged Security Sale Proceeds may, at the discretion of the Collateral Manager, be, or may be required to be, credited to the Interest Account in accordance with Condition 3(j)(ii) (*Interest Account*);

(G) all Collateral Enhancement Obligation Proceeds;

(H) all Purchased Accrued Interest;

(I) amounts transferred to the Principal Account from any other Account as required below;

(J) all proceeds received from any additional issuance of the Notes that are not invested in Collateral Obligations or required to be paid into the Supplemental Reserve Account;

(K) any other amounts received in respect of the Collateral which are not required to be paid into another Account;

(L) all amounts transferable from a Counterparty Downgrade Collateral Account to the Principal Account in accordance with Condition 3(j)(v) (*Counterparty Downgrade Collateral Accounts*) below;

(M) all amounts transferred from the Supplemental Reserve Account;

(N) all amounts transferred from the Expense Reserve Account;

(O) all principal payments received in respect of any Non-Eligible Issue Date Collateral Obligation or any other asset which did not satisfy the Eligibility Criteria on the date it was required to do so and which have not been sold by the Collateral Manager in accordance with the Collateral Management and Administration Agreement;

(P) all net proceeds of issuance of any Refinancing Obligations issued in accordance with Condition 7(b) (*Optional Redemption*);

(Q) all amounts transferred to the Principal Account from the Currency Account pursuant to paragraph (B) of Condition 3(j)(ix) (*Currency Accounts*) following exchange of such amounts into Euros (to the extent not already in Euros) by the Issuer following consultation with the Collateral Manager;

(R) all amounts payable into the Principal Account pursuant to paragraph (V) of the Interest Priority of Payments upon the failure to meet the Reinvestment Overcollateralisation Test on and after the Effective Date during the Reinvestment Period;

(S) 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*); and

(T) any amount transferred from the First Period Reserve Account.

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Principal Account, provided in each case that amounts deposited in the Principal Account pursuant to sub-paragraph (P) above shall only be applied in accordance with sub-paragraph (3) below unless, after such application on the relevant Payment Date, there is a surplus of such proceeds:

(1) on the Business Day prior to each Payment Date, all Principal Proceeds standing to the credit of the Principal Account to the Payment Account to the extent required for disbursement pursuant to the Principal Priority of Payments, save for: (a) amounts deposited after the end of the related Due Period; and (b) any Principal Proceeds deposited prior to the end of the related Due Period to the extent such Principal Proceeds are permitted to be and have been designated for reinvestment by the Collateral Manager (on behalf of the Issuer) pursuant to the Collateral Management and Administration Agreement for a period beyond such Payment Date, provided that (i) if the Coverage Tests are not satisfied, Principal Proceeds from Defaulted Obligations may not be designated for reinvestment by the Collateral Manager (on behalf of the Issuer) until after the following Payment Date or, if earlier, the date on which the Coverage Tests are satisfied and (ii) no such payment shall be made to the extent that such amounts are not required to be distributed pursuant to the Principal Priority of Payments on such Payment Date;

(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 and including any initial principal exchange amounts payable by the Issuer to a Currency Hedge Counterparty pursuant to any Currency Hedge Transaction;

(3) on any Business Day on which a Refinancing has occurred, all amounts credited to the Principal Account pursuant to sub-paragraph (P) above in redemption of the relevant Class or Classes of Rated Notes, subject to and in accordance with the applicable paragraphs of Condition 7(b) (*Optional Redemption*);

(4) on or following the Effective Date but prior to the first Payment Date, no more than 1.0 per cent. of the Target Par Amount (in aggregate) may be transferred to the Interest Account in one or more instalments, in aggregate and without duplication, from the Unused Proceeds Account pursuant to paragraph (3) of Condition 3(j)(iii) (*Unused Proceeds Account*) and/or the Principal Account pursuant to this paragraph at the direction of the Collateral Manager (on behalf of the Issuer), provided that: (i) the Rating Agencies have confirmed the Initial Ratings of the Rated Notes following delivery of the Effective Date Report (or in respect of S&P, the Effective Date S&P Condition is satisfied) and provided that such Rating Agency Confirmation shall only be required from Fitch to the extent that the Effective Date Determination Requirements have not been satisfied; (ii) immediately after giving effect to any such transfer into the Interest Account the Collateral Principal Amount (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; and (iii) immediately after giving effect to any such transfer each of the Portfolio Profile Tests, the Collateral Quality Tests and the Coverage Tests (save for the Interest Coverage Tests, which shall apply only on and after the Determination Date falling immediately prior to the second Payment Date) is satisfied; and

(5) any Trading Gains which the Collateral Manager elects to transfer to the Interest Account in accordance with Condition 3(j)(ii)(K)(2) (*Interest Account*) below.

(ii) Interest Account

The Issuer will procure that the following Interest Proceeds are credited to the Interest Account promptly upon receipt thereof:

(A) all cash payments of interest in respect of the Collateral Obligations other than any Purchased Accrued Interest, together with all amounts received by the Issuer by way of gross up in respect of such interest and in respect of a claim under any applicable double taxation treaty but excluding (i) interest proceeds on any Currency Hedge Obligation to the extent required to be paid into the Currency Account and (ii) 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 (including interest on any Eligible Investments standing to the credit thereof) (other than in respect of any Counterparty Downgrade Collateral Account);

(C) all amendment and waiver fees, all late payment fees, all commitment fees, syndication fees, delayed compensation and all other fees and commissions received in connection with any Collateral Obligations and Eligible Investments as determined by the Collateral Manager in its reasonable discretion (other than fees and commissions received in connection with the purchase or sale of any Collateral Obligations or Eligible Investments or work out or restructuring of any Defaulted Obligations or Collateral Obligations which fees and commissions shall be payable into the Principal Account and shall constitute Principal Proceeds);

(D) all accrued interest included in the proceeds of sale of any other Collateral Obligation that are designated by the Collateral Manager as Interest Proceeds pursuant to the Collateral Management and Administration Agreement (provided that no such designation may be made in respect of (i) any Purchased Accrued Interest, (ii)(1) any interest received in respect of any Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation other than Defaulted Mezzanine Excess Amounts or (2) a Defaulted Obligation save for Defaulted Obligation Excess Amounts);

(E) all amounts representing the element of deferred interest (other than Purchased Accrued Interest) in any payments received in respect of any Mezzanine Obligation which is not a Defaulted Deferring Mezzanine Obligation and which by its contractual terms provides for the deferral of interest;

(F) amounts transferred to the Interest Account from the Unused Proceeds Account in the circumstances described under Condition 3(j)(iii) (*Unused Proceeds Account*) below;

(G) all scheduled commitment fees received by the Issuer in respect of any Revolving Obligations or Delayed Drawdown Collateral Obligations;

(H) 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;

(I) all amounts transferred from the Supplemental Reserve Account;

(J) all amounts transferred from the Expense Reserve Account;

(K)

(1) if the deposit in the Principal Account of any Trading Gains realised in respect of any Collateral Obligation would, in the sole discretion of the Collateral Manager, cause (or would be likely to cause) a Retention Deficiency, Trading Gains in an amount sufficient in order to ensure that no Retention Deficiency occurs, or

(2) at the sole discretion of the Collateral Manager, any Trading Gains realised in respect of any Collateral Obligation that the Collateral Manager determines shall be paid into the Interest Account; *provided that* each of the following conditions are met immediately after giving effect to such deposit: (a) the Collateral Principal Amount (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; (b) the Class F Par Value Ratio is at least equal to 106.95 per cent.; (c) so long as the Class A Notes are Outstanding, the ratings of the Class A Notes have not been downgraded (or have not been reinstated following a downgrade)

by either Fitch or S&P below their respective ratings on the Issue Date; (d) paragraphs (n) and (o) of the Portfolio Profile Tests are satisfied; (e) the Weighted Average Life Test is satisfied; (f) so long as any Notes rated by Fitch are Outstanding, the Fitch Maximum Weighted Average Rating Factor Test is satisfied; and (g) no more than 1.0 per cent. of the Target Par Amount shall be paid into the Interest Account (in aggregate after taking into account previous transfers pursuant to this paragraph (K)(2));

(L) any Excess Exchanged Security Sale Proceeds realised in respect of any Exchanged Security that the Collateral Manager determines shall be paid into the Interest Account in accordance with any or all of the following provisions:

(1) if after taking into account payment of such Excess Exchanged Security Sale Proceeds, as appropriate or necessary (or both of them) to the Interest Account the Collateral Principal Amount (for which purposes, the Principal Balance of each Defaulted Obligation shall be the lesser of its S&P Collateral Value and its Fitch Collateral Value), is greater than or equal to the Reinvestment Target Par Balance; the Collateral Manager may, in its discretion, determine that Excess Exchanged Security Sale Proceeds shall be paid into the Interest Account upon receipt; or

(2) to the extent that the deposit of Excess Exchanged Security Sale Proceeds into the Principal Account would, in the sole discretion of the Collateral Manager, cause (or would be likely to cause) a Retention Deficiency then Excess Exchanged Security Sale Proceeds as appropriate or necessary (or both of them) in an amount sufficient in order to ensure no Retention Deficiency occurs (as determined by the Collateral Manager) shall be paid into the Interest Account upon receipt;

(M) any amounts payable to the Issuer under any Hedge Transaction in respect of interest save for Hedge Counterparty Termination Payments or Hedge Replacement Receipts or Counterparty Downgrade Collateral;

(N) all cash payments of interest in respect of any Non-Eligible Issue Date Collateral Obligations or any other asset which did not satisfy the Eligibility Criteria on the date it was required to do so and that have not been sold by the Collateral Manager, other than any Purchased Accrued Interest, together with all amounts received by the Issuer by way of gross up in respect of such interest and in respect of a claim under any applicable double taxation treaty in accordance with the Collateral Management and Administration Agreement;

(O) any Interest Smoothing Amounts which are required to be transferred from the Interest Smoothing Account;

(P) all amounts transferred from the First Period Reserve Account; and

(Q) amounts transferred to the Interest Account from the Principal Account in the circumstances described under Condition 3(j)(i) (*Principal Account*) above.

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Interest Account:

(1) on the Business Day prior to each Payment Date, all Interest Proceeds standing to the credit of the Interest Account shall be transferred to the Payment Account to the extent required for disbursement pursuant to the Interest Priority of Payments save for amounts deposited after the end of the related Due Period and any amounts to be disbursed pursuant to (2) below on such Business Day or amounts representing any Hedge Issuer Tax Credit Payments to be disbursed pursuant to (3) below;

(2) at any time in accordance with the terms of, and to the extent permitted under, the Collateral Management and Administration Agreement, in the acquisition of Collateral Obligations to the extent that any such acquisition costs represent accrued interest;

(3) at any time any Scheduled Periodic Interest Rate Hedge Issuer Payments and any Hedge Issuer Tax Credit Payments; and

(4) on the Business Day following each Determination Date save for (i) the first Determination Date following the Issue Date; (ii) a Determination Date following the occurrence of a Note Event of Default which is continuing; and (iii) the Determination Date immediately prior to any redemption of the Notes in full, any Interest Smoothing Amount required to be transferred to the Interest Smoothing Account.

(iii) Unused Proceeds Account

The Issuer will procure that the following amounts are credited to the Unused Proceeds Account, as applicable:

(A) an amount equal to the net proceeds of issue of the Notes remaining after (1) the payment of certain fees and expenses due and payable by the Issuer on the Issue Date; (2) amounts payable into the Expense Reserve Account; (3) amounts payable into the First Period Reserve Account; and (4) amounts repaid pursuant to the Warehouse Arrangements;

(B) all amounts received in respect of any Collateral (other than as otherwise provided in Condition 3(j)(v) (*Counterparty Downgrade Collateral Accounts*)); and

(C) 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 Supplemental Reserve Account.

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the applicable sub-ledger of the Unused Proceeds Account:

(1) 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;

(2) in the event of the occurrence of an Effective Date Rating Event, the Balance standing to the credit of the Unused Proceeds Account, on the Business Day prior to the Payment Date falling immediately after the Effective Date, to the extent required, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of 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

(3) on or following the Effective Date but prior to the first Payment Date, the Balance standing to the credit of the Unused Proceeds Account, to the Principal Account and/or the Interest Account, in each case at the discretion of the Collateral Manager (on behalf of the Issuer), provided that: (i) the Rating Agencies have confirmed the Initial Ratings of the Rated Notes following delivery of the Effective Date Report (or in respect of S&P, the Effective Date S&P Condition is satisfied) and provided that such Rating Agency Confirmation shall only be required from Fitch to the extent that the Effective Date Determination Requirements have not been satisfied; (ii) no more than 1.0 per cent. of the Target Par Amount may be transferred to the Interest Account in one or more instalments, in aggregate and without duplication, from the Unused Proceeds Account pursuant to this paragraph and/or the Principal Account pursuant to the final paragraph (4) of Condition 3(j)(i)(*Principal Account*); and (iii) immediately after giving effect to any such transfer into the Interest Account the Collateral Principal Amount (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 and (iv) immediately after giving effect to any such transfer each of the Portfolio Profile Tests, the Collateral Quality Tests and the Coverage Tests (save for the Interest Coverage Tests, which shall apply only on and after the Determination Date falling immediately prior to the second Payment Date) is satisfied..

(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 Accounts

The Issuer will procure that all Counterparty Downgrade Collateral transferred pursuant to a Hedge Agreement shall be deposited in a separate account in respect of each Hedge Counterparty. All Counterparty Downgrade Collateral deposited from time to time in any Counterparty Downgrade Collateral Account shall be held and released pursuant to the terms set out below.

The funds or securities credited to a Counterparty Downgrade Collateral Account and any interest or distributions thereon or liquidation proceeds thereof are held separate from and do not form part of Principal Proceeds, Interest Proceeds or of Collateral Enhancement Obligation Proceeds (other than in the circumstances set out below) and accordingly, are not available to fund general distributions of the Issuer (save as set out below and in the applicable Hedge Agreement). The cash amounts standing to the credit of the applicable Counterparty Downgrade Collateral Account shall be segregated on the Account Bank's books and records from funds from any other party.

Amounts standing to the credit of each Counterparty Downgrade Collateral Account will not be available for the Issuer to make payments to the Noteholders nor any other creditor of the Issuer (other than in the circumstances set out below). 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) out of the Counterparty Downgrade Collateral Account:

(A) prior to the occurrence or designation of an "Early Termination Date" (as defined in the relevant Hedge Agreement) in respect of all "Transactions" (as defined in such Hedge Agreement) entered into under such Hedge Agreement pursuant to which all such "Transactions" under such Hedge Agreement are terminated early, solely in or towards payment or transfer of:

(1) any "Return Amounts" (if applicable and as defined in such Hedge Agreement);

(2) any "Interest Amounts" and "Distributions" (if applicable and each as defined in such Hedge Agreement); and

(3) any other return or transfer of collateral or other payment amounts in the nature of interest or distributions in respect of collateral in accordance with the terms of such Hedge Agreement (including without limitation in connection with any permitted novation or other transfer of the Hedge Counterparty's obligations thereunder),

directly to the Hedge Counterparty in accordance with the terms of such Hedge Agreement;

(B) following the designation of an "Early Termination Date" (as defined in the relevant Hedge Agreement) in respect of all "Transactions" under and as defined in the relevant Hedge Agreement pursuant to which all "Transactions" under such Hedge Agreement are terminated early where (A) the relevant Hedge Counterparty is a Defaulting Hedge Counterparty and (B) the Issuer enters into one or more Replacement Hedge Agreements or any novation of the relevant Hedge Counterparty's obligations to a replacement Hedge Counterparty, in the following order of priority:

(1) first, in or towards payment of any Hedge Replacement Payments in respect of Replacement Hedge Transactions relating to such terminated "Transactions" (to the extent not funded from the relevant Hedge Termination Account);

(2) second, in or towards payment of any Hedge Issuer Termination Payments relating to such terminated "Transactions" (to the extent not funded from the relevant Hedge Termination Account); and

(3) third, the surplus amount (if any) standing to the credit of such Counterparty Downgrade Collateral Account to the Principal Account;

(C) following the designation of an "Early Termination Date" (as defined in the relevant Hedge Agreement) in respect of all "Transactions" under and as defined in the relevant Hedge Agreement pursuant to which all "Transactions" under such Hedge Agreement are terminated early (A) other than where the relevant Hedge Counterparty is a Defaulting Hedge Counterparty and (B) where the Issuer enters into one or more Replacement Hedge Agreements or any novation of the relevant Hedge Counterparty's obligations to a replacement Hedge Counterparty, in the following order of priority:

(1) first, in or towards payment of any Hedge Issuer Termination Payments relating to such terminated "Transactions" (to the extent not funded from the relevant Hedge Termination Account);

(2) second in or towards payment of any Hedge Replacement Payments in respect of Replacement Hedge Transactions relating to such terminated "Transactions" (to the extent not funded from the relevant Hedge Termination Account); and

(3) third, the surplus amount (if any) standing to the credit of such Counterparty Downgrade Collateral Account to the Principal Account,

(D) following the designation of an "Early Termination Date" (as defined in the relevant Hedge Agreement) in respect of all "Transactions" under and as defined in the relevant Hedge Agreement pursuant to which all "Transactions" under such Hedge Agreement are terminated early and if the Issuer, or the Collateral Manager on its behalf, determines not to replace such terminated "Transactions" and Rating Agency Confirmation is received in respect of such determination or termination of such "Transactions" occurs on a Redemption Date or if for any reason the Issuer is unable to enter into one or more Replacement Hedge Agreements or any novation of the relevant Hedge Counterparty's obligations to a replacement Hedge Counterparty, in the following order of priority:

(1) first, in or towards payment of any Hedge Issuer Termination Payments relating to such terminated "Transactions" (to the extent not funded from the relevant Hedge Termination Account); and

(2) second, the surplus amount (if any) standing to the credit of such Counterparty Downgrade Collateral Account to the Principal Account.

(vi) Supplemental Reserve Account

The Issuer will procure that, on each Payment Date, any Supplemental Reserve Amount, each Reinvestment Amount and any Collateral Manager Advances (with respect to paragraph (C) below only), in each case, in respect of such Payment Date, shall be deposited into the Supplemental Reserve Account.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Supplemental Reserve Account:

(A) at any time, at the discretion of the Collateral Manager, to the Principal Account for either (x) to reinvest in Substitute Collateral Obligations or (y) otherwise for distribution on the next following Payment Date in accordance with the Priorities of Payment;

(B) 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;

(C) at any time, in the acquisition of, or in respect of any exercise of any option or warrant comprised in, Collateral Enhancement Obligations, in accordance with the terms of the Collateral Management and Administration Agreement;

(D) at any time, at the direction of the Issuer (or the Collateral Manager acting on its behalf), to purchase any Rated Notes in accordance with Condition 7(l) (*Purchase*);

(E) 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 cause such Effective Date Rating Event to no longer be continuing, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of 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

(F) the Balance standing to the credit of the Supplemental Reserve Account to the Payment Account for distribution on such Payment Date in accordance with the Principal Priority of Payments or the Post-Acceleration Priorities of Payment (as applicable) (1) at the direction of the Collateral Manager at any time prior to a Note Event of Default or (2) automatically upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*),

each of the foregoing being a "**Permitted Use**".

(vii) The Unfunded Revolver Reserve Account

The Issuer shall procure the following amounts are paid into the Unfunded Revolver Reserve Account:

(A) upon the acquisition by or on behalf of the Issuer of any Revolving Obligation or Delayed Drawdown Collateral Obligation, an amount equal to the amount which would cause the Balance standing to the credit of the Unfunded Revolver Reserve Account to be at least equal to the combined aggregate principal amounts of the Unfunded Amounts under each of the Revolving Obligations and Delayed Drawdown Collateral Obligations (which Unfunded Amounts will be treated as part of the purchase price for the related Revolving Obligation or Delayed Drawdown Collateral Obligation) less amounts posted thereafter as collateral (which do not constitute Funded Amounts), in each case, pursuant to paragraph (2) or (3) below, as applicable;

(B) all principal payments received by the Issuer in respect of any Revolving Obligation or Delayed Drawdown Collateral Obligation, if and to the extent that the amount of such principal payments may be re-borrowed under such Revolving Obligation or Delayed Drawdown Collateral Obligation or otherwise by the Collateral Manager, acting on behalf of the Issuer; and

(C) all repayments of collateral to the Issuer originally paid by the Issuer pursuant to (2) below.

The Issuer shall procure payment of the following amounts (and shall ensure that no other amounts are paid) out of the Unfunded Revolver Reserve Account:

(1) all amounts required to fund any drawings under any Delayed Drawdown Collateral Obligation or Revolving Obligation;

(2) in respect of Delayed Drawdown Collateral Obligations or Revolving Obligations, all amounts required to be deposited in the Issuer's name with any third party which satisfies the Rating Requirement applicable to an Account Bank (or if the third party does not satisfy the Rating Requirement applicable to an Account Bank, subject to receipt of Rating Agency Confirmation) as collateral for any reimbursement or indemnification obligations of the Issuer owed to any other lender under such Revolving Obligation or Delayed Drawdown Collateral Obligation (subject to such security documentation as may be agreed between such lender, the Collateral Manager acting on behalf of the Issuer and the Trustee);

(3) (x) at any time at the direction of the Collateral Manager (acting on behalf of the Issuer) or (y) upon the sale (in whole or in part) of a Revolving Obligation or the reduction, cancellation or expiry of any commitment of the Issuer to make future advances or otherwise extend credit thereunder, any excess of (a) the amount standing to the credit of the Unfunded Revolver Reserve Account over (b) the sum of the Unfunded Amounts of

all Revolving Obligations and Delayed Drawdown Collateral Obligations after taking into account such sale or such reduction, cancellation or expiry of such commitment or notional amount; and

(4) all interest accrued on the Balance standing to the credit of the Unfunded Revolver Reserve Account from time to time (including capitalised interest received upon the sale, maturity or termination of any Eligible Investment) to the Interest Account following conversion thereof into Euros to the extent necessary.

(viii) Hedge Termination Accounts

The Issuer will procure that all Hedge Counterparty Termination Payments and Hedge Replacement Receipts are paid into the appropriate Hedge Termination Account promptly upon receipt thereof.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made save to the extent otherwise permitted) out of the relevant Hedge Termination Account 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 Issuer Termination Payment, as applicable, due and payable to a Hedge Counterparty under the Hedge Transaction being replaced or, to the extent not required to make such payment, in payment of such amount to the Principal Account;

(B) at any time, in the case of any Hedge Counterparty Termination Payments paid into the relevant Hedge Termination Account, in payment of any Hedge Replacement Payment and any other amounts payable by the Issuer upon entry into a Replacement Hedge Transaction in accordance with the Collateral Management and Administration Agreement; and

(C) in the case of any Hedge Counterparty Termination Payments paid into the relevant Hedge Termination Account, in the event that:

(1) the Issuer, or the Collateral Manager on its behalf, determines not to replace the Hedge Transaction (or part thereof) and Rating Agency Confirmation is received in respect of such determination (other than where such determination is made in connection with a Currency Hedge Transaction which has been terminated solely as a result of the sale or prepayment or redemption or repayment of the relevant Non-Euro Obligation); or

(2) termination of the Hedge Transaction under which such Hedge Counterparty Termination Payments are payable occurs on a Redemption Date; or

(3) to the extent that such Hedge Counterparty Termination Payments are not required for application towards costs of entry into a Replacement Hedge Transaction,

in payment of such amounts (save for accrued interest thereon) to the Principal Account.

(ix) Currency Accounts

The Issuer will procure that all amounts received in respect of any Currency Hedge Obligations (including Sale Proceeds and including any initial principal exchange amounts received by the Issuer from a Currency Hedge Counterparty in connection with funding the acquisition of Currency Hedge Obligations pursuant to a Currency Hedge Transaction, but excluding Hedge Replacement Receipts and Hedge Counterparty Termination Payments) to the extent not required to be paid directly to the Interest Account or Principal Account are paid into the appropriate Currency Account in the currency of receipt thereof. A separate Currency Account will be established in respect of each applicable currency.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made) out of the Currency Account:

(A) at any time, all amounts payable by the Issuer to a Currency Hedge Counterparty under any Currency Hedge Transaction save for:

(1) Currency Hedge Issuer Termination Payments (other than where such Currency Hedge Issuer Termination Payments arise in connection with the termination of a Currency Hedge Transaction in circumstances where no Replacement Hedge Transaction is entered into by the Issuer which gives rise to a Hedge Replacement Receipt, including where a Currency Hedge Transaction has been terminated solely as a result of the sale or prepayment or redemption or repayment of the relevant Currency Hedge Obligation);

(2) Hedge Replacement Payments; and

any initial principal exchange amounts payable by the Issuer to a Currency Hedge Counterparty under any Currency Hedge Transaction in connection with funding the acquisition of Currency Hedge Obligations which for the avoidance of doubt shall be payable out of amounts standing to the credit of the Principal Account;

(B) cash amounts representing any excess standing to the credit of the Currency Account after paying, or provision for the payment of any amounts to be paid to, any Currency Hedge Counterparty pursuant to paragraphs (A)(1) above (as applicable) shall be converted into Euro at the Spot Rate by the Collateral Administrator on behalf of the Issuer following consultation with the Collateral Manager and transferred to the Principal Account or the Interest Account, as applicable; and

(C) at any time, in the amount of any initial principal exchange amounts received by the Issuer from a Currency Hedge Counterparty under a Currency Hedge Transaction to be applied in connection with the acquisition of Non-Euro Obligations in accordance with the terms of and to the extent permitted under the Collateral Management and Administration Agreement.

(x) Expense Reserve Account

The Issuer shall procure that the following amounts are paid into the Expense Reserve Account:

(A) on the Issue Date, an amount determined on the Issue Date for the payment of amounts due or accrued in connection with the issue of the Notes, in accordance with (1) below;

(B) any amount applied in payment into the Expense Reserve Account pursuant to paragraph (D) of the Interest Priority of Payments; and

(C) any amounts received by the Issuer by way of indemnity payments from third 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 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 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 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 and together with any other payments out of the Expense Reserve Account on the relevant date, shall not cause the balance of the Expense Reserve Account to fall below zero;

(4) other than Third Party Indemnity Receipts, on the second Business Day prior to each Payment Date, any amounts to be paid pursuant to paragraphs (B) and (C) of the Interest

Priority of Payments in excess of the Senior Expenses Cap to the Interest Account, provided that any such payments, in aggregate and together with any other payments to be made out of the Expense Reserve Account on such date, shall not cause the balance of the Expense Reserve Account to fall below zero;

(5) on any date, any Third Party Indemnity Receipts due and payable by the Issuer to the Trustee, in an amount which shall not at any time exceed the lesser of (i) the amount paid into the Expense Reserve Account in accordance with paragraph (C) above; and (ii) the amount of any indemnity payments payable by the Issuer to the Trustee. Any such amount so paid shall not be taken into account for the purposes of the application of the Senior Expenses Cap; and

(6) any Third Party Indemnity Receipts in excess of (5) above shall be transferred to the Payment Account on the Business Day prior to each Payment Date for application in accordance with the Interest Proceeds Priority of Payments on such Payment Date.

(xi) First Period Reserve Account

The Issuer shall direct the Account Bank to deposit €1,566,500 in the First Period Reserve Account on the Issue Date.

At any time up to and including the last day of the Initial Investment Period, the Collateral Manager, in its sole discretion (acting on behalf of the Issuer), may direct some or all amounts standing to the credit of the First Period Reserve Account to be used for (A) the acquisition of Collateral Obligations or (B) to the Principal Account pending such acquisition, subject to and in accordance with the Collateral Management and Administration Agreement. Following the Initial Investment Period, all of the funds in the First Period Reserve Account (save for amounts transferred to the Principal Account) (including all interest accrued thereon) shall be transferred to the Interest Account for distribution pursuant to the Interest Priority of Payments.

(xii) Interest Smoothing Account

On the Business Day following each Determination Date save for:

(A) the first Determination Date following the Issue Date;

(B) a Determination Date following the occurrence of a Note Event of Default which is continuing; and

(C) the Determination Date immediately prior to any redemption of the Notes in full,

the Interest Smoothing Amount (if any) shall be credited to the Interest Smoothing Account from the Interest Account.

The Issuer shall procure, on the Business Day falling after the Payment Date following the Determination Date on which any Interest Smoothing Amount was transferred to the Interest Smoothing Account, such Interest Smoothing Amount to be transferred to the Interest Account.

(xiii) Collection Account

The Issuer shall procure that all amounts received in respect of any Collateral are credited to the Collection Account. The Issuer shall procure that the Collateral Administrator and the Account Bank transfer all amounts standing to the credit of the Collection Account to the Accounts such funds are required to be credited to in accordance with Condition 3(i) (*Accounts*) and 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 Supplemental Reserve Account from time to time to purchase or exercise rights under Collateral Enhancement Obligations which the Collateral Manager determines on behalf of the Issuer should be purchased or exercised, the

Collateral Manager may, at its discretion, pay amounts required in order to fund such purchase or exercise (such amount, a "**Collateral Manager Advance**") to such account pursuant to the terms of the Collateral Management and Administration Agreement, provided that (i) not more than three Collateral Manager Advances in total may be made by the Collateral Manager pursuant to this Condition 3(k) (*Collateral Manager Advances*), (ii) on each occasion a Collateral Manager Advance shall be a minimum of €1,000,000 in aggregate and (iii) 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.. Each Collateral Manager Advance may bear interest at a rate of interest determined by the Collateral Manager and notified in writing to the Collateral Administrator provided that such rate shall not exceed a rate of EURIBOR plus 4.0 per cent. per annum. All such Collateral Manager Advances shall be repaid out of Interest Proceeds and Principal Proceeds on each Payment Date pursuant to the Priorities of Payment.

4. Security

(a) Security

Pursuant to the Trust Deed, the obligations of the Issuer under the Notes, the Trust Deed, the Irish Security Agreement, the Agency and Account Bank Agreement, the Collateral Management and Administration Agreement and the Placement Agency Agreement (together with the obligations owed by the Issuer to the other Secured Parties) are secured in favour of the Trustee for the benefit of the Secured Parties by:

(i) an assignment by way of security of all the Issuer's present and future rights, title and interest (and all entitlements or other benefits relating thereto) in respect of all Collateral Obligations, Corporate Rescue Loans, Exchanged Securities, Collateral Enhancement Obligations, Eligible Investments standing to the credit of each of the Accounts (other than the Counterparty Downgrade Collateral Account(s)) and any other investments (other than the 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 into an agreement or deed) and where such contractual rights arise other than under securities), including, without limitation, moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof;

(ii) a first fixed charge and first priority security interest granted over all the Issuer's present and future rights, title and interest (and all entitlements or other benefits relating thereto) in respect of all Collateral Obligations, Corporate Rescue Loans, Exchanged Securities, Collateral Enhancement Obligations, Eligible Investments standing to the credit of each of the Accounts (other than the Counterparty Downgrade Collateral Account(s)) and any other investments (other than the 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) charges, by way of first fixed charge, amounts representing all or part of the Unfunded Amount of any Revolving Obligation or Delayed Drawdown Collateral Obligation and deposited in its name with a third party as security for any reimbursement or indemnification obligation of the Issuer owed to any other lender under such Revolving Obligation or Delayed Drawdown Collateral Obligation, subject to the terms of Condition 3(j)(vii) (*The Unfunded Revolver Reserve Account*) (including Rating Agency Confirmation) and subject to any prior ranking security interest thereover entered into by the Issuer in relation thereto in favour of any third party as security for payment obligations of the Issuer including but not limited to any reimbursement or indemnification obligation of the Issuer owed to any other lender under such Revolving Obligation or Delayed Drawdown Collateral Obligation;

(iv) an assignment by way of security of all the Issuer's present and future rights against the Custodian under the Agency and Account Bank Agreement (to the extent each 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;

(v) 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 is without prejudice to, and after giving effect to, any contractual netting or set-off provision contained in the relevant Hedge Agreement and shall not in any way restrict the release of collateral granted thereunder in whole or in part at any time pursuant to the terms thereof);

(vi) 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);

(vii) an assignment by way of security of all the Issuer's present and future rights under the Collateral Management and Administration Agreement, the Agency and Account Bank Agreement, the Placement Agency Agreement, each Collateral Acquisition Agreement, each other Transaction Document and each Reporting Delegation Agreement, and, in each case, all sums derived therefrom; and

(viii) a floating charge over the whole of the Issuer's undertaking and assets to the extent that such undertaking and assets are not subject to any other security created pursuant to the Trust Deed,

excluding for the purpose of (i) to (viii) above, (A) any and all assets, property or rights which are located in, or governed by the laws of, The Netherlands (except for contractual rights or receivables (*rechten of vorderingen op naam*)) which are assigned or charged to the Trustee pursuant to (i) to (viii) above), (B) any and all Dutch Ineligible Securities; (C) the Issuer's rights under the Issuer Management Agreement; and (D) the Issuer's rights in respect of amounts standing to the credit of the Issuer Dutch Account from time to time.

The security created pursuant to paragraphs (i) to (viii) 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 Accounts*)) when such collateral is expressed to be available to the Issuer and (if a title transfer arrangement) to the extent that no equivalent amount is owed to the Hedge Counterparty pursuant to the relevant Hedge Agreement and/or Condition 3(j)(v) (*Counterparty Downgrade Collateral Accounts*). The security will extend to the ultimate balance of all sums payable by the Issuer in respect of the above, regardless of any intermediate payment or discharge in whole or in part.

If, for any reason, the purported assignment by way of security of, and/or the grant of first fixed charges over, the property, assets, rights and/or benefits described above is found to be ineffective in respect of any such property, assets, rights and/or benefits (together, the "**Affected Collateral**"), the Issuer shall hold to the fullest extent permitted under Dutch or any other mandatory law the benefit of the Affected Collateral and any sums received in respect thereof or any security interest, guarantee or indemnity or undertaking of whatever nature given to secure such Affected Collateral (together, the "**Trust Collateral**") on trust for the Trustee for the benefit of the Secured Parties and shall (i) account to the Trustee for or otherwise apply all sums received in respect of such Trust Collateral as the Trustee may direct (provided that, subject to the Conditions and the terms of the Collateral Management and Administration Agreement, if no Note Event of Default has occurred and is continuing, the Issuer shall be entitled to apply the benefit of such Trust Collateral and such sums in respect of such Trust Collateral received by it and held on trust under this paragraph without prior direction from the Trustee), (ii) exercise any rights it may have in respect of the Trust Collateral at the direction of the Trustee and (iii) at its own cost take such action and execute such documents as the Trustee may in its sole discretion require.

The Issuer may from time to time grant security:

(A) 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 make any payment and/or delivery to the relevant Hedge Counterparty pursuant to the terms of the applicable Hedge Agreement and Condition 3(j)(v) (*Counterparty Downgrade Collateral Accounts*) (subject to such security documentation as may be agreed between such third party, the Collateral Manager acting on behalf of the Issuer and the Trustee);

(B) by way of first priority security interest over amounts representing all or part of the Unfunded Amount of any Revolving Obligation or Delayed Drawdown Collateral Obligation and deposited in its name with a third party as security for any reimbursement or indemnification obligation of the Issuer owed to any other lender under such Revolving Obligation or Delayed Drawdown Collateral Obligation, subject to the terms of Condition 3(j)(vii) (*The Unfunded Revolver Reserve Account*) (including Rating Agency Confirmation); and/or

(C) by way of a first fixed charge over any deposit established by the Issuer with a Selling Institution in connection with the acquisition therefrom of an interest in a Collateral Obligation in respect of which the Issuer has agreed to guarantee or undertaken to pay (to the extent of moneys standing to the credit of such deposit) all or part of the liabilities of the related obligor to such Selling Institution.

in each case, excluding (A) any and all assets, property or rights which are located in, or governed by the laws of, The Netherlands (except for contractual rights or receivables (*rechten of vorderingen op naam*)) which are assigned or charged to the Trustee pursuant to Condition 4(a)(i) to (viii) (*Security*) above); (B) all Dutch Ineligible Securities; (C) the Issuer's rights under the Issuer Management Agreement; and (D) the Issuer's rights in respect of amounts standing to the credit of the Issuer Dutch Account from time to time.

Pursuant to the Irish Security Agreement, the obligations of the Issuer under the Notes of each Class, the Trust Deed, the Irish Security Agreement the Agency and Account Bank Agreement, the Collateral Management and Administration Agreement and the other Transaction Documents (together with the obligations owed by the Issuer to the other Secured Parties) are secured in favour of the Trustee for the benefit of the Secured Parties by:

(i) a first fixed charge over all present and future rights of the Issuer in respect of each of the Accounts (other than the Counterparty Downgrade Collateral Accounts) and all moneys from time to time standing to the credit of such Accounts (other than the Counterparty Downgrade Collateral Accounts) and the debts represented thereby and including, without limitation, all interest accrued and other moneys received in respect thereof; and

(ii) a first fixed charge and first priority security interest (where the applicable assets are securities) over, or an assignment by way of security (where the applicable rights are contractual obligations) of, all present and future rights of the Issuer in respect of any Counterparty Downgrade Collateral standing to the credit of the Counterparty Downgrade Collateral Accounts; including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof and over the Counterparty Downgrade Collateral Accounts and all moneys from time to time standing to the credit of the Counterparty Downgrade Collateral Accounts and the debts represented thereby and including, without limitation, all interest accrued and other moneys received in respect thereof, subject, in each case, to the rights of any Hedge Counterparty to Counterparty Downgrade Collateral and in respect of the Counterparty Downgrade Collateral Account pursuant to the terms of the relevant Hedge Agreement and Condition 3(j)(v) (*Counterparty Downgrade Collateral Accounts*) and any first priority security interest granted by the Issuer to the relevant Hedge Counterparty in relation thereto.

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. In the event that the ratings of the Custodian are downgraded to below the Rating Requirement or withdrawn, the Issuer shall use reasonable endeavours to procure that a replacement Custodian with the Rating Requirement is appointed on substantially the same terms of the Agency and Account Bank 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, in the event of its failure 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 by any other party and is entitled to rely on the certificates or notices of any relevant party without further enquiry or liability. The Trust Deed also provides that the Trustee shall accept without investigation, requisition or objection such right, benefit, title and interest, if any, as the Issuer may have in and to any of the Collateral and is not bound to make any investigation into the same or into the Collateral in any respect.

(b) Application of Proceeds upon Enforcement

The Trust Deed provides that the net proceeds of realisation of or enforcement with respect to the security over the Collateral constituted by the Trust Deed 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 other Transaction Document, 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 or otherwise are less than the aggregate amount payable in such circumstances by the Issuer in respect of the Notes and to the other Secured Parties (such negative amount being referred to herein as a "**shortfall**"), the obligations of the Issuer in respect of the Notes of each Class and its obligations to the other Secured Parties and 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 amounts standing to the credit of the Issuer Dutch Account and its rights under the Issuer Management Agreement) of the Issuer will not be available for payment of such shortfall which shall be borne by the Class X Noteholders, the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Reinvesting Noteholders (if any), the Subordinated Noteholders and the other Secured Parties in accordance with the Priorities of Payment (applied in reverse order). In such circumstances the rights of the Secured Parties to receive any further amounts in respect of such obligations shall be extinguished and none of the Noteholders of each Class or the other Secured Parties may take any further action to recover such amounts. None of the Noteholders of any Class, the Trustee, the other Secured Parties (or any other person acting on behalf of any of them) shall be entitled at any time to institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, reorganisation, arrangement, insolvency, winding up or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligations of the Issuer relating to the Notes of any Class, the Trust Deed, 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 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 agreements entered into or made by the Issuer pursuant to the terms of these Conditions or any other Transaction Document to which the Issuer is a party or any notice or documents which it is requested to deliver hereunder or thereunder.

None of the Trustee, the Directors, the Placement Agents, the Collateral Manager and any Agent has any obligation to any Noteholder of any Class for payment of any amount by the Issuer in respect of the Notes of any Class.

(d) Exercise of Rights in Respect of the Portfolio

Pursuant to the Collateral Management and Administration Agreement, the Issuer authorises the Collateral Manager, prior to enforcement of the security over the Collateral, to exercise all rights and remedies of the Issuer in its capacity as a holder of, or person beneficially entitled to, the Portfolio. In particular, the Collateral Manager is authorised, subject to any specific direction given by the Issuer, to attend and vote at any meeting of holders of, or other persons interested or participating in, or entitled to the rights or benefits (or a part thereof) under, the Portfolio and to give any consent, waiver, indulgence, time or notification, make any declaration or agree any composition, compounding or other similar arrangement with respect to any obligations forming part of the Portfolio.

(e) Information Regarding the Collateral

The Issuer shall procure that a copy of each Monthly Report and any Payment Date Report is made available, within two Business Days of publication, to each Noteholder of each Class upon request in writing therefor and that copies of each such Report are made available to the Trustee, the Collateral Manager and each Rating Agency within two Business Days of publication thereof.

(f) Securitisation Regulation

The Issuer hereby agrees to be designated as the entity required to fulfil the reporting requirements of Article 7 (*Transparency requirements for originators, sponsors and SSPEs*) of the Securitisation Regulation. The Issuer will assume all costs of complying with the reporting requirements under Article 7 (*Transparency requirements for originators, sponsors and SSPEs*) 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, such costs to be paid as Administrative Expenses or Trustee Fees and Expenses, as applicable.

For the avoidance of doubt, and following the adoption of the final disclosure templates in respect of the EU Retention and Transparency Requirements if the Collateral Administrator agrees to assist the Issuer in making available such information and reporting on behalf of the Issuer, the Collateral Administrator will not assume any responsibility for the Issuer's obligations as the entity responsible for fulfilling the reporting obligations under the EU Retention and Transparency Requirements. In making available such information and reporting, the Collateral Administrator will not assume responsibility or liability to any third party, including the Noteholders and potential Noteholders (including for the 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.

In connection with such information and reporting, the Collateral Manager will not assume 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 and as more fully described 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) under the Irish Security Agreement;

(C) in respect of the Collateral;

(D) under the Agency and Account Bank Agreement;

(E) under the Collateral Management and Administration Agreement;

(F) under the Issuer Management Agreement;

(G) under each Collateral Acquisition Agreement; and

(H) under any Hedge Agreement;

(ii) comply with its obligations under the Notes, the Trust Deed, the Irish Security Agreement, the Agency and Account Bank Agreement, the Collateral Management and Administration Agreement and each other Transaction Document to which it is a party;

(iii) keep proper books of account;

(iv) at all times maintain its tax residence outside the United Kingdom and the United States and will not establish a branch or agency (other than by virtue of the appointment of and the conduct of activities on its behalf by the Collateral Manager and the Collateral Administrator pursuant to the Collateral Management and Administration Agreement) or fixed place of business or register as a company in the United Kingdom or the United States and shall not do or permit anything within its control which might result in its residence being considered to be outside The Netherlands for tax purposes;

(v) maintain its central management and control and its place of effective management only in The Netherlands and in particular shall not be treated under any of the double taxation treaties entered into by The Netherlands as being resident in any other jurisdiction;

(vi) conduct its business and affairs such that, at all times:

(A) it shall maintain its registered office in The Netherlands;

(B) it shall hold all meetings of its board of Directors in The Netherlands and ensure that all of its directors are resident in The Netherlands for tax purposes, that they will exercise their control over the business of the Issuer independently and that those directors (acting independently) exercise their authority only from and within The Netherlands by taking all key decisions relating to the Issuer in The Netherlands;

(C) it shall not open any office or branch or place of business outside of The Netherlands;

(D) it shall not knowingly take any action (save to the extent necessary for the Issuer to comply with its obligations under the Transaction Documents) which will cause its "centre of main interests" (within the meaning of Regulation (EU) No. 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast) (the "**Insolvency Regulations**") to be located in any jurisdiction other than The Netherlands and will not establish any offices, branches or other permanent establishments (as defined in the

Insolvency Regulations) or register as a Company in any jurisdiction other than The Netherlands;

(vii) pay its debts generally as they fall due;

(viii) do all such things as are necessary to maintain its corporate existence;

(ix) use its best endeavours to obtain and maintain the listing 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;

(x) supply such information to the Rating Agencies as they may reasonably request;

(xi) ensure that its tax residence is and remains at all times in The Netherlands;

(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) act and acts as an entity that issues notes to investors and uses the proceeds to purchase interests in loans from one or more other lenders within the meaning of the 2012 ECB guidance to Regulation (EC) No. 24/2009 of the European Central Bank of 19 December 2008;

(xiv) agree that information (including the identity of any Noteholder) supplied for the purposes of CRS Compliance is intended for the Issuer's (or any nominated service provider's) use for the purposes of satisfying CRS 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 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; and

(xv) be registered with the Dutch Central Bank as soon as practically possible after the Issue Date as a "Financial Vehicle Corporation", within the meaning of Regulation (EU) No. 2017/2013 (ECB/2013/40) of the European Central Bank of 18 October 2013 (the "**FVC Regulation**") and the Issuer shall prepare reports as required to comply with its obligations under the FVC Regulation and file any such reports with the Dutch Central Bank.

(b) Restrictions on the Issuer

For so long as any of the Notes remain Outstanding, save as provided in the Transaction Documents, the Issuer covenants to the holders of such Outstanding Notes that (to the extent applicable) it will not, without the prior written consent of the Trustee:

(i) sell, factor, discount, transfer, assign, lend or otherwise dispose of any of its right, title or interest in or to the Collateral, other than in accordance with the Collateral Management and Administration Agreement, nor will it create or permit to be outstanding any mortgage, pledge, lien, charge, encumbrance or other security interest over the Collateral except in accordance with the Trust Deed, the Irish Security Agreement, these Conditions or the Transaction Documents;

(ii) sell, factor, discount, transfer, assign, lend or otherwise dispose of, nor create or permit to be outstanding any mortgage, pledge, lien, charge, encumbrance or other security interest over, any of its other property or assets or any part thereof or interest therein other than in accordance with the Trust Deed, the Irish Security Agreement, a Hedge Agreement, these Conditions or the Transaction Documents;

(iii) engage in any business other than:

(A) acquiring and holding any property, assets or rights that are capable of being effectively charged in favour of the Trustee or that are capable of being held on trust by the Issuer in favour of the Trustee under the Trust Deed;

(B) issuing and performing its obligations under the Notes;

(C) entering into, exercising its rights and performing its obligations under or enforcing its rights under the Trust Deed, the Agency and Account Bank Agreement, the Collateral Management and Administration Agreement and each other Transaction Document to which it is a party, as applicable; or

(D) performing any act incidental to or necessary in connection with any of the above;

(iv) amend or agree to any amendment to any term or Condition of the Notes of any Class (save in accordance with these Conditions and the Trust Deed);

(v) agree to any amendment to any provision of, or grant any waiver or consent under, the Trust Deed, the Agency and Account Bank Agreement, the Collateral Management and Administration Agreement, the Issuer Management Agreement or any other Transaction Document to which it is a party (save in accordance with these Conditions and the Trust Deed and, in the case of the Collateral Management and Administration Agreement, the terms thereof);

(vi) guarantee or incur any indebtedness for borrowed money, other than in respect of:

(A) the Notes (including the issuance of additional Notes pursuant to Condition 17 (*Additional Issuances*)) or any document entered into in connection with the Notes or the sale thereof or any additional Notes or the sale thereof;

(B) any Refinancing; or

(C) as otherwise contemplated or permitted pursuant to the Trust Deed or the Collateral Management and Administration Agreement;

(vii) amend its Articles;

(viii) have any subsidiaries or establish any offices, branches or other "establishment" (as that term is defined in article 2(10) of the Insolvency Regulations outside of The Netherlands;

(ix) have any employees (for the avoidance of doubt the Directors of the Issuer do not constitute employees);

(x) enter into any reconstruction, amalgamation, merger or consolidation;

(xi) convey or transfer all or a substantial part of its properties or assets (in one or a series of transactions) to any person, otherwise than as contemplated in these Conditions and except for dividends payable to the Foundation;

(xii) issue any shares (other than the share that is in issue as at the Issue Date) nor redeem or purchase any of its issued share capital;

(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, documentation relating to restructurings (including steering committee indemnity letters) and any agreement with the Issuer's independent accountant), unless such contract or agreement contains "limited recourse" and "non-petition" provisions and such Person agrees that it shall not take any action or institute any proceeding against the Issuer under any insolvency law applicable to the Issuer or which would reasonably be likely to cause the Issuer to be subject to or seek protection of any such insolvency law; provided that such Person shall be permitted to become a party to and to participate in any proceeding or action under any such insolvency law that is initiated by any other Person other than one of its Affiliates;

(xiv) otherwise than as contemplated in the Transaction Documents, release from or terminate the appointment of the Custodian or the Account Bank under the Agency and Account Bank Agreement or 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, any executory obligation thereunder;

(xv) comingle its assets with those of any other Person or entity;

(xvi) enter into any lease in respect of, or own, premises;

(xvii) enter into any transaction or arrangement otherwise than by way of a bargain made at arm's length;

(xviii) have any Affiliates or, if it does have any Affiliates, enter into any transactions or arrangements with any of such Affiliates on anything other than arm's length terms; or

(xix) act as an entity that issues notes to investors and uses the proceeds to grant new loans on its own account, but will purchase loans from another lender and therefore is not considered a first lender (for the purpose of Regulation (EC) No 24/2009 of the European Central Bank).

6. Interest

(a) Payment Dates

(i) Rated Notes

The Rated Notes each bear interest from (and including) the Issue Date and such interest will be payable (A) in the case of interest accrued during the initial Accrual Period, for the period from (and including) the Issue Date to (but excluding) the Payment Date falling in July 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 each Payment Date.

(ii) Subordinated Notes

Interest shall be payable on the Subordinated Notes to the extent funds are available in accordance with paragraph (DD) of the Interest Priority of Payments, paragraph (U) of the Principal Priority of Payments and paragraph (W) of the Post-Acceleration Priority of Payments on each Payment Date or other relevant payment date and shall continue to be payable in accordance with this Condition 6 (*Interest*) notwithstanding redemption in full of any Subordinated Note at its applicable Redemption Price.

Notwithstanding any other provision of these Conditions or the Trust Deed, all references herein and therein to the Subordinated Notes being redeemed in full or at their Principal Amount Outstanding shall be deemed to be amended to the extent required to ensure that a minimum of €1 principal amount of each such Class of Notes remains Outstanding at all times and any amounts which are to be applied in redemption of each such Class of Notes pursuant hereto which are in excess of the Principal Amount Outstanding thereof minus €1 shall constitute interest payable in respect of such Notes and shall not be applied in redemption of the Principal Amount Outstanding thereof, provided always however that such €1 principal shall no longer remain Outstanding and each such Class of Notes shall be redeemed in full on the date on which all of the Collateral securing the Notes has been realised and is to be finally distributed to the Noteholders.

If the aggregate of income and gains earned by the Issuer during an accounting period exceeds the costs and expenses accrued for that period, such excess shall accrue as additional interest on the Subordinated Notes but shall only be payable on any Payment Date or other payment date following payment in full of amounts payable pursuant to the Priorities of Payment on such Payment Date or other payment date.

(b) Interest Accrual

(i) Rated Notes

Each Rated Note (or, as the case may be, the relevant part thereof due to be redeemed) will cease to bear interest from the due date for redemption unless, upon due presentation, payment of

principal is improperly withheld or refused. In such event, it shall continue to bear interest in accordance with this Condition 6 (*Interest*) (both before and after judgment) until whichever is the earlier of (A) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder and (B) the day following seven days after the Trustee or the Principal Paying Agent has notified the Noteholders of such Class of Notes in accordance with Condition 16 (*Notices*) of receipt of all sums due in respect of all the Notes of such Class up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

(ii) Subordinated Notes

Payments on the Subordinated Notes will cease to be payable in respect of each Subordinated Note upon the date that all of the Collateral has been realised and no Interest Proceeds or Principal Proceeds or, where applicable, other net proceeds of enforcement of the security over the Collateral remain available for distribution in accordance with the Priorities of Payment.

(c) Deferral of Interest

The Issuer shall, and shall only be obliged to, pay any Interest Amount (and, if applicable, any Class D Additional Amount) payable in respect of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes in full on any Payment Date in each case to the extent that there are Interest Proceeds or Principal Proceeds available for payment thereof in accordance with the Priorities of Payment, unless a Frequency Switch Event has occurred and such Class is the senior most Class of Notes Outstanding in accordance with Condition 10(a)(i) (*Events of Default*).

In the case of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, an amount of interest equal to any shortfall in payment of the Interest Amount (and, if applicable, any Class D Additional Amount) not due and payable in respect of such Class in accordance with these Conditions on any Payment Date (each such amount being referred to as "**Deferred Interest**") will not be payable on such Payment Date, but will be added to the principal amount of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, as applicable, and thereafter will accrue interest at the rate of interest applicable to that Class, and the failure to pay such Deferred Interest to the holders of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, as applicable, will not be a Note Event of Default until the Maturity Date or any earlier date on which the Notes are to be redeemed in full.

(d) Payment of Deferred Interest

Deferred Interest in respect of any Class C Note, Class D Note, Class E Note or Class F Note shall only become payable by the Issuer in accordance with the relevant paragraphs of the Interest Priority of Payments, the Principal Priority of Payments and the Post-Acceleration Priority of Payments and under the Note Payment Sequence in each place specified in the Priorities of Payment, to the extent that Interest Proceeds or Principal Proceeds, as applicable, or, where applicable, other net proceeds of enforcement of the security over the Collateral, are available to make such payment in accordance with the Priorities of Payment (and, if applicable, the Note Payment Sequence). An amount equal to any such Deferred Interest so paid shall be subtracted from the principal amount of the Class C Notes, the Class D Notes, the Class E Notes and/or the Class F Notes, as applicable.

(e) Interest on the Rated Notes

(i) Floating Rate of Interest

The rate of interest from time to time in respect of the Class X Notes (the "**Class X Rate of Interest**"), in respect of the Class A Notes (the "**Class A Rate of Interest**"), in respect of the Class B Notes (the "**Class B-1 Rate of Interest**"), in respect of the Class C Notes (the "**Class C-1 Rate of Interest**"), in respect of the Class D Notes (the "**Class D Rate of Interest**"), in respect of the Class E Notes (the "**Class E Rate of Interest**") and in respect of the Class F Notes (the "**Class F 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 three and six month Euro deposits;

(2) in the case of each Interest Determination Date, other than the initial Interest Determination Date and prior to the occurrence of a Frequency Switch Event, the Calculation Agent will determine (i) the offered rate for six month Euro deposits; and (ii) the offered rate for three month Euro deposits; and

(3) in the case of each Interest Determination Date following the occurrence of a Frequency Switch Event, the Calculation Agent will determine the offered rate for six month Euro deposits,

in each case, as at 11.00 am (Brussels time) on the Interest Determination Date in question ("**EURIBOR**"). 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 X Rate of Interest, the Class A Rate of Interest, the Class B-1 Rate of Interest, the Class C-1 Rate of Interest, the Class D Rate of Interest, the Class E Rate of Interest and the Class F Rate of Interest for each Accrual Period shall be the aggregate of the Applicable Margin (as defined below) and in respect of (i) the initial Accrual Period, the rate referred to in paragraph (1) above; and (ii) each six month Accrual Period, the rate referred to in paragraph (2) (i) or paragraph (3) above (as applicable); and (iii) each three month Accrual Period, the rate referred to in paragraph (2)(ii), above, 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 Collateral Manager on behalf of the Issuer) acting in each case through its principal Euro zone office (the "**Reference Banks**") to provide the Calculation Agent with its offered quotation to leading banks for Euro deposits in the Euro zone interbank market:

(1) in the case of the initial Accrual Period, for a straight line interpolation of the offered quotation for three month and six month Euro deposits;

(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 (i) six months; and (ii) three months; and,

(3) in respect of each Interest Determination Date following the occurrence of a Frequency Switch Event, for a period of six months,

in each case, as at 11.00 am (Brussels time) on the Interest Determination Date in question. The Class X Rate of Interest, the Class A Rate of Interest, the Class B-1 Rate of Interest, the Class C-1 Rate of Interest, the Class D Rate of Interest, the Class E Rate of Interest and the Class F 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 (2)(i) or paragraph (3) above (as applicable); and (iii) each three month Accrual Period, the quotations referred to in paragraph (2)(ii) above (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 quotations, the Class X Rate of Interest, the Class A Rate of Interest, the Class B-1 Rate of Interest, the Class C-1 Rate of Interest, the Class D Rate of Interest, the Class E Rate of Interest and the Class F Rate of Interest, respectively, for the next Accrual Period shall be the

Class X Rate of Interest, the Class A Rate of Interest, the Class B-1 Rate of Interest, the Class C-1 Rate of Interest, the Class D Rate of Interest, the Class E Rate of Interest and the Class F Rate of Interest in each case in effect as at the immediately preceding Accrual Period; provided that in respect of any Accrual Period during which a Frequency Switch Event occurs, the Class X Rate of Interest, the Class A Rate of Interest, the Class B-1 Rate of Interest, the Class C-1 Rate of Interest, the Class D Rate of Interest, the Class E Rate of Interest and the Class F Rate of Interest shall be calculated using the offered rate for six month Euro deposits using the rate available as at the previous Interest Determination Date.

(D) Where:

"**Applicable Margin**" means:

(1) in the case of the Class X Notes: 0.40 per cent. per annum (the "**Class X Margin**");

(2) in the case of the Class A Notes: 0.98 per cent. per annum (the "**Class A Margin**");

(3) in the case of the Class B-1 Notes: 1.80 per cent. per annum (the "**Class B-1 Margin**");

(4) in the case of the Class C-1 Notes: 2.50 per cent. per annum (the "**Class C-1 Margin**");

(5) in the case of the Class D Notes: 4.10 per cent. per annum (the "**Class D Margin**");

(6) in the case of the Class E Notes: 6.35 per cent. per annum (the "**Class E Margin**"); and

(7) in the case of the Class F Notes: 8.77 per cent. per annum (the "**Class F Margin**").

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

(F) In addition to paragraphs (A) to (E) above, a Class D Additional Amount shall be payable to the Class D Noteholders on the first Payment Date.

(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 (and in any event (i) for each Accrual Period following the occurrence of a Frequency Switch Event, not later than the Business Day following the relevant Interest Determination Date; and (ii) for each Accrual Period prior to the occurrence of a Frequency Switch Event and for any Accrual Period during which a Frequency Switch Event occurs, not later than the Determination Date immediately preceding the relevant Payment Date), determine the Class X Rate of Interest, the Class A Rate of Interest, the Class B-1 Rate of Interest, the Class C-1 Rate of Interest, the Class D Rate of Interest, the Class E Rate of Interest and the Class F Rate of Interest and calculate the interest amount payable in respect of original principal amounts of the Class X Notes, the Class A Notes, the Class B-1 Notes, the Class C-1 Notes, the Class D Notes, the Class E Notes and the Class F Notes for the relevant Accrual Period. The amount of interest (an "**Interest Amount**") payable in respect of such Notes shall be calculated by applying the Class X Rate of Interest in the case of the Class X Notes, the Class A Rate of Interest in the case of the Class B-1 Rate of Interest in the case of the Class B-1 Notes, the Class C-1 Rate of Interest in the case of the Class C-1 Notes, the Class D Rate of Interest in the case of the Class D Notes, the Class E Rate of Interest in the case of the Class E Notes and the Class F Rate of Interest in the case of the Class F Notes, respectively, to an amount equal to the Principal Amount Outstanding in respect of the relevant Class of Notes, multiplying the product by the actual number of days in the Accrual Period concerned, divided by 360 and rounding the resultant figure to the nearest €0.01 (€0.005 being rounded upwards).

(iii) Interest on Fixed Rate Notes

The Calculation Agent will calculate the amount of interest (an "**Interest Amount**") payable in respect of the original principal amount of the Class B-2 Notes and the Class C-2 Notes for the relevant Accrual Period by applying the Class B-2 Fixed Rate of Interest or the Class C-2 Fixed Rate of Interest, as applicable, to an amount equal to the Principal Amount Outstanding in respect of the relevant Class of Notes, multiplying the product by the number of days in the Accrual Period concerned (the number of days to be calculated on the basis of a year of 360 days with 12 months of 30 days each), divided by 360 and rounding the resultant figure to the nearest €0.01 (€0.005 being rounded upwards), where:

"**Class B-2 Fixed Rate of Interest**" means 2.10 per cent. per annum.

"**Class C-2 Fixed Rate of Interest**" means 2.60 per cent. per annum.

(iv) Reference Banks and Calculation Agent

The Issuer will procure that, so long as any Class X Note, Class A Note, Class B-1 Note, Class C-1 Note, Class D Note, Class E Note or Class F Note remains Outstanding:

(A) a Calculation Agent shall be appointed and maintained for the purposes of determining the interest rate and interest amount payable in respect of the Notes; and

(B) in the event that the Class X Rate of Interest, the Class A Rate of Interest, the Class B-1 Rate of Interest, the Class C-1 Rate of Interest, the Class D Rate of Interest, the Class E Rate of Interest and the Class F 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 requested to provide a quotation.

If the Calculation Agent is unable or unwilling to continue to act as the Calculation Agent for the purpose of calculating interest hereunder or fails duly to establish any Rate of Interest for any Accrual Period, or to calculate the Interest Amount on any Class of Rated Notes, the Issuer shall (with the prior approval of the Trustee) appoint some other leading bank to act as such in its place. The Calculation Agent may not resign its duties without a successor having been so appointed.

(f) Interest Proceeds in respect of Subordinated Notes

Solely in respect of Subordinated Notes, the Collateral Administrator will as of each Determination Date calculate the Interest Proceeds and Principal Proceeds payable to the extent of available funds in respect of an original principal amount of Subordinated Notes equal to the Authorised Integral Amount applicable thereto for the relevant Accrual Period. The Interest Proceeds and Principal Proceeds payable on each Payment Date in respect of an original principal amount of Subordinated Notes equal to the Authorised Integral Amount applicable thereto shall be calculated by multiplying the amount of Interest Proceeds and Principal Proceeds to be applied on the Subordinated Notes on the applicable Payment Date pursuant to paragraph (DD) of the Interest Priority of Payments, paragraph (U) of the Principal Priority of Payments and paragraph (W) of the Post-Acceleration Priority of Payments by fractions equal to the amount of such Authorised Integral Amount, as applicable, divided by the aggregate original principal amount of the Subordinated Notes.

(g) Publication of Rates of Interest, Interest Amounts and Deferred Interest

The Calculation Agent will cause the Class X Rate of Interest, the Class A Rate of Interest, the Class B-1 Rate of Interest, the Class C-1 Rate of Interest, the Class D Rate of Interest, the Class E Rate of Interest and the Class F Rate of Interest or the Interest Amounts payable in respect of each Class of Rated Notes, the amount of any Deferred Interest due but not paid on any Class C Notes, Class D Notes, Class E Notes or Class F Notes for each Accrual Period and Payment Date, and following 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, as soon as possible after their determination but in no event later than the fourth Business Day thereafter, and the Principal Paying Agent shall cause each such rate, amount and date and occurrence of a Frequency Switch Event to be notified to the Noteholders of each Class in accordance

with Condition 16 (*Notices*) as soon as possible following notification to the Principal Paying Agent but in no event later than the third Business Day after such notification. The Interest Amounts in respect of the Rated Notes or the Payment Date in respect of any Class so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice in the event of an extension or shortening of the Accrual Period. If any of the Notes become due and payable under Condition 10 (*Events of Default*), interest shall nevertheless continue to be calculated as previously by the Calculation Agent in accordance with this Condition 6 (*Interest*) but no publication of the applicable Interest Amounts shall be made unless the Trustee so determines.

(h) 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 be binding on the Issuer, the Reference Banks, the Calculation Agent, the Trustee, the Registrar, the Principal Paying Agent, the Transfer Agent and all Noteholders (save in the case that the Issuer certifies to the Trustee (upon which certificate the Trustee may rely absolutely and without enquiry or liability) or the Trustee determines (in its sole discretion) that any such notification, opinion, determination, certificate, quotation or decisions given, expressed, made or obtained is erroneous and, if applicable, the Issuer publishes a correction in accordance with Condition 16 (*Notices*), provided that the Trustee shall be under no obligation to monitor or investigate any such notifications, opinions, determinations, certificates, quotations and decisions for such errors) and 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 by them of their powers, duties and discretions under this Condition 6(h) (*Notifications, etc. to be Final*).

7. Redemption and Purchase

(a) Final Redemption

Subject to Condition 6(a)(ii) (*Subordinated Notes*), save to the extent previously redeemed in full and cancelled, the Notes of each Class will be redeemed on the Maturity Date of such Notes at their Redemption Price in accordance with the Note Payment Sequence and the Priorities of Payment. 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*) and Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) and Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*), the Rated Notes may be redeemed in whole but not in part by the Issuer at the applicable Redemption Prices:

(A) on any Business Day falling on or after expiry of the Non-Call Period at the option of the holders of the Subordinated Notes acting by way of Ordinary Resolution (as evidenced by duly completed Redemption Notices);

(B) upon the occurrence of a Collateral Tax Event, on any Business Day falling after such occurrence at the direction of the Subordinated Noteholders acting by Ordinary Resolution (as evidenced by duly completed Redemption Notices).

(ii) Optional Redemption in Part – Collateral Manager/Subordinated Noteholders

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) and Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*), the Rated Notes of any Class may be redeemed by the Issuer at the applicable Redemption Prices, solely from Refinancing Proceeds (in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) below) on any Business Day falling on or after expiry of the Non-Call Period (A) at the direction of the Subordinated Noteholders, (acting by Ordinary Resolution) or (B) at the written direction of the Collateral Manager, in either case at

least 30 days prior to the Redemption Date, to redeem such Class of Rated Notes. No such Optional Redemption may occur unless the Rated Notes to be redeemed represent the entire Class of such Rated Notes.

(iii) Optional Redemption in Whole - Clean-up Call

Subject to the provisions of Conditions 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) and 7(b)(vi) (*Optional Redemption effected through Liquidation only*), the Rated Notes shall be redeemed in whole but not in part by the Issuer, at the applicable Redemption Prices, from Sale Proceeds on any Business Day falling on or after expiry of the Non-Call Period if, upon or at any time following the expiry of the Non-Call Period, the Collateral Principal Amount is less than 15 per cent. of the Target Par Amount and such redemption is directed in writing by the Collateral Manager or the Retention Holder.

(iv) Terms and Conditions of an Optional Redemption

In connection with any Optional Redemption:

(A) the Issuer shall procure that at least 30 days' prior written notice of such Optional Redemption (but stating that such redemption is subject to satisfaction of the conditions set out in this Condition 7 (*Redemption and Purchase*), including the applicable Redemption Date, and the relevant Redemption Price therefor, is given to the Trustee, 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, the Trustee and the Collateral Manager no later than 30 days prior to the relevant Redemption Date;

(C) any such redemption must comply with the procedures set out in Condition 7(b)(vii) (*Mechanics of Redemption*); and

(D) any redemption in part of the Notes pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Collateral Manager/Subordinated Noteholders*) may be effected solely from Refinancing Proceeds in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) below.

(v) Optional Redemption effected in whole or in part through Refinancing

Following receipt of, or, as the case may be, confirmation from the Principal Paying Agent of receipt of, a direction in writing from the Collateral Manager or the Subordinated Noteholders (acting by way of Ordinary Resolution) to exercise any right of optional redemption pursuant to Condition 7(b)(i) (*Optional Redemption in Whole – Subordinated Noteholders*) or Condition 7(b)(ii) (*Optional Redemption in Part – Collateral Manager/Subordinated Noteholder*s), the Issuer may, subject to the consent of the Collateral Manager:

(A) (1) enter into a loan (as borrower thereunder) with one or more financial institutions (qualifying as (i) "professional market parties" (*professionele marktpartijen*) ("**PMPs**") within the meaning of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*, the "**Dutch FSA**") and (ii) to the extent that PMPs are deemed to qualify as the "public" (within the meaning of article 4(1) of the CRR and the rules promulgated thereunder, as amended, or any subsequent replacement of such regulation), a person that would not cause the Issuer to receive any repayable funds (*opvorderbare gelden*) from the "public" (as defined in Regulation 2017/1129/EU, as amended from time to time)); or (2) issue replacement notes (in accordance with the provisions of the Dutch FSA); and

(B) in the case of a redemption in part of the entire Class of a Class of Rated Notes, issue replacement notes (in accordance with the provisions of the Dutch FSA) (each, a "**Refinancing Obligation**"),

whose terms in each case will be negotiated by the Collateral Manager on behalf of the Issuer (any such refinancing, a "**Refinancing**"). The terms of any Refinancing and the identity of any financial institutions acting as lenders or purchasers thereunder are subject to the prior written consent of the Subordinated Noteholders (acting by Ordinary Resolution) and each Refinancing is required to satisfy the conditions described in this Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

Refinancing Proceeds may be applied in addition to (or in place of) Sale Proceeds in the redemption of the Rated Notes in whole pursuant to Condition 7(b)(i) (*Optional Redemption in Whole – Subordinated Noteholders*). In addition, Refinancing Proceeds may be applied in the redemption of the Rated Notes in part by Class pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Collateral Manager/Subordinated Noteholders*).

(C) Refinancing in relation to a Redemption in Whole

In the case of a Refinancing in relation to the redemption of the Rated Notes in whole but not in part pursuant to Condition 7(b)(i) (*Optional Redemption in Whole – Subordinated Noteholders*) as described above, such Refinancing will be effective only if:

(1) the Issuer provides prior written notice thereof to S&P and Fitch and each Hedge Counterparty;

(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, the Class E Notes and the Class F 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 the Redemption Price) on such Redemption Date when applied in accordance with the Post-Acceleration Priority of Payments;

(3) all Principal Proceeds, Refinancing Proceeds, Sale Proceeds, if any, and other available funds are used (to the extent necessary) to make such redemption;

(4) each agreement entered into by the Issuer in respect of such Refinancing contains limited recourse and non-petition provisions substantially the same as those contained in the Trust Deed; and

(5) all Refinancing Proceeds and all Sale Proceeds, if any, from the sale of Collateral Obligations and Eligible Investments are received by (or on behalf of) the Issuer on or prior to the applicable Redemption Date; and

(6) any issuance of replacement notes would not result in non-compliance by the Collateral Manager with the EU Retention and Transparency Requirements or the U.S. Risk Retention Rules,

in each case, as confirmed in writing to the Issuer and the Trustee by the Collateral Manager (upon which confirmation the Trustee shall rely absolutely and without enquiry or liability).

(D) Refinancing in relation to a Redemption in Part

In the case of a Refinancing in relation to a redemption of the Rated Notes in part by Class pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Collateral Manager/Subordinated Noteholders*), such Refinancing will be effective only if:

(1) the Issuer provides prior written notice thereof to S&P and Fitch and each Hedge Counterparty;

(2) the Refinancing Obligations are in the form of notes;

(3) any redemption of a Class of Notes is a redemption of the entire Class which is subject to the redemption;

(4) the sum of (A) the Refinancing Proceeds and (B) the amount of Interest Proceeds standing to the credit of the Interest Account in excess of the aggregate amount of Interest Proceeds which would be applied in accordance with the Interest Priority of Payments prior to paying any amount in respect of the Subordinated Notes will be at least sufficient to pay in full:

(a) the aggregate Redemption Prices of the entire Class or Classes of Rated Notes subject to the Optional Redemption; plus

(b) all accrued and unpaid Trustee Fees and Expenses and Administrative Expenses in connection with such Refinancing;

(5) the Refinancing Proceeds are used (to the extent necessary) to make such redemption;

(6) each agreement entered into by the Issuer in respect of such Refinancing contains limited recourse and non-petition provisions substantially the same as those contained in the Trust Deed;

(7) the aggregate principal amount of the Refinancing Obligations for each Class is equal to the aggregate Principal Amount Outstanding of such Class of Notes being redeemed with the Refinancing Proceeds;

(8) the maturity date of each class of Refinancing Obligation is the same as the Maturity Date of the Class or Classes of Notes being redeemed with the Refinancing Proceeds;

(9) the Applicable Margin of any Refinancing Obligations will not be greater than the Applicable Margin of the Rated Notes subject to such Optional Redemption (unless Rating Agency Confirmation has been obtained);

(10) 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;

(11) the voting rights, consent rights, redemption rights and all other rights (other than any modification to remove the rights of the Subordinated Noteholders or any other party to direct the Issuer to redeem by refinancing the Refinancing Obligations) of the Refinancing Obligations are the same as the rights of the corresponding Class of Rated Notes being redeemed;

(12) all Refinancing Proceeds are received by (or on behalf of) the Issuer on or prior to the applicable Redemption Date; and

(13) any issuance of replacement notes would not result in non-compliance by the Collateral Manager with the EU Retention and Transparency Requirements or the U.S. Risk Retention Rules,

in each case, as confirmed in writing to the Issuer and the Trustee by the Collateral Manager (upon which confirmation the Trustee shall rely absolutely and without enquiry or liability).

If, in relation to a proposed optional redemption of the Notes (in part or in whole, as applicable), any of the relevant conditions specified in this Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) are not satisfied, the Issuer shall cancel the relevant redemption of the Notes and shall give notice of such cancellation to the

Trustee, the Collateral Manager, the Rating Agencies and the Noteholders in accordance with Condition 16 (*Notices*).

None of the Issuer, the Collateral Manager, the Collateral Administrator or the Trustee shall be liable to any party, including the Subordinated Noteholders, for any failure to obtain a Refinancing.

(E) Consequential Amendments

Following a Refinancing, the Trustee shall agree to the modification of the Trust Deed and the other Transaction Documents to the extent which the Issuer (or the Collateral Manager on its behalf) certifies (upon which certificate the Trustee may rely absolutely and without enquiry or liability) is necessary to reflect the terms of the Refinancing (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). No further consent for such amendments shall be required from the holders of Notes other than from the holders of the Subordinated Notes acting by way of an Ordinary Resolution (but subject always to the veto right of each Hedge Counterparty pursuant to Condition 14(c) (*Modification and Waiver)*.

The Trustee will not be obliged to enter into any modification that, in its opinion, would (i) have the effect of exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or prefunded to its satisfaction or (ii) add to or increase the obligations, liabilities, duties or decrease the protections, rights, powers, indemnities or authorisations of the Trustee in respect of any Transaction Document, and the Trustee will be entitled to conclusively rely upon an officer's certificate and/or opinion of counsel as to matters of law (which may be supported as to factual (including financial and capital markets) matters by any relevant certificates and other documents necessary or advisable in the judgment of counsel delivering such opinion of counsel) provided by the Issuer or any other party to any Transaction Document to the effect that such amendment meets the requirements specified above and is permitted under the Trust Deed without the consent of the holders of the Notes (except that such officer or counsel will have no obligation to certify or opine as to the sufficiency of the Refinancing Proceeds).

(vi) Optional Redemption effected through Liquidation only

Following receipt of notice from the Issuer or, as the case may be, of confirmation from the Principal Paying Agent of (i) a direction in writing from the Subordinated Noteholders (acting by way of Ordinary Resolution), (ii) a direction in writing from the Controlling Class (acting by way of Ordinary Resolution) and/or (iii) consent of or direction from (where required) the Collateral Manager, as the case may be and in each case in writing, 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 20 Business Days prior to the scheduled Redemption Date, calculate the Redemption Threshold Amount in consultation with the Collateral Manager. The Collateral Manager or any Collateral Manager Related Person will be permitted to purchase Collateral Obligations in the Portfolio where the Noteholders exercise their right of early redemption pursuant to this Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption Following Note Tax Event*).

The Notes shall not be optionally redeemed where such Optional Redemption is to be effected solely through the liquidation or realisation of the Portfolio unless:

(A) at least five Business Days before the scheduled Redemption Date (or such shorter date as agreed between the Collateral Manager and the Collateral Administrator and no consent for such shorter period shall be required from the Trustee) the Collateral Manager shall have furnished to the Trustee a certificate (upon which certificate the Trustee may rely absolutely and without further enquiry or liability) signed by an officer of the Collateral Manager that the Collateral Manager on behalf of the Issuer has entered into a binding agreement or agreements with either (I) a financial or other institution or institutions (which (a) either (x) 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 (y) in respect of which a Rating Agency Confirmation from S&P has been obtained; and (b) either (x) has a long-term issuer credit rating of at least "A" by Fitch or, if it does not have a long-term issuer credit rating by Fitch, a short-term issuer default rating of at least "F1" by Fitch or (y) in respect of which a Rating Agency Confirmation from Fitch has been obtained); or (II) a special purpose vehicle that is, in the determination of S&P (or in respect of which a Rating Agency Confirmation has been obtained from S&P), "bankruptcy remote", and with sufficient available funding capacity, in each case, to purchase (directly or by participation or other arrangement) from the Issuer,, not later than the Business Day immediately preceding the scheduled Redemption Date, in immediately available funds, all or part of the Portfolio at a purchase price at least sufficient, together with the Eligible Investments maturing, redeemable or putable to the issuer thereof at par on or prior to the scheduled Redemption Date and, without double counting, amounts standing to the credit of the Accounts that will be available for payment in accordance with the Post-Acceleration Priority of Payments on the scheduled Redemption Date, to meet the Redemption Threshold Amount; or

(B) at least 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, together with the Eligible Investments maturing, redeemable or putable to the issuer thereof at par on or prior to the scheduled Redemption Date and, without double counting, amounts standing to the credit of the Accounts that will be available for payment in accordance with the Post-Acceleration Priority of Payments on the scheduled Redemption Date, to meet the Redemption Threshold Amount, provided that, if the Issuer has received funds from a purchaser of one or more Collateral Obligations (in whole or in part), but such Collateral Obligations have not yet been disposed of by transfer of legal title, such funds will be included within the calculation of whether the Redemption Threshold Amount has been met; and

(C) prior to selling any Collateral Obligations and/or Eligible Investments, the Collateral Manager confirms in writing to the Trustee that, in its judgment, the aggregate sum of (A) expected proceeds from the sale of Eligible Investments, (B) for each Collateral Obligation, the product of its Principal Balance and its Market Value and (C) without double counting, amounts standing to the credit of the Accounts that will be available for payment in accordance with the Post-Acceleration Priority of Payments on the scheduled Redemption Date, shall meet or exceed the Redemption Threshold Amount.

Any certification delivered by the Collateral Manager pursuant to this Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*) must include (1) the prices on the date of such certification of, and expected proceeds from, the sale (directly or by participation or other arrangement) of any Collateral Obligations and/or Eligible Investments, (2) amounts standing to the credit of the Accounts which would be available to be applied in accordance with the Post-Acceleration Priority of Payments if the Notes fell due for redemption in full on the scheduled Redemption Date and (3) 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 Collateral Manager Related Person shall have the right, subject to the same terms and conditions afforded to other bidders, to bid on Collateral Obligations to be sold as part of an Optional Redemption pursuant to this Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*).

If any of the conditions (A) to (C) above are not satisfied, the Issuer shall cancel the redemption of the Notes and shall give notice of such cancellation to the Trustee, the Collateral Manager, the Rating Agencies and the Noteholders in accordance with Condition 16 (*Notices*). Such cancellation shall not constitute a Note Event of Default.

The Trustee shall rely conclusively and without enquiry or liability on any confirmation or certificate of the Collateral Manager furnished by it pursuant to or in connection with this Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*).

(vii) Mechanics of Redemption

Following calculation by the Collateral Administrator of the relevant Redemption Threshold Amount (in consultation with the Collateral Manager), if applicable, the Collateral Administrator shall make such other calculations as it is required to make pursuant to the Collateral Management and Administration Agreement and shall notify the Issuer, the Trustee, the Collateral Manager and the Principal Paying Agent (who shall notify the Noteholders in accordance with Condition 16 (*Notices*) of such amounts).

Any exercise of a right of Optional Redemption by the Subordinated Noteholders pursuant to this Condition 7(b) (*Optional Redemption*) or the Controlling Class or the Subordinated Noteholders pursuant to Condition 7(g) (*Redemption Following Note Tax Event*) shall be effected by delivery to the Principal Paying Agent, by the requisite amount of Subordinated Noteholders or the requisite amount of Notes comprising the Controlling Class (as applicable) held thereby of duly completed Redemption Notices not less than 30 days prior to the proposed Redemption Date. No Redemption Notice so delivered or any direction given by the Collateral Manager may be withdrawn without the prior consent of the Issuer. The Registrar shall copy each Redemption Notice or any direction given by the Collateral Manager received to each of the Issuer, the Trustee, the Collateral Administrator and the Collateral Manager.

The Collateral Manager shall notify the Issuer, the Trustee, the Collateral Administrator, each Hedge Counterparty and the Principal Paying Agent upon satisfaction of all of the conditions set out in this Condition 7(b) (*Optional Redemption*) and Condition 7(g) (*Redemption Following Note Tax Event*) and shall use commercially reasonable endeavours to arrange for liquidation and/or realisation of the Portfolio in whole or in part as necessary, on behalf of the Issuer in accordance with the Collateral Management and Administration Agreement. The Issuer shall deposit, or cause to be deposited, the funds required for an optional redemption of the Notes in accordance with this Condition 7(b) (*Optional Redemption*) and/or Condition 7(g) (*Redemption Following Note Tax Event*) 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 before the applicable Redemption Date). Principal Proceeds and Interest Proceeds received in connection with a redemption in whole of the Rated Notes shall be payable in accordance with the Post-Acceleration Priority of Payments. In the case of any redemption in whole of a Class of Rated Notes, the relevant Refinancing Proceeds (other than a redemption in whole of all Classes of Rated Notes) shall be paid to the Noteholders of such Class of Notes subject to payment of amounts in priority in accordance with the Priorities of Payment.

(viii) Optional Redemption of Subordinated Notes

The Subordinated Notes may be redeemed at their Redemption Price, in whole but not in part, on any Business Day on or after the redemption or repayment in full of the Rated Notes, at the direction of the Subordinated Noteholders (acting by Ordinary Resolution).

(c) Mandatory Redemption upon Breach of Coverage Tests

(i) Class X Notes, Class A Notes, Class B-1 Notes and Class B-2 Notes

If the Class A/B Par Value Test is not met on any Determination Date on and after the Effective Date or if the Class A/B Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date or any Determination Date thereafter, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class X Notes, the Class A Notes, the Class B-1 Notes and the Class B-2 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 Coverage Test is satisfied if recalculated following such redemption.

(ii) Class C-1 Notes and Class C-2 Notes

If the Class C Par Value Test is not met on any Determination Date on and after the Effective Date or if the Class C Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date or any Determination Date thereafter, Interest Proceeds and

thereafter Principal Proceeds will be applied in redemption of the Class X Notes, the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes and the Class C-2 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 Coverage Test is satisfied if recalculated immediately following such redemption.

(iii) Class D Notes

If the Class D Par Value Test is not met on any Determination Date on and after the Effective Date or if the Class D Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date or any Determination Date thereafter, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class X Notes, the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 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 Coverage Test is satisfied if recalculated immediately following such redemption.

(iv) Class E Notes

If the Class E Par Value Test is not met on any Determination Date on and after the Effective Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class X Notes, the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 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 each such Coverage Test is satisfied if recalculated immediately following such redemption.

(v) Class F Notes

If the Class F Par Value Test is not satisfied on any Determination Date on and after the Effective Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class X Notes, the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 Notes, the Class D Notes, the Class E Notes and the Class F Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payments (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated immediately following such redemption.

(d) Special Redemption

Principal payments on the Notes shall be made in accordance with the Principal Priority of Payments at the sole and absolute discretion of the Collateral Manager (acting on behalf of the Issuer), if either (A) at any time during the Reinvestment Period, the Collateral Manager (acting on behalf of the Issuer) certifies (upon which certification the Trustee may rely without enquiry or liability) to the Trustee that, using commercially reasonable endeavours, it has been unable, for a period of 20 consecutive Business Days, to identify additional Collateral Obligations or Substitute Collateral Obligations that are deemed appropriate by the Collateral Manager in its sole discretion which meet the Eligibility Criteria 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, or (B) at any time after the Effective Date, the Collateral Manager (acting on behalf of the Issuer) notifies the Trustee in writing that, as determined by the Collateral Manager acting in a commercially reasonable manner, a redemption is required in order to avoid a Rating Event (upon which notification the Trustee may rely without enquiry or liability) (a "**Special Redemption**"). On the first Payment Date following the Due Period in which such notification is given (a "**Special Redemption Date**") (A) the funds in the Principal Account representing Principal Proceeds which, using commercially reasonable endeavours, cannot be reinvested in additional Collateral Obligations or Substitute Collateral Obligations by the Collateral Manager or (B) such minimum amount of funds in the Principal Account as the Collateral Manager determines, acting in a commercially reasonable manner, is required to avoid the occurrence of a Rating Event (each amount under (A) and (B), a "**Special Redemption Amount**") will be applied in accordance with paragraph (O) of the Principal Priority of Payments. Notice of payments pursuant to

this Condition 7(d) (*Special Redemption*) shall be given by the Issuer in accordance with Condition 16 (*Notices*) not less than three Business Days prior to the applicable Special Redemption Date to the Noteholders and to each Rating Agency. For the avoidance of doubt, the exercise of a Special Redemption shall be at the sole and absolute discretion of the Collateral Manager (acting on behalf of the Issuer) and the Collateral Manager shall be under no obligation to, or have any responsibility to, any Noteholder or any other person for the exercise or non-exercise (as applicable) of such Special Redemption.

(e) Redemption upon Effective Date Rating Event

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

Upon the occurrence of a Note Tax Event, the Issuer shall, subject to and in accordance with the terms of the Trust Deed, use all reasonable efforts to change the territory in which it is resident for tax purposes to another jurisdiction which, at the time of such change, would prevent the continuation of a Note Tax Event. Upon the earlier of (a) the date upon which the Issuer certifies to the Trustee (upon which certification the Trustee may rely without enquiry or liability) and the Noteholders that it is not able to effect such change of residence and (b) the date which is 90 days from the date upon which the Issuer first becomes aware of such Note Tax Event (provided that such 90 day period shall be extended by a further 90 days in the event that during the former period the Issuer has notified (or procured the notification of) the Trustee and the Noteholders (in accordance with Condition 16 (*Notices*)) that, based on advice received by it, it expects that it shall have changed its place of residence by the end of the latter 90 day period) (i) the Controlling Class or (ii) 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 Business Day thereafter, at their respective Redemption Prices in accordance with the Note Payment Sequence, in which case the Issuer shall so redeem the Notes on such terms, provided that such Note Tax Event would affect payment of principal or interest in respect of the Controlling Class or, as the case may be, the Subordinated Notes (in addition to any other Class of Notes) on such 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 subject to and in accordance with the procedures set out in Condition 7(b) (*Optional Redemption*) (including, for the avoidance of doubt, Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*).

(h) Redemption

Unless otherwise specified in this Condition 7 (*Redemption and Purchase*), all Notes in respect of which any notice of redemption is given shall be redeemed on the Redemption Date at their applicable Redemption Prices and to the extent specified in such notice and in accordance with the requirements of this Condition 7 (*Redemption and Purchase*) 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 or for cancellation pursuant to Condition 7(l) (*Purchase*) below, for registration of transfer, exchange or redemption, or for replacement in connection with any Note mutilated, defaced or deemed lost or stolen.

In respect of Notes represented by a Global Certificate, cancellation of any Note required by the Conditions to be cancelled will be effected by reduction in the principal amount of the Notes on the Register, with a corresponding notation made on the applicable Global Certificate.

(j) Notice of Redemption

The Issuer shall procure that notice of any redemption in accordance with this Condition 7 (*Redemption and Purchase*) (which notice shall be irrevocable) is given in writing to the Trustee and Noteholders in accordance with Condition 16 (*Notices*) and promptly in writing to the Rating Agencies and each Hedge Counterparty.

(k) Reinvestment Overcollateralisation Test

On and after the Effective Date during the Reinvestment Period, at the discretion of the Collateral Manager, acting on behalf of the Issuer, in accordance with and subject to the terms of the Collateral Management and Administration Agreement, the Issuer may redeem the Notes upon a failure of the Reinvestment Overcollateralisation Test subject to and in accordance with the Priorities of Payment and that notice is given in writing to the Trustee and Noteholders in accordance with Condition 16 (*Notices*).

(l) Purchase

On any Business Day, at the discretion of the Collateral Manager, acting on behalf of the Issuer, in accordance with and subject to the terms of the Collateral Management and Administration Agreement, the Issuer may, subject to the conditions below, purchase any of the Rated Notes (in whole or in part), using amounts standing to the credit of the Supplemental Reserve Account.

No purchase of Rated Notes by the Issuer may occur unless each of the following conditions is satisfied:

(A) such purchase of Rated Notes shall occur in the following sequential order of priority: first, the Class X Notes and the Class A Notes, on a *pro rata* and *pari passu* basis, until the Class X Notes and the Class A Notes are purchased or redeemed in full and cancelled; second, the Class B-1 Notes and the Class B-2 Notes (on a *pari passu* basis), until the Class B-1 Notes and the Class B-2 Notes are purchased or redeemed in full and cancelled; third, the Class C-1 Notes and the Class C-2 Notes (on a *pari passu* basis), until the Class C-1 Notes and the Class C-2 Notes are purchased or redeemed in full and cancelled; fourth, the Class D Notes, until the Class D Notes are purchased or redeemed in full and cancelled; fifth, the Class E Notes, until the Class E Notes are purchased or redeemed in full and cancelled; and sixth, the Class F Notes, until the Class F Notes are purchased or redeemed in full and cancelled;

(B) (1) each such purchase of Rated Notes of any Class (or Classes in respect of the Class X Notes and the Class A Notes) shall be made pursuant to an offer made to all holders of the Rated Notes of such Class (or Classes in respect of the Class X Notes and the Class A Notes) (and, in the case of (x) either the Class B-1 Notes or the Class B-2 Notes, to all holders of the relevant other Class of Rated Notes which are Class B Notes on a *pari passu* basis or (y) either the Class C-1 Notes or the Class C-2 Notes, to all holders of the relevant other Class of Rated Notes which are Class C Notes on a *pari passu* basis), 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 amount of Supplemental Reserve Amounts that will be used to effect such purchase and the length of the period during which such offer will be open for acceptance;

(2) 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

(3) if the aggregate Principal Amount Outstanding of Notes of the relevant Class (or Classes in respect of the Class X Notes and the Class A Notes) held by holders who accept such offer exceeds the amount of Supplemental Reserve Amounts 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 and, in the case of (x) the Class B Notes, on a *pari passu* basis between the relevant holders of the Class B-1 Notes and the Class B-2

Notes and (y) the Class C Notes, on a *pari passu* basis between the relevant holders of the Class C-1 Notes and the Class C-2 Notes;

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

(D) each such purchase of Rated Notes shall occur prior to the expiry of the Reinvestment Period;

(E) each Coverage Test is satisfied immediately prior to each such purchase and will be satisfied after giving effect to such purchase (and subsequent cancellation pursuant to this Condition 7(l) (*Purchase*)) or, if any Coverage Test is not satisfied, it shall be at least maintained or improved after giving effect to such purchase (and subsequent cancellation pursuant to this Condition 7(l) (*Purchase*)) compared with what it was immediately prior thereto;

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

(G) any Rated Notes to be purchased shall be surrendered to the Registrar for cancellation and may not be reissued or resold;

(H) each such purchase will otherwise be conducted in accordance with applicable law (including the laws of The Netherlands); and

(I) no such purchase will result in a Retention Deficiency occurring.

Upon instruction by the Issuer, the Registrar shall cancel any such purchased Rated Notes surrendered to it for cancellation. The cancellation (and/or decrease, as applicable) of any such surrendered Rated Notes shall be taken into account for purposes of all relevant calculations. The Issuer shall procure that notice of any such purchase of Rated Notes by it is given promptly in writing to the Rating Agencies, the Noteholders in accordance with Condition 16 (*Notices*) and the Trustee.

(m) Mandatory Redemption of Class X Notes

The Class X Notes shall be subject to mandatory redemption in part on each Payment Date commencing on (and including) the second Payment Date immediately following the Issue Date, in each case in an amount equal to the relevant Class X Principal Amortisation Amount, provided that, a failure to pay such amount on such date shall not constitute a Note Event of Default pursuant to Condition (10)(a) *(Note Events of Default)*.

8. Payments

(a) Method of Payment

Payments of principal upon final redemption in respect of each Note will be made against presentation and surrender (or, in the case of part payment only, endorsement) of such Note at the specified office of the Principal Paying Agent by wire transfer. Payments of interest on each Note and, prior to redemption in full thereof, principal in respect of each Note, will be made by wire transfer. Upon application of the holder to the specified office of the Principal Paying Agent not less than five Business Days before the due date for any payment in respect of a Note, the payment may be made (in the case of any final payment of principal against presentation and surrender (or, in the case of part payment only of such final payment, endorsement) of such Note as provided above) by wire transfer, in immediately available funds, on the due date to a Euro account maintained by the payee with a bank in Western Europe.

Payments of principal and interest in respect of Notes represented by a Global Certificate will be made to the registered holder as shall have been notified to the relevant Noteholders (in accordance with Condition 16 (*Notices*)) for such purpose and, if no further payment falls to be made in respect of the relevant Notes, upon surrender of such Global Certificate to or to the order of the Principal Paying Agent or the Transfer Agent. On each occasion on which a payment of interest (unless the Notes represented thereby do not bear interest) or principal is made in respect of the relevant Global Certificate, the Registrar shall note the same in the Register and cause the aggregate principal amount of the Notes represented by a Global Certificate to be decreased accordingly.

(b) Payments

All payments are subject in all cases to (i) any applicable fiscal or other laws, regulations and directives, but without prejudice to the provisions of Condition 9 (*Taxation*) and (ii) any withholding or deduction required pursuant to an agreement described in Section 1471(b) of the Code or otherwise imposed pursuant to FATCA. No commission shall be charged to the Noteholders.

(c) Payments on Presentation Days

A holder shall be entitled to present a Note for payment only on a Presentation Date and shall not, except as provided in Condition 6 (*Interest*), be entitled to any further interest or other payment if a Presentation Date falls after the due date.

If a Note is presented for payment at a time when, as a result of differences in time zones it is not practicable to transfer the relevant amount to an account as referred to above for value on the relevant Presentation Date, the Issuer shall not be obliged so to do but shall be obliged to transfer the relevant amount to the account for value on the first practicable date after the Presentation Date.

(d) Principal Paying Agent and Transfer Agent

The names of the initial Principal Paying Agent and Transfer Agent and their initial specified offices are set out below. The Issuer reserves the right at any time, with the prior written approval of the Trustee, to vary or terminate the appointment of the Principal Paying Agent and the Transfer Agent and appoint additional or other Agents, provided that it will maintain a Principal Paying Agent as approved in writing by the Trustee and shall procure that it shall at all times maintain a Custodian, Account Bank, Collateral Manager and Collateral Administrator. Notice of any change in any Agent or their specified offices or in the Collateral Manager or Collateral Administrator will promptly be given to the Noteholders by the Issuer in accordance with Condition 16 (*Notices*).

9. Taxation

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 The Netherlands or the United States, 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 taxing authority. Any withholding or deduction shall not constitute a Note Event of Default under Condition 10(a) (*Note Events of Default*).

Subject as provided below, if the Issuer certifies (upon which certification the Trustee may rely without enquiry or liability) to the Trustee that it has or will on the occasion of the next payment due in respect of the Notes of any Class become obliged by the laws of The Netherlands to withhold or account for tax so that it would be unable to make payment of the full amount that would otherwise be due but for the imposition of such tax, the Issuer (save as provided below) shall use all reasonable endeavours to arrange for the substitution of a company incorporated in another jurisdiction approved by the Trustee as the principal obligor under the Notes of such Class, or to change its tax residence to another jurisdiction approved by the Trustee, subject to receipt of Rating Agency Confirmation in relation to such change, provided that the Trustee's approval shall be subject to confirmation of tax counsel (at the cost of the Issuer) that such a substitution and/or change in tax residence would be effective in eliminating the imposition of such tax.

Notwithstanding the above, if any taxes referred to in this Condition 9 (*Taxation*) arise:

(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 The Netherlands (including without limitation, such Noteholder (or such fiduciary, settlor, beneficiary, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in a trade or business or present therein or having had a permanent establishment therein) otherwise than by reason only of the holding of any Note or receiving principal or interest in respect thereof;

(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 The Netherlands or other applicable taxing authority;

(c) under FATCA; or

(d) any combination of the preceding clauses (a) through (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) Note Events of Default

Any of the following events shall constitute a "**Note Event of Default**":

(i) Non-payment of interest

(1) the Issuer fails to pay any interest in respect of the Class X Notes, the Class A Notes or the Class B Notes when the same becomes due; or

(2) in each case, following a Frequency Switch Event only: following redemption in full of the Class X Notes, the Class A Notes and the Class B Notes, failure to pay any interest in respect of the Class C Notes when the same becomes due and payable; following redemption if full of the Class C Notes, failure to pay any interest (and, if applicable, any Class D Additional Amount) in respect of the Class D Notes when the same becomes due and payable; following redemption if full of the Class D Notes, failure to pay any interest in respect of the Class E Notes when the same becomes due and payable; and following redemption if full of the Class E Notes failure to pay any interest in respect of the Class F Notes when the same becomes due and payable,

and, in each case, the failure to pay such interest (and, if applicable, any Class D Additional Amount) in such circumstances continues for a period of at least five Business Days provided that in the case of a failure to pay due to an administrative error or omission by the Collateral Administrator or the Principal Paying Agent, such failure continues for a period of at least seven Business Days after the Issuer, the Collateral Administrator or the Principal Paying Agent receives written notice of, or has actual knowledge of, such administrative error or omission (save, in each case, as a result of any deduction therefrom or the imposition of any withholding thereon as set forth in Condition 9 (*Taxation*)); provided further that the failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is withdrawn in accordance with these Conditions or, in the case of an Optional Redemption with respect to which a Refinancing fails, will not constitute a Note Event of Default;

(ii) Non-payment of principal

the Issuer fails to pay any principal when the same becomes due and payable on any Rated Note on the Maturity Date or any Redemption Date and such failure to pay such principal continues for a period of at least five Business Days provided that, in the case of a failure to disburse due to an administrative error or omission, such failure continues for a period of at least seven Business Days after the Issuer, the Collateral Administrator or the Principal Paying Agent receives written notice of, or has actual knowledge of, such administrative error or omission and provided further that failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is withdrawn in accordance with the Conditions or, in the case of an Optional Redemption with respect to which a Refinancing fails, will not constitute a Note Event of Default;

(iii) Default under Priorities of Payment

the failure on any Payment Date to disburse amounts (other than (i) or (ii) above) available in the Payment Account in excess of €1,000 and payable in accordance with the Priorities of Payment and continuation of such failure for a period of five Business Days or, in the case of a failure to

disburse due to an administrative error or omission or another non credit-related reason (as determined by the Collateral Manager acting in a commercially reasonable manner and certified in writing to the Trustee (upon which certification the Trustee may rely absolutely and without enquiry or liability), but without liability as to such determination) by the Issuer or the Collateral Administrator, as the case may be, such failure continues for ten Business Days after the Issuer and the Collateral Administrator receives written notice of, or has actual knowledge of, such administrative error or omission;

(iv) Collateral Obligations

on any Measurement Date after the Effective Date, failure of the percentage equivalent of a fraction, (i) the numerator of which is equal to (1) the Aggregate Principal Balance of all Collateral Obligations other than Defaulted Obligations plus (2) the aggregate in respect of each Defaulted Obligation of its Market Value multiplied by its Principal Balance on such date plus (3) any Principal Proceeds standing to the credit of the Principal Account on such Measurement Date and (ii) the denominator of which is equal to the aggregate Principal Amount Outstanding of the Class A Notes to equal or exceed 102.5 per cent.;

(v) Breach of Other Obligations

except as otherwise provided in this definition of "Note Event of Default", a default in a material respect in the performance by, or breach in a material respect of any material covenant of, the Issuer under the Trust Deed and/or these Conditions (provided that any failure to meet any Portfolio Profile Test, Collateral Quality Test, Coverage Test or Reinvestment Overcollateralisation Test is not a Note Event of Default and any failure to satisfy the Effective Date Determination Requirements is not a Note Event of Default, except in either case to the extent provided in paragraph (iv) above) or the failure of any material representation, warranty, undertaking or other agreement of the Issuer made in the Trust Deed and/or these Conditions or in any certificate or other writing delivered pursuant thereto or in connection therewith to be correct in each case in all material respects when the same shall have been made, and the continuation of such default, breach or failure for a period of 30 days after the earlier of (a) the Issuer having actual knowledge of such default, breach or failure or (b) notice being given to the Issuer and the Collateral Manager by registered or certified mail or courier from the Trustee, the Issuer or the Collateral Manager, or to the Issuer and the Collateral Manager from the Controlling Class acting pursuant to an Ordinary Resolution, in each case copied to the Trustee (as applicable), specifying such default, breach or failure and requiring it to be remedied and stating that such notice is a "**Notice of Default**" under the Trust Deed; provided that if the Issuer (as notified to the Trustee by the Collateral Manager in writing) has commenced curing such default, breach or failure during the 30 day period specified above, such default, breach or failure shall not constitute a Note Event of Default under this paragraph (v) unless it continues for a period of 45 days (rather than, and not in addition to, such 30 day period specified above) after the earlier of the Issuer having actual knowledge thereof or notice thereof in accordance herewith. For the purposes of this paragraph, the materiality of such default, breach, representation or warranty shall be determined by the Trustee who shall make such determination by considering whether such default or breach would be materially prejudicial to the interests of the Noteholders of any Class;

(vi) Insolvency Proceedings

proceedings are initiated against the Issuer under any applicable liquidation, insolvency, bankruptcy, composition, reorganisation or other similar laws (together, "**Insolvency Law**"), or a receiver, administrative receiver, trustee, administrator, custodian, conservator, liquidator, curator or other similar official (other than any party, including without limitation the Trustee and the Custodian, appointed or otherwise acting pursuant to or in connection with the Transaction Documents) (a "**Receiver**") is appointed in relation to such proceedings and the whole or any substantial part of the undertaking or assets of the Issuer and, in any of the foregoing cases, except in relation to the appointment of a Receiver, is not discharged within 30 days; or the Issuer is subject to, or initiates or consents to, judicial proceedings relating to itself under any applicable Insolvency Law, or seeks the appointment of a Receiver, or makes a conveyance or assignment for the benefit of its creditors generally or otherwise becomes subject to any reorganisation or amalgamation (other than on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Controlling Class);

(vii) Illegality

it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under the Notes; or

(viii) Investment Company Act

the Issuer or any of the Collateral becomes required to register as an "investment company" under the Investment Company Act and such requirement continues for 45 days.

(b) Acceleration

If a Note Event of Default occurs and is continuing, the Trustee may, at its discretion, and shall, at the request of the Controlling Class acting by way of Ordinary Resolution, (subject, in each case, to 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, each Hedge Counterparty and the Collateral Manager that all the Notes are immediately due and repayable (such notice, an "**Acceleration Notice**"), whereupon the Notes shall become immediately due and repayable at their applicable Redemption Prices, provided that upon the occurrence of a Note Event of Default described in paragraph (vi) of the definition thereof, an Acceleration Notice shall be deemed to have been given and all the Notes shall automatically become immediately due and repayable at their applicable Redemption Prices.

(c) Curing of Default

At any time after an Acceleration Notice (whether deemed or otherwise) has been given pursuant to Condition 10(b) (*Acceleration*) following the occurrence of a Note Event of Default and prior to enforcement of the security pursuant to Condition 11 (*Enforcement*), the Trustee, subject to receipt of consent in writing from the Controlling Class, may and shall, if so requested by the Controlling Class, in each case, acting by Extraordinary Resolution (and subject, in each case, to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith) rescind and annul such Acceleration Notice under paragraph (b) above and its consequences if:

(i) the Issuer has paid or deposited with the Trustee (or to its order) a sum sufficient to pay:

(A) all overdue payments of interest and principal on the Notes, other than the Subordinated Notes;

(B) all due but unpaid taxes owing by the Issuer, as certified by an Authorised Officer of the Issuer to the Trustee;

(C) all unpaid Administrative Expenses and Trustee Fees and Expenses in each case, without regard to the Senior Expenses Cap; and

(D) all amounts due and payable by the Issuer under any Currency Hedge Agreement or any Interest Rate Hedge Agreement; and

(ii) the Trustee has determined that all Events of Default, other than the non-payment of the interest in respect of, or principal of, the Notes that have become due solely as a result of the acceleration thereof under paragraph (b) above due to such Events of Default, have been cured or waived.

Any previous rescission and annulment of an Acceleration Notice (whether deemed or otherwise) pursuant to this paragraph (c) shall not prevent the subsequent acceleration of the Notes if the Trustee, at its discretion or as subsequently requested, accelerates the Notes or if the Notes are automatically accelerated in accordance with paragraph (b) above.

All amounts received in respect of this Condition 10(c) (*Curing of Default*) shall be distributed two Business Days following receipt by the Trustee of payment or deposit from the Issuer, in accordance with paragraph (i) above and the Post-Acceleration Priority of Payments.

(d) Restriction on Acceleration

No direction to accelerate the Notes shall be permitted by any Class of Noteholders, other than the Controlling Class as provided in Condition 10(b) (*Acceleration*).

(e) Notification and Confirmation of No Default

The Issuer shall immediately notify the Trustee, the Collateral Manager, the Noteholders (in accordance with Condition 16 (*Notices*)) and the Rating Agencies upon becoming aware of the occurrence of a Note Event of Default. The Trust Deed contains provision for the Issuer to provide written confirmation to the Trustee and the Rating Agencies on an annual basis that no Note Event of Default has occurred and that no condition, event or act has occurred which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition would constitute a Note Event of Default and that no other matter which is required (pursuant thereto) to be brought to the Trustee's attention has occurred.

(f) Collateral Manager Events of Default

Any of the following events shall constitute a "**Collateral Manager Event of Default**":

(i) the Collateral Manager wilfully violates, or takes any action which it knows is in breach of any material provision of the Collateral Management and Administration Agreement or the Trust Deed as are applicable to it, *provided* always that if the Collateral Manager does not breach any material provisions of the Collateral Management and Administration Agreement or the Trust Deed, the economic performance of the Collateral Obligations shall not constitute a Collateral Manager Event of Default;

(ii) the Collateral Manager breaches in any respect any material provision of the Collateral Management and Administration Agreement and the Trust Deed applicable to it (other than as specified in paragraph (i) above) which breach (i) is, in the opinion of the Trustee, materially prejudicial to the interests of the Controlling Class and (ii) if capable of being cured, is not cured within 30 days of the Collateral Manager becoming aware of, or the Collateral Manager receiving notice from the Issuer or the Trustee of, such breach or, if such breach is not capable of cured within 30 days but is capable of being cured within a longer period, the Collateral Manager fails to cure such breach within the period in which a reasonably prudent person could cure such breach (but in no event more than 90 days);

(iii) the Collateral Manager is wound up or is dissolved or there is appointed over it or all or substantially all of its assets a receiver, administrator, administrative receiver, trustee or similar officer; or the Collateral Manager: (i) ceases to be able to, or admits in writing that it is unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 as they become due and payable, or makes a general assignment for the benefit of, or seeks 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, administrative receiver, 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 consecutive 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 60 consecutive days or result in adjudication of bankruptcy or insolvency or the issuance of an order for relief or equivalent procedure; or (iv) permits or suffers all or any substantial part of its properties or assets to be sequestered, subject to execution of distress or attached by court order and the order (if contested in good faith) remains undismissed for 60 consecutive days;

(iv) the occurrence of a Note Event of Default (for the avoidance of doubt, only following the expiration of any grace period relating thereto) under Condition 10(a)(i) or (ii) (*Note Events of Default*) (except in those circumstances where such Note Event of Default is solely attributable to the actions or omissions of a third party which the Collateral Manager does not control);

(v) any action is taken by the Collateral Manager, or any of its senior executive officers involved in the management of the Collateral Obligations, 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 collateral 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;

(vi) the Collateral Manager shall be indicted or convicted, or any of its senior executive officers directly involved in the management of any of the Collateral Obligations shall be convicted, of a criminal offence under the laws of the United States or a state thereof or the laws of any other jurisdiction in which it conducts business, materially related to the Collateral Manager's asset management business, unless, in the case of a conviction of a senior executive officer of the Collateral Manager directly involved in the management of any of the Collateral Obligations, such senior executive officer has, within 30 days after such occurrence, been removed from performing work in fulfilment of the Collateral Manager's obligations under the Collateral Management and Administration Agreement.;

(vii) the Collateral Manager resigning pursuant to the terms of the Collateral Management and Administration Agreement; or

(viii) the occurrence of a Collateral Manager Tax Event.

Pursuant to the terms of the Collateral Management and Administration Agreement:

(x) upon the occurrence of a Collateral Manager Event of Default (other than pursuant to paragraph (vii) of the definition thereof), the Collateral Management and Administration Agreement may be terminated, and the Collateral Manager may be removed (i) at the Issuer's discretion; (ii) by the Controlling Class acting by Extraordinary Resolution; or (iii) by holders of the Subordinated Notes acting by Extraordinary Resolution (in each case, excluding any CM Non-Voting Exchangeable Notes, CM Non-Voting Notes and Notes held by the Collateral Manager or a Collateral Manager Related Person), upon 10 Business Days' prior written notice to the Collateral Manager, the Trustee and each Rating Agency; and

(y) upon the occurrence of a removal or resignation of the Collateral Manager following a Collateral Manager Event of Default, the Controlling Class and the Subordinated Noteholders will have certain rights with respect to the appointment of a successor collateral manager, as more fully described in the Collateral Management and Administration Agreement.

The Issuer acknowledges that the rights of the Controlling Class to participate in the selection or removal of the Collateral Manager following a Collateral Manager Event of Default, as described above, are the rights of a creditor to exercise remedies upon the occurrence of an event of default.

11. Enforcement

(a) Security Becoming Enforceable

Subject as provided in paragraph (b) below, 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*).

(b) Enforcement

At any time after the Notes become due and repayable and the security under the Trust Deed and 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 Extraordinary Resolution (subject, in each case, as provided in Condition 11(b)(ii) (*Enforcement*)), institute such proceedings or take such other action against the Issuer or take any other action as it may think fit to enforce the terms of the Trust Deed, 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 and the Irish Security Agreement (such actions together, "**Enforcement Actions**"), in each case without any liability as to the consequences of such action and without having regard (save to the extent provided in Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*)) to the effect of such action on the individual Noteholders of any Class or any other Secured Party provided however that:

(i) no such Enforcement Action may be taken by the Trustee unless:

(A) subject to it being indemnified and/or prefunded and/or secured to its satisfaction, the Trustee (or an agent or Appointee on its behalf) determines subject to consultation by the Trustee or such agent or Appointee with the Collateral Manager that the anticipated proceeds realised from such Enforcement Action (after deducting and allowing for any expenses properly incurred in connection therewith) would be sufficient to discharge in full all amounts due and payable in respect of all Classes of Notes (including, without limitation, Deferred Interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes) other than the Subordinated Notes and all amounts payable in priority thereto pursuant to the Post-Acceleration Priority of Payments (such amount the "**Enforcement Threshold**") and such determination being an "**Enforcement Threshold Determination**") and the Controlling Class agrees with such determination by an Extraordinary Resolution (in which case the Enforcement Threshold will be met); or

(B) subject to paragraph (ii) below, if the Enforcement Threshold will not have been met then:

(1) in the case of a Note Event of Default specified in sub-paragraph (i), (ii), (iv) or (vi) of Condition 10(a) (*Note Events of Default*), the Controlling Class directs the Trustee by Extraordinary Resolution to take Enforcement Action without regard to any other Note Event of Default which has occurred prior to, contemporaneously or subsequent to such Note Event of Default; or

(2) in the case of any other Note Event of Default, the relevant required majority of the Noteholders of each Class of Rated Notes acting by Written Resolution or Electronic Resolution separately by Class directs the Trustee to take Enforcement Action;

(ii) the Trustee shall not be bound to institute any Enforcement Action or take any other action unless, subject to the above, it is directed to do so by the Controlling Class acting by Extraordinary Resolution and in each case the Trustee is indemnified and/or secured and/or prefunded to its satisfaction against all Liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith. Following redemption and payment in full of the Rated Notes, the Trustee shall (provided it is indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith) act upon the directions of the Subordinated Noteholders acting by Extraordinary Resolution; and

(iii) the Trustee shall use reasonable efforts to determine the aggregate proceeds that can be realised pursuant to any Enforcement Action. For the purposes of determining the aggregate proceeds that can be realised pursuant to any Enforcement Action the Trustee shall use reasonable efforts to obtain, with the cooperation of 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 the Trustee shall compute the anticipated proceeds of sale or liquidation on the basis of the lower of such bid prices for each such asset. In the event that the Trustee, with the cooperation of 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 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, obtaining bid prices, the anticipated proceeds to be realised from any Enforcement Action and whether the Enforcement Threshold will be met, the Trustee may appoint

an independent investment banking firm or other appropriate advisor to advise it and may obtain and rely on an opinion and/or advice of such independent investment banking firm or other appropriate advisor (the cost of which shall be payable as Trustee Fees and Expenses) and shall be exempted from any liability arising directly or indirectly from any action taken or not taken by the Trustee in connection with such opinion and/or advice. In addition, the Trustee may appoint a delegate or appointee to carry out the obligations referred to in this paragraph in accordance with the Trust Deed.

The Trustee shall notify the Noteholders, the Issuer, the Agents, the Collateral Manager, each Hedge Counterparty and the Rating Agencies in the event that it makes an Enforcement Threshold Determination at any time or takes any Enforcement Action at any time (such notice an "**Enforcement Notice**"). Following the effectiveness of an Acceleration Notice which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*) or, as the case may be, following automatic acceleration of the Notes or pursuant to an Optional Redemption in whole in accordance with Condition 7(b) (*Optional Redemption*) or 7(g) (*Redemption Following Note Tax Event*), Interest Proceeds, Principal Proceeds and the net proceeds of enforcement of the security over the Collateral (other than with respect to any Counterparty Downgrade Collateral or amounts standing to the credit of the Interest Account which represent Hedge Issuer Tax Credit Payments which are required to be paid or returned to a Hedge Counterparty outside the Priorities of Payment in accordance with the Hedge Agreement and/or Condition 3(j)(v) (*Counterparty Downgrade Collateral Accounts*) or amounts standing to the credit of the Currency Account which represent Sale Proceeds, prepayments or redemptions (in each case excluding amounts representing Scheduled Periodic Hedge Issuer Payments) in respect of Non-Euro Obligations sold subject to and in accordance with the terms of a Currency Hedge Transaction which shall be paid to the relevant Hedge Counterparty in accordance with the terms thereof 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 (other than any Dutch corporate income tax in relation to the amounts equal to the minimum profit referred to below), as certified by an Authorised Officer of the Issuer to the Trustee, if any, (save for any VAT payable in respect of any Collateral Management Fee or any other amounts in respect of tax payable to any person in accordance with the following paragraphs (B) to (W)); and to the payment of the amounts equal to the minimum profit to be retained by the Issuer for the Dutch Tax Authorities, for deposit into the Issuer Dutch Account from time to time;

(B) to the payment of accrued and unpaid Trustee Fees and Expenses up to an amount equal to the Senior Expenses Cap in respect of the related Due Period, provided that following an acceleration of the Notes pursuant to Condition 10(b) (*Acceleration*) (which has not been rescined or annulled in accordance with Condition 10(e) (*Curing of Default*)), the Senior Expenses Cap shall not apply in respect of such Trustee Fees and Expenses;

(C) to the payment of Administrative Expenses in the priority stated in the definition thereof up to an amount equal to the Senior Expenses Cap in respect of the related Due Period, provided that, upon an acceleration of the Notes pursuant to Condition 10(b) (*Acceleration*) (which has not been rescined or annulled in accordance with Condition 10(e) (*Curing of Default*)), the Senior Expenses Cap shall not apply in respect of such Administrative Expenses;

(D) to the payment:

(1) *firstly*, on a *pro rata* basis to the Collateral Manager of the Senior Management Fee due and payable on such Payment Date and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority); and

(2) *secondly*, to the Collateral Manager, any previously due and unpaid Senior Management Fees and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority),

(E) to the payment on a *pro rata* basis, (i) any Scheduled Periodic Hedge Issuer Payments, (ii) any Currency Hedge Issuer Termination Payments (to the extent not paid out of the Currency Account or any Hedge Termination Account and other than Defaulted Currency Hedge

Termination Payments) and (iii) any Interest Rate Hedge Issuer Termination Payments (to the extent not paid out of the Interest Account or any Hedge Termination Account and other than Defaulted Interest Rate Hedge Termination Payments);

(F) to the payment on a *pro rata* and *pari passu* basis of all Interest Amounts due and payable on the Class X Notes and Class A Notes;

(G) to the redemption on a *pro rata* and *pari passu* basis of the Class X Notes and the Class A Notes, until the Class X Notes and the Class A Notes have been redeemed in full;

(H) to the payment on a *pro rata* and *pari passu* basis of all Interest Amounts due and payable on the Class B-1 Notes and the Class B-2 Notes;

(I) to the redemption on a *pro rata* and *pari passu* basis of the Class B-1 Notes and the Class B-2 Notes, until the Class B-1 Notes and the Class B-2 Notes have been redeemed in full;

(J) to the payment on a *pro rata* and *pari passu* basis of all Interest Amounts (including any Deferred Interest and interest on Deferred Interest) due and payable on the Class C-1 Notes and the Class C-2 Notes;

(K) to the redemption on a *pro rata* and *pari passu* basis of the Class C-1 Notes and the Class C-2 Notes, until the Class C-1 Notes and the Class C-2 Notes have been redeemed in full;

(L) to the payment on a *pro rata* basis of all Interest Amounts (including any Deferred Interest and interest on Deferred Interest) due and payable on the Class D Notes;

(M) to the redemption on a *pro rata* basis of the Class D Notes, until the Class D Notes have been redeemed in full;

(N) to the payment on a *pro rata* basis of all Interest Amounts (including any Deferred Interest and interest on Deferred Interest) due and payable on the Class E Notes;

(O) to the redemption on a *pro rata* basis of the Class E Notes, until the Class E Notes have been redeemed in full;

(P) to the payment on a *pro rata* basis of all Interest Amounts (including any Deferred Interest and interest on Deferred Interest) due and payable on the Class F Notes;

(Q) to the redemption on a *pro rata* basis of the Class F Notes, until the Class F Notes have been redeemed in full;

(R) to the payment:

(1) *firstly*, to the Collateral Manager of the Subordinated 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);

(2) *secondly*, to the Collateral Manager of any previously due and unpaid Subordinated Management Fee and any VAT in respect thereof (whether payable to the Collateral Manager or directly to the relevant taxing authority); and

(3) *thirdly*, to the repayment of any Collateral Manager Advances and any interest thereon;

(S) to the payment:

(1) *firstly*, to the payment of Trustee Fees and Expenses (if any) not paid by reason of the Senior Expenses Cap; and

(2) *secondly*, to the payment of Administrative Expenses (if any) not paid by reason of the Senior Expenses Cap in relation to each item thereof in the order of priority stated in the definition thereof, provided that, following an enforcement of the Notes in accordance with this Condition 11 (*Enforcement*), such payment shall only be made to any recipients thereof that are Secured Parties;

(T) to the payment of, on a *pari passu* and *pro rata* basis, any Defaulted Currency Hedge Termination Payments due to any Currency Hedge Counterparty, any Defaulted Interest Rate Hedge Termination Payments due to any Interest Rate Hedge Counterparty to the extent not paid out of any Hedge Termination Account or any relevant Counterparty Downgrade Collateral Account;

(U) 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 (U) with respect to their respective Subordinated Notes, *pro rata* in accordance with the respective aggregate Reinvestment Amounts with respect to the Subordinated Notes;

(V) subject to the Incentive Collateral Management Fee IRR Threshold having been reached (after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date, including pursuant to paragraph (W) below, paragraph (DD) of the Interest Priority of Payments and paragraph (U) of the Principal Priority of Payments),

(1) *firstly*, to the payment to the Collateral Manager of 20 per cent. of any remaining proceeds (after any payment required to be made to the Subordinated Noteholders pursuant to paragraph (W) below to satisfy the Incentive Collateral Management Fee IRR Threshold) in payment of an Incentive Collateral Management Fee; and

(2) *secondly*, to the payment of any VAT in respect of the Incentive Collateral Management Fee referred to in (a) above (whether payable to the Collateral Manager or directly to the relevant taxing authority); and

(W) any remaining proceeds to the payment of principal on the Subordinated Notes on a *pro rata* basis and thereafter to the payment of interest on a *pro rata* basis on the Subordinated Notes (in each case determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption).

Where the payment of any amount in accordance with the Post-Acceleration Priority 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 such amount, payment of the amount so deducted or withheld or of the tax 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 (other than the Trustee) may proceed directly against the Issuer or any of its assets unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed and 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 days following receipt of such notice by the Trustee. Any proceeds received by a Noteholder or other Secured Party pursuant to any such proceedings brought by a Noteholder or other Secured Party shall be paid promptly following receipt thereof to the Trustee for application pursuant to the terms 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 and the Irish Security Agreement.

(d) Purchase of Collateral by Noteholders or Collateral Manager

Upon any sale of any part of the Collateral following the acceleration of the Notes under Condition 10(b) (*Acceleration*), whether made under the power of sale under the Trust Deed and/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, had the purchase price been paid in cash, is equal to or exceeds such purchase price.

12. Prescription

Claims in respect of principal and interest payable on redemption in full of the relevant Notes while the Notes are represented by a Definitive Certificate will become void unless presentation for payment is made as required by Condition 7 (*Redemption and Purchase*) within a period of five years, in the case of interest, and ten years, in the case of principal, from the date on which payment in respect of such Notes is received by the Principal Paying Agent.

Notwithstanding the above, claims against the Issuer in respect of principal and interest on the Notes while the Notes are represented by a Global Certificate will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the date on which any payment first becomes due.

13. Replacement of Notes

If any Note is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Transfer Agent, subject in each case to all applicable laws and 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 or the Transfer Agent may require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Notes must be surrendered before replacements will be issued.

14. Meetings of Noteholders, Modification, Waiver and Substitution

(a) Provisions in Trust Deed

The Trust Deed contains provisions for convening meetings of the Noteholders (and for passing Written Resolutions and Electronic Resolutions) to consider matters affecting the interests of the Noteholders including, without limitation, modifying or waiving certain of the provisions of these Conditions and the substitution of the Issuer in certain circumstances. The provisions in this Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) are descriptive of the detailed provisions of the Trust Deed.

(b) Decisions and Meetings of Noteholders

(i) General

Decisions may be taken by Noteholders by way of Ordinary Resolution, Extraordinary Resolution, Written Resolution or Electronic Resolution, in each case, either acting together (subject as provided in paragraph (ix) below) or, to the extent specified in any applicable Transaction Document or these Conditions, by a Class of Noteholders acting independently. Save to the extent expressly stated otherwise, separate meetings of the Noteholders of each Class shall be convened and held. Ordinary Resolutions and Extraordinary Resolutions can be effected either at a duly convened meeting of the applicable Noteholders or by the applicable Noteholders resolving in writing, in each case, in at least the minimum percentages specified in the table "*Minimum Percentage Voting Requirements*" in paragraph (iii) below. Meetings of the Noteholders may be

convened by the Issuer, the Trustee or by one or more Noteholders holding not less than 10 per cent. in principal amount of the Notes Outstanding of a particular Class, subject to certain conditions including minimum notice periods. Where decisions are to be taken by a Written Resolution or Electronic Resolution of a Class or Classes under the Trust Deed or these Conditions, such decision may only be made in accordance with Condition 14(b)(iv) (*Written Resolutions*) below.

The holder of each Global Certificate will be treated as being one person for the purposes of any quorum requirements of, or the right to demand a poll at, a meeting of Noteholders and, at any such meeting, as having one vote in respect of each €1,000 of principal amount of Notes for which the relevant Global Certificate may be exchanged.

Notice of any Resolution passed by the Noteholders will be given by the Issuer to S&P and Fitch in writing.

(ii) Quorum

The quorum required for any meeting convened to consider an Ordinary Resolution or Extraordinary Resolution, in each case, of all the Noteholders or of any Class or Classes of Noteholders, or at any adjourned meeting to consider such a Resolution, shall be as set out in the relevant column and row corresponding to the type of resolution in the table "Quorum Requirements" below.

Type of Resolution	Any meeting (other than a meeting adjourned for want of quorum)	Meeting previously adjourned for want of quorum
Extraordinary Resolution of all Noteholders (or a certain Class or Classes only)	One or more persons holding or representing not less than 66⅔ per cent. of the aggregate Principal Amount Outstanding of the Notes (or the 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)
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)

In connection with:

(a) a CM Removal Resolution or a CM Replacement Resolution, no Notes held in the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes shall (A) constitute or form part of the Controlling Class, (B) be entitled to vote in respect of any such CM Removal Resolution or CM Replacement Resolution; or (C) be counted for the purposes of determining a quorum or the result of voting in respect of any such CM Removal Resolution or CM Replacement Resolution; and

(b) a CM Removal Resolution or, following the removal of the Collateral Manager following a Collateral Manager Event of Default, any CM Replacement Resolution, no Notes held in the form of Collateral Manager Notes shall (A) constitute or form part of the Controlling Class, (B) be entitled to vote in respect of any such CM Removal Resolution or CM Replacement Resolution; or (C) be counted for the purposes of determining a quorum or the result of voting in respect of any such CM Removal Resolution or CM Replacement Resolution.

The Trust Deed does not contain any provision for higher quorums in any circumstances

(iii) Minimum Voting Rights

Set out in the table "*Minimum Percentage Voting Requirements*" below are the minimum percentages required to pass the Resolutions specified in such table which, (A) in the event that such Resolution is being considered at a duly convened meeting of Noteholders, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes held or represented by any person or persons who vote in favour of such Resolution represents of the aggregate Principal Amount Outstanding of all applicable Notes which are represented at such meeting and are voted or, (B) in the case of any Written Resolution or Electronic Resolution, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes entitled to be voted in respect of such Resolution and which are voted in favour thereof represent of the aggregate Principal Amount Outstanding of all the Notes entitled to vote in respect of such Written Resolution or Electronic Resolution. For the avoidance of doubt, 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*) and schedule 5 (*Provisions for Meetings of the Noteholders of Each Class*) of the Trust Deed (A) the Class B-1 Notes and the Class B-2 Notes together shall be deemed to constitute single classes in respect of any voting rights specifically granted to them including as the Controlling Class (other than in relation to a Refinancing, in which case the Class B-1 Notes and the Class B-2 Notes shall constitute separate Classes) and (B) the Class C-1 Notes and the Class C-2 Notes together shall be deemed to constitute single classes in respect of any voting rights specifically granted to them including as the Controlling Class (other than in relation to a Refinancing, in which case the Class C-1 Notes and the Class C-2 Notes shall constitute separate Classes.

Minimum Percentage Voting Requirements

Type of Resolution	Per cent.
Extraordinary Resolution of all Noteholders (or of a certain Class or Classes only)	At least 66⅔ per cent.
Ordinary Resolution of all Noteholders (or of a certain Class or Classes only)	More than 50 per cent.

(iv) Written Resolutions

Any Written Resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the relevant Noteholders and the date of such Written Resolution shall be the date on which the latest such document is signed. Any Extraordinary Resolution or Ordinary Resolution may be passed by way of a Written Resolution.

(v) Electronic Resolutions

The Trust Deed provides that any Extraordinary Resolution or Ordinary Resolution may be passed by way of consent given by way of electronic consents through the relevant clearing system(s) (in a form satisfactory to the Trustee) by or on behalf of the relevant number of required Noteholders for such Extraordinary Resolution or Ordinary Resolution (as applicable).

(vi) All Resolutions Binding

Subject to Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*) and in accordance with the Trust Deed, any Resolution of the Noteholders (including any resolution of a specified Class or Classes of Noteholders, where the resolution of one or more other Classes is not required) duly passed shall be binding on all Noteholders (regardless of Class and regardless of whether or not a Noteholder was present at the meeting at which such Resolution was passed) (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 (in each case, subject to anything else specified in the Trust Deed, the

Collateral Management and Administration Agreement or the relevant Transaction Document, as applicable):

(A) any modification of any Transaction Document having a material adverse effect on the security over the Collateral constituted by the Trust Deed and the Irish Security Agreement;

(B) any item requiring approval by Extraordinary Resolution pursuant to these Conditions or any Transaction Document;

(C) any other provision of these Conditions which requires the written consent of the holders of a requisite Principal Amount Outstanding of the Notes of any Class Outstanding;

(D) the exchange or substitution for the Notes of a Class, or the conversion of the Notes of a Class into, shares, bonds or other obligations or securities of the Issuer or any other entity;

(E) the modification of any provision relating to the timing and/or circumstances of the payment of interest or redemption of the Notes of the relevant Class at maturity or otherwise (including the circumstances in which the maturity of such Notes may be accelerated) (other than in the case of a Refinancing);

(F) the modification of any of the provisions of the Trust Deed which would directly and adversely affect the calculation of the amount of any payment of interest or principal on any Note;

(G) the adjustment of the outstanding principal amount of the Notes Outstanding of the relevant Class other than in connection with a further issue of Notes pursuant to Condition 17 (*Additional Issuances*);

(H) a change in the currency of payment of the Notes of a Class;

(I) any change in the Priorities of Payment or of any payment items in the Priorities of Payment;

(J) the modification of the provisions concerning the quorum required at any meeting of Noteholders or the minimum percentage required to pass a Resolution; and

(K) any modification of this Condition 14(b) (*Decisions and Meetings of Noteholder*s).

(viii) Ordinary Resolution

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

(ix) Resolutions affecting Other Classes

If and for so long as any Notes of more than one Class are Outstanding, in relation to any meeting of Noteholders:

(A) subject to paragraphs (c) and (d) below, a Resolution which in the opinion of the Trustee affects only the Notes of a Class or Classes (the "**Affected Class(es)**"), but not another Class or Classes, as the case may be, shall be duly passed if passed at a meeting or meetings of the holders of the Notes of the Affected Class(es) and such Resolution shall be binding on all the Noteholders, including the holders of Notes which are not an Affected Class;

(B) subject to paragraphs (c) and (d) below, a Resolution which in the opinion of the Trustee affects the Notes of each Class shall be duly passed only if passed at meetings of the Noteholders of each Class;

(C) a Resolution passed by the Controlling Class to exercise any rights granted to them pursuant to the Conditions or any Transaction Document shall be duly passed if passed at a meeting of the Controlling Class and such resolution shall be binding on all the Noteholders; and

(D) a Resolution passed by at least 75 per cent. of the votes cast at a duly convened meeting of the Subordinated Noteholders to exercise the rights granted to them pursuant to the Conditions shall be passed if passed only at a meeting of the Subordinated Noteholders and such resolution shall be binding on all of the Noteholders.

(c) Modification and Waiver

The Trust Deed and the Collateral Management and Administration Agreement both provide that, without the consent of the Noteholders (other than as otherwise provided in paragraphs (x), (xii), (xix), (xxviii) and (xxix) below), the Issuer may amend, modify, supplement and/or waive the relevant provisions of the Trust Deed and/or the Collateral Management and Administration Agreement and/or any other Transaction Document (subject to the consent of the other parties thereto) (as applicable) and the Trustee shall consent to (without the consent of the Noteholders, subject as provided below) such amendment, supplement, modification or waiver, subject as provided below (other than in the case of an amendment, modification, supplement or waiver pursuant to paragraphs (xi) or (xiii) below, which shall be subject to the prior written consent of the Trustee in accordance with the relevant paragraph), for any of the following purposes:

(i) to add to the covenants of the Issuer for the benefit of the Noteholders;

(ii) to charge, convey, transfer, assign, mortgage or pledge any property to or with the Trustee;

(iii) to correct or amplify the description of any property at any time subject to the security of the Trust Deed and 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 and the Irish Security Agreement (including, without limitation, any and all actions necessary or desirable as a result of changes in law or regulations) or to subject to the security of the Trust Deed and 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 and admitted to trading 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 (other than to the extent permitted by Condition 14(c)(xx) (*Modification and Waiver*) below) and unless any such amended or modified Hedge Agreement constitutes a Form Approved Hedge;

(vii) save as contemplated in paragraph (d) (*Substitution*) below, to take any action advisable to prevent the Issuer from becoming subject to (or to otherwise reduce) withholding or other taxes, fees or assessments;

(viii) to take any action advisable to prevent the Issuer from being (or reduce the risk that the Issuer will be) treated as resident in the UK for UK tax purposes, as trading in the UK for UK tax purposes or as subject to UK VAT in respect of any Collateral Management Fees or being subject to (or otherwise reduce) (or its representatives being subject to) any diverted profits or similar tax;

(ix) to take any action advisable to prevent the Issuer from being treated as engaged in a United States trade or business or otherwise be subject to United States federal, state or local income tax on a net income basis;

(x) to enter into any additional agreements not expressly prohibited by the Trust Deed or the Collateral Management and Administration Agreement (as applicable), provided that (x) any such additional agreements include customary limited recourse and non-petition provisions and (y) the consent of the Controlling Class acting by Ordinary Resolution has been obtained;

(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 and, in the case of a modification of the Collateral Management and Administration Agreement, subject to the consent in writing of the Collateral Manager;

(xii) other than in the case of an amendment described in paragraph (xxviii) below, subject to Rating Agency Confirmation and the consent of the Controlling Class acting by Ordinary Resolution, to make any modifications to the Collateral Quality Tests, Portfolio Profile Tests, Reinvestment Overcollateralisation Test, Reinvestment Criteria or Eligibility Criteria and all related definitions (including in order to reflect changes in the methodology applied by the Rating Agencies);

(xiii) to make any other modification (save as otherwise provided in the Trust Deed, the Collateral Management and Administration Agreement or the relevant Transaction Document), and/or give any waiver or authorisation of any breach or proposed breach, of any of the provisions of the Trust Deed or any other Transaction Document which in the opinion of the Trustee is not materially prejudicial to the interests of the Noteholders of any Class and, in the case of a modification of the Collateral Management and Administration Agreement, subject to the consent in writing of the Collateral Manager;

(xiv) to amend the name of the Issuer;

(xv) to make any amendments to the Trust Deed or any other Transaction Document to enable the Issuer to comply with FATCA and/or CRS;

(xvi) to modify or amend any components of the Fitch Tests Matrices or the S&P CDO Monitor BDR, 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 from Fitch or S&P, as applicable (which may be provided by way of email from the relevant Rating Agency) and, following the expiry of the Non-Call Period, subject to the Noteholders of the Controlling Class (acting by Ordinary Resolution) not objecting to such, amendment or modification within 14 days of the Issuer proposing it to the Controlling Class (in accordance with Condition 16 (*Notices*));

(xvii) to make any changes necessary (x) to reflect any additional issuances of Notes in accordance with Condition 17 (*Additional Issuances*) or (y) to issue any replacement notes in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) and Condition 7(b)(v)(E) (*Consequential Amendments*);

(xviii) to modify the Transaction Documents in order to comply with Rule 17g-5 of the Exchange Act;

(xix) 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 by the Trustee of Rating Agency Confirmation in respect of the Rated Notes from each Rating Agency then rating the Rated Notes (upon which certification and confirmation the Trustee shall be entitled to rely absolutely and without enquiry or liability) and the consent of the Controlling Class acting by way of Ordinary Resolution;

(xx) to modify the terms of the Transaction Documents and/or the Conditions in order to enable the Issuer to comply with any requirements which apply to it under the EU Retention and Transparency Requirements, U.S. Risk Retention Rules, Securitisation Regulation, EMIR, AIFMD, the Dodd-Frank Act and/or any requirement of the CFTC or CRA3 (including any implementing regulations, technical standards and guidance respectively related thereto);

(xxi) 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 (A) to comply with changes in the EU Retention and Transparency Requirements or the U.S. Risk Retention Rules including but not limited to changes which result from the implementation of implementing technical standards relating thereto or any subsequent risk retention legislation or official guidance,

or (B) as the Collateral Manager determines are required to accommodate any Retention Cure Action;

(xxii) to make any other modification of any of the provisions of any Transaction Document to facilitate compliance by the Issuer with any FTT that it is or becomes subject to, provided that any such modification would not, in the opinion of the Issuer (acting reasonably), be materially prejudicial to the interests of the Noteholders of any Class;

(xxiii) to make such changes as shall be necessary to facilitate the Issuer to effect a Refinancing in part in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*);

(xxiv) to make such changes as are necessary to facilitate the transfer of any Hedge Agreement to a replacement counterparty or the roles of any Agent to a replacement agent, in each case in circumstances where such Hedge Counterparty or Agent does not satisfy the applicable Rating Requirement and subject to such replacement counterparty or agent (as applicable) satisfying the applicable requirements in the Transaction Documents;

(xxv) subject to Rating Agency Confirmation (other than to the extent otherwise permitted pursuant to Condition 14(c)(xx) (*Modification and Waiver*) above), to amend, modify or supplement any Hedge Agreement to the extent necessary to allow the Issuer or the relevant Hedge Counterparty to comply with any enactment, promulgation, execution or ratification of, or any change in or amendment to, any law or regulation (or in the application or official interpretation of any law or regulation) that occurs after the parties enter into the Hedge Agreement;

(xxvi) to supplement or modify the Collateral Management and Administration Agreement or any other Transaction Document necessary to allow the Issuer to appoint an Affiliate of the Collateral Manager (which has the required Dutch regulatory capacity) to perform certain of the collateral management services under the Collateral Management and Administration Agreement where the Collateral Manager no longer has the Dutch regulatory capacity to provide such services to the Issuer provided that (i) the Collateral Manager shall at all times remain liable to the Issuer for the performance of such services, (ii) the Issuer shall not be obliged to pay any additional fees or other amounts to such Affiliate of the Collateral Manager in connection with the provision of such services, (iii) at such time, such services continue to be necessary (in the opinion of the Collateral Manager) for the management of the Portfolio in accordance with the terms of the Collateral Management and Administration Agreement, (iv) the Collateral Manager has received an opinion (in a format acceptable to the Collateral Manager acting reasonably), also addressed to the Trustee, from internationally recognised tax counsel in the jurisdiction of incorporation of the Affiliate that the appointment of the Affiliate by the Issuer will not cause the Issuer to be subject to any incremental tax in the jurisdiction of incorporation or tax residence of the Affiliate and (v) each Rating Agency has been given notification in writing thereof by the Collateral Manager;

(xxvii) to make any modification or amendment determined by the Issuer, as advised by the Collateral Manager, (in consultation with legal counsel experienced in such matters) as necessary or advisable for any Class of Rated Notes to not be considered an "ownership interest" as defined for purposes of section 13 of the U.S. Bank Holding Company Act of 1956, as amended, and the applicable rules and regulations thereunder, provided that such modification or amendment would not, in the opinion of the Issuer, be materially prejudicial to the interests of the Noteholders of any Class;

(xxviii) notwithstanding paragraph (xii) above, to modify the Weighted Average Life Test definition by amending the date contained therein (A) by 12 months or less, with the consent of the Controlling Class and the Class B Noteholders, each acting by Ordinary Resolution, and/or (B) either (x) by more than 12 months or (y) following any modification in accordance with paragraph (A) of this Condition 14(c)(xxvii), by any length of time, with the consent of each Class of Noteholders, each acting by Ordinary Resolution, in each case subject to Rating Agency Confirmation; and

(xxix) to enter into one or more supplemental trust deeds or any other modification, authorisation or waiver of the provisions of the Transaction Documents upon terms satisfactory to the Collateral Manager (save in respect of any such modification, authorisation or waiver to the provisions of a Hedge Agreement which shall be made only in accordance with the terms as set out therein) to:

(A) change the reference rate in respect of the Floating Rate Notes from EURIBOR to an alternative base rate (such rate, the "**Alternative Base Rate**");

(B) replace references to "LIBOR", "EURIBOR", "London Interbank Offered Rate" and "Euro Interbank Offered Rate" (or similar terms) to the Alternative Base Rate when used with respect to a Floating Rate Collateral Obligation;

(C) in the case of any Hedge Agreement, amend, in accordance with its terms, the reference rate applicable to any Hedge Transaction thereunder and make any other consequential changes (including, without limitation, to allow for the operation of any fallbacks contained in such Hedge Agreement relating to the discontinuance, cessation, disruption or change in methodology of such rate and, accordingly, make any adjustment payment or spread adjustment);

(D) amend 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

(E) make such other amendments as are necessary or advisable in the reasonable judgment of the Collateral Manager to facilitate the foregoing changes,

provided that:

(1) unless the Alternative Base Rate is the Designated Base Rate, the Controlling Class and the Subordinated Noteholders (each acting by Ordinary Resolution) consent to such supplemental trust deed or other modification, authorisation or waiver (excluding any modification, authorisation or waiver in respect of a Hedge Agreement made in respect of sub-paragraph (C) above only);

(2) 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 any other applicable or related index or benchmark ceasing to exist (or the reasonable expectation of the Collateral Manager (or any Hedge Counterparty for amendments in respect of sub-paragraph (C) above only) that any of the events specified in sub-clause (x), (y) or (z) will occur);

(3) the Alternative Base Rate shall apply to each Class of Floating Rate Notes; and

(4) any such amendment does not affect the applicability of any floor in respect of the relevant reference rate.

"**Designated Base Rate**" means the 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 the Loan Markets Association (or any successor organisation thereto) as a replacement reference rate for the calculation of the Euro Interbank Offered Rate.

Any such modification, authorisation or waiver shall be binding upon the Noteholders and shall be notified by the Issuer as soon as reasonably practicable following the execution of any supplemental trust deed or any other modification, authorisation or waiver pursuant to this Condition 14(c) (*Modification and Waiver*) to:

(A) each Rating Agency, so long as any of the Rated Notes remain Outstanding; and

(B) the Noteholders in accordance with Condition 16 (*Notices*).

Notwithstanding anything to the contrary herein and in the Trust Deed, the Issuer shall not agree to amend, modify or supplement any provisions of the Transaction Documents if, such change shall have a material adverse effect on the rights or obligations of a Hedge Counterparty without the Hedge Counterparty's prior written consent or on the Collateral Manager without the Collateral Manager's 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 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 (other than as otherwise provided in paragraphs (x), (xii), (xix), (xxviii) and (xxix) above) or any other Secured Party, concur with the Issuer in making any modification, amendment, waiver or authorisation which the Issuer certifies to the Trustee (upon which certification the Trustee is entitled to rely without enquiry or liability) is required pursuant to the paragraphs above (other than a modification, waiver or authorisation pursuant to paragraphs (xi) or (xiii) above in which the Trustee may, without the consent or sanction of any of the Noteholders or any other Secured Party, concur with the Issuer) to the Transaction Documents, provided that the Trustee shall not be obliged to agree to any modification or any other matter which, in the opinion of the Trustee, would have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the rights, indemnities or protections, of the Trustee in respect of the Transaction Documents.

In the case of a request for consent to a modification, amendment, waiver or authorisation pursuant to paragraphs above, under no circumstances shall the Trustee be required to give such consent on less than 21 days' prior written notice and the Trustee shall be entitled to obtain legal, financial or other expert advice, at the expense of the Issuer, and rely on such advice in connection with determining whether or not to give such consent (if applicable or required) as it sees fit.

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 these Conditions, the Trust Deed or such other conditions made pursuant to this Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) shall be notified to Euronext Dublin.

The Issuer may, without the consent of any other Person, make such amendments to the Letter of Undertaking or the Issuer Management Agreement as shall be necessary to document the resignation, replacement and/or appointment of one or more Directors, provided that following such amendments, such documents shall be in substantially the same form as those entered into on the Issue Date. Upon the effectiveness of such amendments, the Issuer shall provide notice thereof to the Trustee and each of the other Parties to the Letter of Undertaking and the Issuer Management Agreement.

(d) Substitution

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require (without the consent of the Noteholders of any Class), to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Notes of each Class, if required for taxation purposes, provided that such substitution would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders of any Class. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders, but subject to receipt of Rating Agency Confirmation (subject to receipt of such information and/or opinions as the Rating Agency may require), to a change of the law governing the Notes and/or the Trust Deed, provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders of any Class. Any substitution agreed by the Trustee pursuant to this Condition 14(d) (*Substitution*) shall be binding on the Noteholders, and shall be notified by the Issuer to the Noteholders as soon as practicable in accordance with Condition 16 (*Notices*).

The Trustee may, subject to the satisfaction of certain conditions specified in the Trust Deed, including receipt of Rating Agency Confirmation, agree to a change in the place of residence of the Issuer for taxation purposes without the consent of the Noteholders of any Class, provided the Issuer does all such things as the Trustee may require in order that such change in the place of residence of the Issuer

for taxation purposes is fully effective and complies with such other requirements which are in the interests of the Noteholders as it may 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*).

In considering the interests of Noteholders while the Global Certificates are held on behalf of a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its account holders with entitlements to each Global Certificate and may consider such interests as if such account holders were the holders of any Global Certificate.

The Trust Deed provides that in the event of any conflict of interest between or among the holders of the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes, the interests of the holders of the Controlling Class will prevail. If the holders of the Controlling Class do not have an interest in the outcome of the conflict, the Trustee shall give priority to the interests of (i) the Class X Noteholders and the Class A Noteholders over the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders, (ii) the Class B Noteholders over the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders, (iii) the Class C Noteholders over the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders, (iv) the Class D Noteholders over the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders, (v) the Class E Noteholders over the Class F Noteholders and the Subordinated Noteholders and (vi) the Class F Noteholders over the Subordinated Noteholders. If the Trustee receives conflicting or inconsistent requests from two or more groups of holders of a Class, given priority as described in this paragraph, each representing less than the majority by principal amount of such Class, the Trustee shall give priority to the group which holds the greater amount of Notes Outstanding of such Class. The Trust Deed provides further that, except as expressly provided otherwise in any applicable Transaction Document or these Conditions, the Trustee will act upon the directions of the holders of the Controlling Class (or other Class where the holders of the Class or Classes having priority over such other Class do not have an interest in the subject matter of such directions) (in each case acting by Extraordinary Resolution) subject to being indemnified and/or secured and/or prefunded to its satisfaction, and shall not be obliged to consider the interests of and is exempted from any liability to the holders of any other Class of Notes.

In addition, the Trust Deed provides that, so long as any Note is Outstanding, the Trustee shall, as regards all powers, trusts, authorities, duties and discretions vested in it by the Trust Deed, have no regard to the interests of any Secured Party other than the Noteholders or, at any time, to the interests of any other person.

15. Indemnification of the Trustee

The Trust Deed 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 and 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 and Account Bank Agreement or for the performance by the Collateral Manager of any of its duties under the Collateral Management and Administration Agreement, for the performance by the Collateral Administrator of its duties under the Collateral Management and Administration Agreement or for the performance by any other person appointed by the Issuer in relation to the Notes or by any other party to any Transaction Document. The Trustee shall not have any responsibility for the administration, management or operation of the Collateral including the request by the Collateral Manager to release any of the Collateral from time to time.

The Trust Deed contains provisions for the retirement of the Trustee and the removal of the Trustee by Extraordinary Resolution of the Controlling Class, but no such retirement or removal shall become effective until a successor trustee is appointed.

16. Notices

Notices to Noteholders will be valid if posted to the address of such Noteholder appearing in the Register at the time of publication of such notice by pre-paid, first class mail (or any other manner approved by the Trustee which may be by electronic transmission) and (for so long as the Notes are listed on the 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 days after the date of dispatch thereof, (b) in the case of overseas mail, seven days after the dispatch thereof or, (c) in the case of electronic transmission, on the date of dispatch.

Notices will be valid and will be deemed to have been given, for so long as the Notes are admitted to trading on 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.

Notwithstanding the above, so long as any Notes are represented by a Global Certificate and such Global Certificate is held on behalf of a clearing system, notices to Noteholders may be given by delivery of the relevant notice to that clearing system for communication by it to entitled account holders in substitution for delivery thereof as required by the Conditions of such Notes provided that such notice is also made to the Company Announcements Office of 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.

17. Additional Issuances

(a) The Issuer may from time to time during the Reinvestment Period, subject to the approval of the Subordinated Noteholders acting by Ordinary Resolution and the prior written approval of the Collateral Manager and the Retention Holder and, in respect of an additional issuance of Class A Notes only, the approval of the Controlling Class acting by Ordinary Resolution, create and issue further Notes (other than Class X Notes) having the same terms and conditions as existing Classes of Notes (subject as provided below) and which shall be consolidated and form a single series with the Outstanding Notes of such Class, 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 100.0 per cent. in the aggregate of the original aggregate principal amount of such Class of Notes;

(ii) such additional Notes must be issued for a cash sale price and the net proceeds invested in Collateral Obligations or, pending such investment, during the Initial Investment Period deposited in the Unused Proceeds Account or, thereafter, deposited in the Principal Account and, in each case, invested in Eligible Investments;

(iii) such additional Notes must be of each Class of Notes (other than Class X Notes) and issued in a proportionate amount among the Classes (for such purpose, excluding the Class X Notes) so that the relative proportions of aggregate principal amount of the Classes of Notes (for such purpose, excluding the Class X Notes) existing immediately prior to such additional issuance remain unchanged immediately following such additional issuance (save with respect to Subordinated Notes as described in paragraph (b) below);

(iv) the terms (other than the date of issuance, the issue price and the date from which interest will accrue) of such Notes must be identical to the terms of the previously issued Notes of the applicable Class of Notes;

(v) the Issuer must notify the Rating Agencies then rating any Notes of such additional issuance and obtain Rating Agency Confirmation from each Rating Agency in respect of such additional issuance;

(vi) the Coverage Tests will be maintained or improved after giving effect to such additional issuance of Notes compared to what they were immediately prior to such additional issuance of Notes;

(vii) the holders of the relevant Class of Notes in respect of which further Notes are issued shall have been notified in writing by the Issuer 30 days prior to such issuance and shall have been afforded the opportunity to purchase additional Notes of the relevant Class in an amount not to exceed the percentage of the relevant Class of Notes each holder held immediately prior to the issuance (the "**Anti-Dilution Percentage**") of such additional Notes and on the same terms offered to investors generally provided that this paragraph (vii) shall not apply in respect of the additional issuance of Subordinated Notes if such additional issuance is required in order to prevent or cure a Retention Deficiency for any reason including but not limited to where such Retention Deficiency will occur due to an additional issuance of any Class of Notes pursuant to this Condition 17 (*Additional Issuances*);

(viii) (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 requires);

(ix) such additional issuances are in accordance with all applicable laws including, without limitation, the securities and banking laws and regulations of The Netherlands and do not adversely affect the Dutch tax position of the Issuer;

(x) any issuance of additional Notes would not result in non-compliance by the Retention Holder with the EU Retention and Transparency Requirements or the U.S. Risk Retention Rules;

(xi) 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 X Notes, 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 clause (xi) will not be required with respect to any additional Notes that bear a different securities identifier from the Notes of the same Class that were issued on the Issue Date and are Outstanding at the time of the additional issuance;

(xii) such additional issuance will be accomplished in a manner that will allow the Issuer to accurately provide the information required to be provided to the Noteholders, including Noteholders of additional Rated Notes, under U.S. Treasury regulations section 1.1275-3(b)(1) (including, if necessary, by issuing any additional Notes under a different securities identifier from the Notes of

the same Class that were issued on the Issue Date and are Outstanding at the time of the additional issuance); and

(xiii) an opinion of counsel has been delivered to the Issuer and the Trustee and addressed to the Trustee confirming that neither the Issuer nor the Portfolio will be required to register as an investment company under the Investment Company Act as a result of such additional issuance.

(b) In addition to the ability to issue additional Notes of each Class simultaneously set out in (a) above, the Issuer may (and shall, at the direction of the Retention Holder, where such additional issuance is required in order to prevent, cure or lessen the amount of a Retention Deficiency) issue and sell additional Subordinated Notes (without issuing Notes of any other Class) having the same terms and conditions as existing Subordinated Notes (subject as provided below) and subject to the approval of the Subordinated Noteholders acting by Ordinary Resolution and the prior written approval of the Collateral Manager and the Retention Holder and which shall be consolidated and form a single series with the Outstanding Subordinated Notes, 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 sales price, with the net proceeds to be deposited into the Supplemental Reserve Account to be applied for the purposes of a Permitted Use;

(iv) the conditions set out in Condition 3(c)(iv) (*Reinvestment Amounts*) are satisfied;

(v) the Issuer must notify the Trustee and the Rating Agencies then rating any Notes of such additional issuance;

(vi) the holders of the Subordinated Notes shall have been notified in writing 30 days prior to such issuance and shall have been afforded the opportunity to purchase additional Subordinated Notes in an amount not to exceed the Anti-Dilution Percentage of such additional Subordinated Notes and on the same terms offered to investors generally provided that this paragraph (vi) shall not apply in respect of the additional issuance of Subordinated Notes if such additional issuance is required in order to prevent or cure a Retention Deficiency for any reason including but not limited to where such Retention Deficiency will occur due to an additional issuance of any Class of Notes pursuant to this Condition 17 (*Additional Issuances*);

(vii) such additional issuance is in accordance with all applicable laws including, without limitation, the securities and banking laws and regulations of The Netherlands and do not adversely affect the Dutch tax position of the Issuer;

(viii) (so long as the existing Subordinated Notes are listed on the Global Exchange Market of Euronext Dublin) the additional Subordinated Notes 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 requires);

(ix) the Subordinated Noteholders shall not be required to approve any additional issuance of Subordinated Notes pursuant to this Condition 17(b) (*Additional Issuances*) if such issuance is requested by the Retention Holder in order to prevent or cure a Retention Deficiency;

(x) an opinion of counsel has been delivered to the Issuer and the Trustee and addressed to the Trustee confirming that neither the Issuer nor the Portfolio will be required to register as an investment company with the Investment Company Act as a result of such additional issuance; and

(xi) any issuance of additional Subordinated Notes would not result in non-compliance by the Retention Holder with the EU Retention and Transparency Requirements or the U.S. Risk Retention Rules.

References in these Conditions to the "Notes" include (unless the context requires otherwise) any other securities issued pursuant to this Condition 17 (*Additional Issuances*) and forming a single series with the Notes of any Class. Any further notes forming a single series with Notes constituted by the Trust Deed or any deed supplemental to it shall be constituted by a deed supplemental to the Trust Deed.

18. Third Party Rights

No person shall have any right to enforce any term or Condition of the Notes under the Contracts (Rights of Third Parties) Act 1999.

19. Governing Law

(a) Governing Law

The Trust Deed and each Class of Notes and any dispute, controversy, proceedings or claim of whatever nature (whether contractual or non-contractual) arising out of or in any way relating to the Trust Deed or any Class of Notes are governed by and shall be construed in accordance with English law. The Issuer Management Agreement and the Letter of Undertaking are governed by and shall be construed in accordance with the laws of The Netherlands. The Irish Security Agreement and any non-contractual obligations arising out of or in connection with the Irish Security Agreement are governed by and shall be 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 TMF Global Services (UK) Limited (having an office, at the date hereof, at 8th Floor, 20 Farringdon Street, London, EC4A 4AB) as its agent in England to receive service of process in any Proceedings in England based on any of the Notes. If for any reason the Issuer does not have such agent in England, it will promptly appoint a substitute process agent and notify the Trustee and the Noteholders of such appointment. Nothing herein shall affect the right to service of process in any other manner permitted by law.

USE OF PROCEEDS

The estimated net proceeds of the issue of the Notes after payment of fees and expenses payable on or about the Issue Date (including, without duplication, amounts deposited into the Expense Reserve Account) are expected to be approximately €401,366,500. Such proceeds will be used by the Issuer for the repayment of any amounts borrowed by the Issuer (together with any interest thereon) and all other amounts due in order to finance the acquisition of warehoused Collateral Obligations purchased by the Issuer prior to the Issue Date and to fund the First Period Reserve Account on the Issue Date. The remaining proceeds shall be deposited into the Unused Proceeds Account.

FORM OF THE NOTES

The following description of the form of the Notes consists of a summary of certain provisions of the Global Certificate which does not purport to be complete and is qualified by reference to the detailed provisions of such document.

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 Notes will be sold only to (i) non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act and (ii) QIBs that are also either QPs or entities owned exclusively by QPs. Except as described below, each Note sold to a Person that, at the time of the acquisition, purported acquisition or proposed acquisition of any such Note, is both a QIB and a QP will be issued in the form of Rule 144A Global Certificates. Except as described below, Notes sold to non-U.S. persons in offshore transactions in reliance on Regulation S will be issued in the form of Regulation S Global Certificates.

Each initial purchaser and subsequent transferee of an interest in Notes held in the form of a Global Certificate will be deemed (or, in certain cases, required) to represent, among other matters, as to its status under the Securities Act and the Investment Company Act and ERISA. The Issuer has the right, under the Trust Deed, to compel any Non-Permitted Noteholder to sell its interest in such Note, or may sell such interest on behalf of such owner.

The Regulation S Notes of each Class will be represented on issue by a Regulation S Global Certificate deposited with, and registered in the name of a nominee of a common depositary for Euroclear and Clearstream, Luxembourg. Beneficial interests in a Regulation S Global Certificate may be held at any time only through Euroclear or Clearstream, Luxembourg. See "*Book Entry Clearance Procedures*". Beneficial interests in a Regulation S Global Certificate may not be held by a U.S. Person or U.S. Resident at any time. By acquisition of a beneficial interest in a Regulation S Global Certificate, the purchaser thereof will be deemed to represent, among other things, that it is not a U.S. Person, and that, if in the future it determines to transfer such beneficial interest, it will transfer such interest only to a person (a) whom the seller reasonably believes 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 (or, in the case of the Class E Notes, the Class F Notes or the Subordinated Notes and if applicable, a Rule 144A Definitive Certificate). See "*Transfer Restrictions*".

The Rule 144A Notes of each Class will be represented on issue by a Rule 144A Global Certificate deposited with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg. Beneficial interests in a Rule 144A Global Certificate may only be held at any time 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 Regulation S, and the Notes will bear the applicable legends regarding the restrictions set forth under "*Transfer Restrictions*".

Except in the limited circumstances described below, owners of beneficial interests in Global Certificates will not be entitled to receive physical delivery of certificated Notes.

Each initial purchaser (other than the Placement Agents) or a transferee of: (a) any Class E Notes, Class F Notes or Subordinated Notes in the form of Rule 144A Notes; (b) any Subordinated Notes in the form of Regulation S Notes; or (c) any Class E Notes or Class F Notes in the form of Regulation S Notes represented by a Regulation S Definitive Certificate, purchased on the Issue Date will be required to enter into a placement agency agreement (or, in the case of the Collateral Manager, a note purchase agreement) with the Placement Agents in which such investor will certify as to, among other matters, its status under the Securities Act, the Investment Company Act and ERISA.

Each purchaser of Notes represented by a Rule 144A Global Certificate or a Regulation S Global Certificate will be deemed to have represented and agreed with respect to each purchaser or transferee of a Class E Note, Class F Note or Subordinated Note in the form of a Rule 144A Global Certificate or a Regulation S Global Certificate, (1) it is not, and is not acting on behalf of (and for so long as it holds such Note or interest therein will not be and will not be acting on behalf of), a Benefit Plan Investor or Controlling Person unless such purchaser or transferee receives the written consent of the Issuer (other than in the case of the Notes purchased by the Collateral Manager), provides an ERISA certificate (substantially in the form of Annex B (Form of ERISA Certificate) to this Offering Circular) to the Issuer as to its status as a Benefit Plan Investor or Controlling Person and unless the written consent of the Issuer to the contrary is obtained and other than in the case of the Notes purchased by the Collateral Manager, holds such Note in the form of a Definitive Certificate, and (2)(a) if it is, or is acting on behalf of, a Benefit Plan Investor, 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, (i) it is not, and for so long as it holds such Note or an interest therein it will not be, subject to any Similar Law, and (ii) its acquisition, holding and disposition of such Note will not constitute or result in a non-exempt violation of any Other Plan Law. Any purported purchase or transfer of the Class E Notes, Class F Notes or Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void ab initio and the acquiror understands that the Issuer will have the right to cause the sale of a Class E Note, Class F Note or Subordinated Note to another acquiror that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

Each purchaser of Rule 144A Notes or Regulation S Notes represented by Definitive Certificates will be required to represent and agree with respect to acquiring or holding a Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate (i) (A) whether or not, for so long as it holds such Class E Note, Class F Note or Subordinated Note or interest therein, it is, or is acting on behalf of, a Benefit Plan Investor, (B) whether or not, for so long as it holds such Class E Note, Class F Note or Subordinated Note or interest therein, it is or is acting on behalf of a Controlling Person and (C) that (1) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Class E Note, Class F Note or Subordinated Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code and (2) if it is a governmental, church, non-U.S. or other plan, (x) it is not, and for so long as it holds such Class E Note, Class F Note or Subordinated Note or interest therein will not be, subject to any Similar Law and (y) its acquisition, holding and disposition of such Class E Note, Class F Note or Subordinated Note will not constitute or result in a non-exempt violation of any Other Plan Law, and (ii) that it will agree to certain transfer restrictions regarding its interest in such Class E Note, Class F Note or Subordinated Note. Any purported purchase or transfer of the Class E Notes, Class F Notes or Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void ab initio and the acquiror understands that the Issuer will have the right to cause the sale of a Class E Note, Class F Note or Subordinated Note to another acquiror that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

No proposed transfer of Class E Notes, Class F Notes or Subordinated Notes (or interests therein) will be permitted or recognised if a transfer to a transferee will cause 25 per cent. or more of the total value of the Class E Notes, Class F Notes or Subordinated Notes (determined separately by Class) to be held by Benefit Plan Investors, disregarding Class E Notes, Class F Notes or Subordinated Notes (or interests therein) held by Controlling Persons. See "*Certain ERISA Considerations*".

The Notes are not issuable in bearer form.

Exchange for Definitive Certificates

Exchange

Each Global Certificate will be exchangeable, free of charge to the holder, on or after its Definitive Exchange Date (as defined below), in whole but not in part, for Definitive Certificates if a Global Certificate is held (directly or indirectly) on behalf of Euroclear, Clearstream, Luxembourg or an alternative clearing system and any such clearing system is closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or announces its intention to permanently cease business or does in fact do so.

In addition, interests in Global Certificates representing Class E Notes, Class F Notes or Subordinated Notes may be exchangeable for interests in a Definitive Certificate representing the Class E Note, Class F Note or Subordinated Note if a transferee is acting on behalf of a Benefit Plan Investor or is a Controlling Person

provided: (i) such transferee has obtained the written consent of the Issuer in respect of such transfer; and (ii) the transferee has provided the Issuer with an ERISA certificate substantially in the form of Schedule 6 to the Trust Deed (*Form of ERISA Certificate*).

Interests in Global Certificates representing Class E Notes, Class F Notes or Subordinated Notes may be exchangeable for interests in Definitive Certificates representing Class E Notes, Class F Notes or Subordinated Notes in accordance with the Conditions as amended above.

The Registrar will not register the transfer of, or exchange of interests in, a Global Certificate for Definitive Certificates during the period from (but excluding) the Record Date to (and including) the date for any payment of principal or interest in respect of the Notes.

If only one of the Global Certificates (the "**Exchanged Global Certificate**") becomes exchangeable for Definitive Certificates in accordance with the above paragraphs, transfers of Notes may not take place between, on the one hand, persons holding Definitive Certificates issued in exchange for beneficial interests in the Exchanged Global Certificate and, on the other hand, persons wishing to purchase beneficial interests in the other Global Certificate.

"**Definitive Exchange Date**" means a day falling not less than 30 days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Registrar and the Transfer Agent is located.

Delivery

In 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 Transfer Agent may require in respect of any tax or other duty of whatever nature which may be levied or imposed in connection with such exchange), cause sufficient Definitive Certificates to be executed and delivered to the Registrar for completion, authentication and dispatch to the relevant Noteholders. A person having an interest in a Global Certificate must provide the Registrar with (a) a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Definitive Certificates and (b) in the case of the Rule 144A Global Certificate only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange or, in the case of simultaneous sale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Definitive Certificates issued in exchange for a beneficial interest in the Rule 144A Global Certificate shall bear the legends applicable to transfers pursuant to Rule 144A, as set out under "*Transfer Restrictions*".

Legends

The holder of a Class E Note, Class F Note or Subordinated Note 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 the Transfer Agent, together with the completed form of transfer and, to the extent applicable, written consent of the Issuer and a duly completed ERISA certificate substantially in the form of Annex B. Upon the transfer, exchange or replacement of a Class E Note, Class F Note or Subordinated Note bearing the legend referred to under "*Transfer Restrictions*" below, or upon specific request for removal of the legend on a Definitive Certificate in registered definitive form, as applicable, the Issuer will deliver only Class E Notes, Class F Notes or Subordinated Notes that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to the Issuer and the Registrar such satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by the Issuer that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act and the Investment Company Act. With the written consent of the Issuer, a Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate may be transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate or a Regulation S Global Certificate, subject to all transfer restrictions and other procedures applicable to beneficial interests in a Rule 144A Global Certificate or a Regulation S Global Certificate (as applicable).

BOOK ENTRY CLEARANCE PROCEDURES

The information set out below has been obtained from sources that the Issuer believes to be reliable, but prospective investors are advised to make their own enquiries as to such procedures. In particular, such information is subject to any change in or interpretation of the rules, regulations and procedures of Euroclear or Clearstream, Luxembourg (together, the "**Clearing Systems**") currently in effect and investors wishing to use the facilities of any of the Clearing Systems are therefore advised to confirm the continued applicability of the rules, regulations and procedures of the relevant Clearing System. None of the Issuer, the Trustee, the Collateral Manager, the Placement Agents or any Agent party to the Agency and Account Bank Agreement (or any Affiliate of any of the above, or any person by whom any of the above is controlled for the purposes of the Securities Act), will have any responsibility for the performance by the Clearing Systems or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described below.

Euroclear and Clearstream, Luxembourg

Custodial and depositary links have been established between Euroclear and Clearstream, Luxembourg to facilitate the initial issue of the Notes and cross-market transfers of the Notes associated with secondary market trading (see "*Settlement and Transfer of Notes*" below).

Euroclear and Clearstream, Luxembourg each hold securities for their customers and facilitate the clearance and settlement of securities transactions through electronic book entry transfer between their respective accountholders. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions which clear through or maintain a custodial relationship with an accountholder of either system. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective customers may settle trades with each other. Their customers are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Investors may hold their interests in such Global Certificates directly through Euroclear or Clearstream, Luxembourg if they are accountholders ("**Direct Participants**") or indirectly ("**Indirect Participants**" and together with Direct Participants, "**Participants**") through organisations which are accountholders therein.

Book Entry Ownership

Euroclear and Clearstream, Luxembourg

Each Regulation S Global Certificate and each Rule 144A Global Certificate will have an ISIN and a Common Code and will be registered in the name of, a nominee of a common depositary on behalf of Euroclear and Clearstream, Luxembourg.

Relationship of Participants with Clearing Systems

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Note represented by a Global Certificate must look solely to Euroclear or Clearstream, Luxembourg (as the case may be) for his share of each payment made by the Issuer to the holder of such Global Certificate and in relation to all other rights arising under the Global Certificate, subject to and in accordance with the respective rules and procedures of Euroclear or Clearstream, Luxembourg (as the case may be). The Issuer expects that, upon receipt of any payment in respect of Notes represented by a Global Certificate, the common depositary by whom such Note is held, or nominee in whose name it is registered, will immediately credit the relevant Participants' or accountholders' accounts in the relevant Clearing System with payments in amounts proportionate to their respective beneficial interests in the principal amount of the relevant Global Certificate as shown on the records of the relevant Clearing System or its nominee. The Issuer also expects that payments by Direct Participants in any Clearing System to owners of beneficial interests in any Global Certificate held through such Direct Participants in any Clearing System will be governed by standing instructions and customary practices. Save as aforesaid, such persons shall have no claim directly against the Issuer in respect of payments due on the Notes for so long as the Notes are represented by such Global Certificate and the obligations of the Issuer will be discharged by payment to the registered holder, as the case may be, of such Global Certificate in respect of each amount so paid. None of the Issuer, the Trustee or any Agent will have any responsibility or liability for any

aspect of the records relating to or payments made on account of ownership interests in any Global Certificate or for maintaining, supervising or reviewing any records relating to such ownership interests.

Settlement and Transfer of Notes

Subject to the rules and procedures of each applicable Clearing System, purchases of Notes held within a Clearing System must be made by or through Direct Participants, which will receive a credit for such Notes on the Clearing System's records. The ownership interest of each actual purchaser of each such Note (the "**Beneficial Owner**") will in turn be recorded on the Direct Participant and Indirect Participant's records. Beneficial Owners will not receive written confirmation from any Clearing System of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant or Indirect Participant through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in Notes held within the Clearing System will be effected by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in such Notes, unless and until interests in any Global Certificate held within a Clearing System are exchanged for Definitive Certificates.

No Clearing System has knowledge of the actual Beneficial Owners of the Notes held within such Clearing System and their records will reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the Clearing Systems to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Trading between Euroclear and/or Clearstream, Luxembourg Participants

Secondary market sales of book entry interests in the Notes held through Euroclear or Clearstream, Luxembourg to purchasers of book entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional eurobonds.

RATINGS OF THE NOTES

General

It is a condition of the issue and sale of the Notes that the Notes (except for the Subordinated Notes) be issued with at least the following ratings: the Class X Notes: "AAA(sf)" from S&P and "AAAsf" from Fitch; the Class A Notes: "AAA(sf)" from S&P and "AAAsf" from Fitch; the Class B-1 Notes: "AA(sf)" from S&P and "AAsf" from Fitch; the Class B-2 Notes: "AA(sf)" from S&P and "AAsf" from Fitch; the Class C-1 Notes: "A(sf)" from S&P and "Asf" from Fitch; the Class C-2 Notes: "A(sf)" from S&P and "Asf" from Fitch; the Class D Notes: "BBB(sf)" from S&P and "BBB-sf" from Fitch; the Class E Notes: "BB-(sf)" from S&P and "BB-sf" from Fitch; and the Class F Notes: "B-(sf)" from S&P and "B-sf" from Fitch. The Subordinated Notes being offered hereby will not be rated.

The ratings assigned to the Class X Notes, the Class A Notes and the Class B Notes by Fitch address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class C Notes, Class D Notes, Class E Notes and Class F Notes by Fitch address the ultimate payment of principal and interest.

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.

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 prior to 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 Collateral Administrator, the Trustee, the Arranger 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.

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.

THE ISSUER

General

The Issuer is a private company with limited liability (*besloten vennootschap met beperkte aansprakelijkheid*) was incorporated with the name of TMF CLO 2019-I B.V. under the laws of The Netherlands on 12 December 2018 for an indefinite period having its statutory seat (*statutaire zetel*) in Amsterdam, The Netherlands and its registered office at Herikerbergweg 238, 1101 CM Amsterdam, The Netherlands. The Issuer changed its name to Ares European CLO XIII B.V. on 6 June 2019. The Issuer is registered in the trade register of the Chamber of Commerce under number 73330248. The telephone number of the registered office of the Issuer is +31 20 57 55 600 and the facsimile number is +31 20 67 30 016.

Business

The Issuer is organised as a special purpose company and was established to raise capital by the issue of debt securities (including the Notes). The Articles provide under Article 2(1) that the objects of the Issuer are:

(a) to raise funds through, inter alia, borrowing under loan agreements, the issuance of bonds and other debt instruments, the use of financial derivatives or otherwise and to invest and apply funds obtained by the company in, *inter alia*, (interests in) loans, bonds, debt instruments, shares, warrants and other similar securities and also in financial derivatives;

(b) to grant security for the company's obligations and debts;

(c) to enter into agreements, including, but not limited to, financial derivatives such as interest and/or currency exchange agreements, in connection with the objects mentioned under a. and b.; and

(d) to enter into agreements, including, but not limited to, bank, securities and cash administration agreements, asset management agreements and agreements creating security in connection with the objects mentioned under (a),(b) and (c) above.

So long as any of the Notes remain outstanding, the Issuer will be subject to the restrictions set out in the Conditions and in the Trust Deed. In particular, the Issuer has undertaken not to carry out any business other than the issue of the Notes and acquiring, holding and disposing of the Portfolio in accordance with the Conditions and the Collateral Management and Administration Agreement, entering into the Trust Deed, the Agency and Account Bank Agreement, the Collateral Management and Administration Agreement, the Issuer Management Agreement, the Warehouse Deed of Release, any Collateral Acquisition Agreements, the Placement Agency Agreement and any Hedge Agreements and exercising the rights and performing the obligations under each such agreement and all other transaction documents 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 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 Agency and Account Bank Agreement, the Collateral Management and Administration Agreement, the Collateral Acquisition Agreements and any Hedge Agreements and any other Transaction Documents 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 Dutch Account. The only assets of the Issuer available to meet claims of the holders of the Notes and the other Secured Parties are the assets comprised in the Collateral.

The Notes are obligations of the Issuer alone and are not the obligation of, or guaranteed in any way by, the Directors, the Trustee, the Custodian, the Collateral Manager, the Collateral Administrator, any Hedge Counterparty or any Obligor under any part of the Portfolio.

Business Activity

Prior to the Issue Date, the Issuer entered into the Warehouse Arrangements in order to enable the Issuer to acquire certain Collateral Obligations on or before the Issue Date. Amounts owing under the Warehouse Arrangements 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 Arrangements, the acquisition of the Portfolio, the authorisation and issue of the Notes and activities incidental to the exercise of its rights and compliance with its obligations under the Collateral Acquisition Agreements, the Notes, the Placement Agency Agreement, the Agency and Account Bank Agreement, the Trust Deed, the Collateral Management and Administration Agreement, the Issuer Management Agreement, the Warehouse Deed of Release, each Hedge Agreement and the other documents and agreements entered into in connection with the issue of the Notes and the purchase of the Portfolio.

Management

The current managing directors (the "**Directors**") are:

Name	**Occupation**	**Business Address**
Candice Harper	Director	Herikerbergweg 238, 1101 CM Amsterdam, The Netherlands
Jakob Pieter Boonman	Director	Herikerbergweg 238, 1101 CM Amsterdam, The Netherlands
Robert Marie Lhoest	Director	Herikerbergweg 238, 1101 CM Amsterdam, The Netherlands

Pursuant to the Issuer Management Agreement, the Directors will provide management, corporate and administrative services to the Issuer. The Issuer may terminate the Issuer Management Agreement by giving not less than 14 days' written notice, provided that a replacement Director has been appointed. The Directors may retire from their obligations pursuant to the Issuer Management Agreement by giving at least two months' notice in writing to the Issuer, or a shorter notice period approved by the general meeting of the Issuer. The Directors have undertaken not to resign unless suitable replacement managing directors have been contracted.

Director's Experience

Candice Harper

Mrs Harper is Team Leader Accounting at TMF Capital Markets Services in The Netherlands. Before joining TMF Group in 2010, Ms. Harper worked as a Subsidiary Accountant at a South African insurance company in Johannesburg (Renasa Insurance Company). Prior to this position Mrs. Harper worked as an Accountant in a telecommunications company in Johannesburg (MWeb Business) and prior to that worked as an Auditor for one of the big 4 audit firms (Deloitte). Mrs. Harper holds a Bachelor of Commerce Degree in Accounting from the University of Johannesburg.

Jakob Boonman

Mr. J.P. Boonman is the Team Leader Transaction Managers at TMF Capital Markets Services in The Netherlands. Before joining the TMF Group in 2013, Mr. Boonman worked as a legal counsel at an international investment firm in Antwerp and Amsterdam. Prior to this position Mr. Boonman held several legal and commercial positions at IMFC Management B.V./ Structured Finance Management (Netherlands) B.V., and the Amicorp Group. Mr. Boonman holds a Master Degree in Dutch Civil Law from the University of Utrecht.

Robert Lhoest

Mr. Lhoest is a lawyer, graduate of the University of Leiden. He joined TMF Group as a Senior Transaction Manager at TMF Capital Markets Services in The Netherlands in 2017. His professional career started in 1994 in the corporate service provider industry in Curaçao. After his stay in the Caribbean, he moved to Amsterdam where he became senior legal account manager with several corporate services providers. In that role, he was responsible for a portfolio of clients, varying from multinationals to high net worth individuals. Mr. Lhoest also gained experience in securitizations, leasing and other structured finance transactions, amongst others with

Structured Finance Management (Netherlands) B.V. (later to become part of the Elian Group, which was acquired by Intertrust N.V.), and with SGG (Group) Netherlands B.V.

Capital and Shares

The capital of the Issuer consists of one share which has a nominal value of one euro (EUR 1.00) and is held by the Foundation.

Capitalisation

The capitalisation of the Issuer as at the date of this Offering Circular, adjusted for the issue of the Notes, is as follows:

Share Capital	
Issued and fully paid one ordinary registered share of €1	€1
Loan Capital	
Class X Notes	€2,000,000
Class A Notes	€240,000,000
Class B-1 Notes	€36,000,000
Class B-2 Notes	€10,000,000
Class C-1 Notes	€24,000,000
Class C-2 Notes	€10,000,000
Class D Notes	€24,000,000
Class E Notes	€19,000,000
Class F Notes	€11,000,000
Subordinated Notes	€36,000,000
Total Capitalisation	€412,000,001

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 Arrangements, which will be repaid in full on the Issue Date).

Holding Structure

The entire issued share capital of the Issuer is directly held by Stichting Ares European CLO XIII, a foundation (*stichting*) established under the laws of The Netherlands having its registered office at Herikerbergweg 238, 1101 CM Amsterdam, The Netherlands (the "**Foundation**").

None of the Collateral Manager, the Collateral Administrator, the Trustee or any company Affiliated with any of them, directly or indirectly, owns any of the share capital of the Issuer. TMF Management B.V. is the sole director of the Foundation.

Pursuant to the terms of a management agreement dated on or about the Issue Date, as amended from time to time, between the Foundation and TMF Management B.V., and the Letter of Undertaking, measures will be in put in place to limit and regulate the control which the Foundation has over the Issuer.

Subsidiaries

The Issuer has no subsidiaries.

Administrative Expenses of the Issuer

The Issuer is expected to incur certain Administrative Expenses (as defined in Condition 1 (*Definitions*) of the Conditions).

Financial Statements

Since its date of incorporation, other than entering into the Warehouse Arrangements and acquiring certain Collateral Obligations pursuant to it, the Issuer has not commenced operations and no financial statements of the Issuer have been prepared as at the date of this Offering Circular. The Issuer intends to publish its first financial statements in respect of the period ending on 31 December 2019 in the course of 2020 within the legal time frame. The Issuer will not prepare interim financial statements. The financial year of the Issuer ends on 31 December in each year.

The auditors of the Issuer are Mazars Accountants N.V., Delflandlaan 1, P.O. Box 7266, 1007 JG Amsterdam, The Netherlands who are chartered accountants and are members of the *Nederlandse Beroepsorganisatie van Accountants* and registered auditors qualified in practice in The Netherlands.

DESCRIPTION OF THE COLLATERAL MANAGER

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 Agents or any other party. None of the Placement Agents or any other party other than the Collateral Manager assumes any responsibility for the accuracy or completeness of such information.

The Issuer confirms that the information appearing in this section has been accurately reproduced having taken all reasonable care to ensure that such is the case, the information contained in this Offering Circular is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

The information appearing in this section has been prepared by the Collateral Manager appointed by the Issuer on the Issue Date, being Ares European Loan Management LLP and has not been independently verified by the Issuer, the Placement Agents or any other party. The Collateral Manager has taken all reasonable care to ensure that this information is in accordance with the facts and does not omit anything likely to affect the import of such information. None of the Issuer, the Placement Agents or any other party other than the Collateral Manager assumes any responsibility for the accuracy, completeness or applicability of such information.

The delivery of this Offering Circular shall not create any implication that there has been no change in the affairs of the Collateral Manager since the date of this Offering Circular, or that the information contained or referred to herein is correct as of any time subsequent to the date of this Offering Circular.

The Collateral Manager is an English limited liability partnership registered under the Limited Liability Partnership Act 2000 with number OC404019 on 28 January 2016. The Collateral Manager is authorised and regulated in the conduct of its Collateral Manager business by the UK Financial Conduct Authority with firm reference number: 737906. The Collateral Manager's members are Ares European Loan Management Holdings (Jersey) Limited, Ares European Loan Management Holdings (Luxembourg) S.à r.l. and Ares European Loan Management Holdings LLC.

While the Collateral Manager will be responsible for the collateral management and credit decisions with respect to managing the Collateral on behalf of the Issuer, certain day-to-day discretions relating to the composition of the portfolios of the Issuer as well as authority to execute transactions for the Issuer will be delegated to Ares Management Limited ("**AML**"), a wholly owned subsidiary of Ares Management LLC ("**Ares Management**"). In addition, AML will: (i) perform certain middle- and back-office functions for the Collateral Manager; (ii) make available certain individuals to perform certain functions for the Collateral Manager; and (iii) provide the Collateral Manager with certain IP licences. The Collateral Manager procures these services pursuant to a services agreement with AML.

The duties and obligations of the Collateral Manager are solely those of Ares European Loan Management LLP and are not guaranteed by any entities affiliated with Ares Management, L.P. (collectively, the "**Ares Group**"), more generally, or any of its other affiliated entities. The Notes and the Collateral do not represent interests in or obligations of, and are not insured or guaranteed by, Ares European Loan Management LLP, the Ares Group or any affiliate thereof.

Ares Management's U.S. and European credit teams manage the leveraged loan, high yield and total return credit funds for the Ares Credit Group as well as its global structured credit team. The Collateral Manager will manage the Issuer's assets pursuant to the Collateral Management and Administration Agreement. Initially, the Collateral Manager and/or AML will have the services of some or all of the professionals described below. There can be no assurance that any investment professionals will remain employed by AML and/or Ares Management or if employed, will remain involved with the Collateral Manager's performance obligations under the Collateral Management and Administration Agreement.

Credit Risk Mitigation

The Collateral Manager has adapted policies and, through its services agreement with AML, operates procedures in relation to the granting of credit, administration of credit-risk bearing portfolios and risk mitigation.

Such policies and procedures broadly address the following:

(a) criteria for the granting of credit and the process for approving, amending, renewing and re-financing credits (as to which, in relation to the Collateral Obligations, see the information set out in this Offering Circular headed "*The Portfolio*" which describes the criteria that the selection of Collateral Obligations to be included in the Portfolio is subject to);

(b) policies and procedures to administer and monitor the various credit-risk bearing portfolios and exposures (as to which it should be noted that the Portfolio will be serviced in line with the servicing procedures of the Collateral Manager – please see the sections of this Offering Circular headed "*The Portfolio*" and "*Description of the Collateral Management and Administration Agreement*");

(c) adequate diversification of credit portfolios given the target market and overall credit strategy (as to which, in relation to the Portfolio, see the section of this Offering Circular headed "*The Portfolio – Portfolio Profile Tests*");

(d) policies and procedures in relation to risk mitigation techniques (as to which, see further the sections of this Offering Circular headed "*The Portfolio*" and "*Description of the Collateral Management and Administration Agreement*", which describes the ways in which the Collateral Manager is required to monitor the Portfolio);

(e) to the extent not subject to confidentiality restrictions, the grant of readily available access to all materially relevant data on the credit quality and performance of the individual underlying exposures, cash flows and collateral supporting a securitisation exposure and to any information that is necessary to conduct comprehensive and well informed stress tests on the cash flows and collateral values supporting the underlying exposures (as to which, see further the sections of this Offering Circular headed "*The Portfolio*" and "*Description of the Reports*", which describe the criteria used for selection of the Collateral Obligations and the reports prepared and provided in respect of such Collateral Obligations); and

(f) disclosure of the level of their retained net economic interest, as well as any matters that could undermine the maintenance of the minimum required net economic interest (as to which, see further the section of this Offering Circular headed "*Description of the Collateral Management and Administration Agreement*" and "*EU Retention and Transparency Requirements*", which describes the ways in which the Collateral Manager is required to satisfy the EU Retention and Transparency Requirements and "*Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence Requirements – Transparency Requirements*", which describes the risks in respect of satisfaction of the EU Retention and Transparency Requirements).

The following are officers of the Collateral Manager:

Boris Okuliar

Mr. Okuliar is a member of the Collateral Manager's governing body. Mr. Okuliar is also a Partner in the Ares Credit Group, Co-Head of Global Liquid Credit, Portfolio Manager of European Liquid Credit and a member of the Management Committee of Ares Management. Additionally, he serves as a member of the Ares Credit Group's European Liquid Credit and European Direct Lending Investment Committees. Prior to joining Ares in 2016, Mr. Okuliar was a Managing Director and Head of Capital Markets for Global Market Strategies at The Carlyle Group, where he focused on sourcing credit investment opportunities from banks and sponsors, syndicating excess risk, and developing new business opportunities. Previously, Mr. Okuliar was Head of Leveraged Capital Markets for UBS, where he focused on the structuring and market execution of leveraged loans, bridge financing and high yield bond placements. In addition, Mr. Okuliar was Head of High Yield Capital Markets and Syndicate at Barclays Capital in London. He has also worked for Banc of America Securities in Syndicated Finance and High Yield Capital Markets in the U.S. and London. Mr. Okuliar holds a B.S.B.A. from Georgetown University with a double major in Finance and International Business.

Matthew Craston

Mr. Craston is a member of the Collateral Manager's governing body. He has over 35 years' experience in financial services. He has worked for a number of financial institutions including Chase Manhattan Bank, UBS and most recently he managed the Loans and Credit Alternatives business at ECM Asset Management (now owned by Wells Fargo). He has strong industry connections and a developed understanding of the CLO market.

Michael Thomas

Mr. Thomas is a member of the Collateral Manager's governing body. He is also a Managing Director in the Credit Group of Ares Management Limited and is head of the Luxembourg Office. Prior to joining Ares in 2014, Mr. Thomas was a Partner at Purple Mountain Capital Asset Group. Previously, he was a Managing Director at Cazord & Co. and was a Principal at Park Square Capital. he serves on the Board of Directors of Oxea S.A.R.L. Mr. Thomas holds a B.A., cum laude, from Boston University in Economics and an M.B.A. from Northwestern University Kellogg School of Management in Finance and Accounting.

The Ares Group

Ares Management Corporation (NYSE: ARES) is a publicly traded, leading global alternative asset manager with approximately $144 billion of assets under management[1] ("**AUM**"). Ares has over 1,200 employees in over 20 global offices across the United States, Europe, Asia, and Australia. Ares manages three distinct but complementary investment groups that invest in the credit, private equity and real estate markets and has the ability to invest in all levels of the capital structure.

Ares was built upon the fundamental principle that each group benefits from being part of the broader platform. Ares believes the synergies resulting from collaboration across the Ares Credit platform provide its professionals with more informed decision making as a result of shared industry expertise, management relationships, and market insights, access to significant deal flow and a broader opportunity set, and the ability to assess relative value. Since our inception in 1997, we have adhered to a disciplined investment philosophy that focuses on delivering attractive risk-adjusted investment returns through market cycles. We strive to maintain a consistent and credit-quality focused approach targeting well-structured investments in franchise businesses and real estate assets.

Ares investment groups are described below:

ARES

	CREDIT	PRIVATE EQUITY	REAL ESTATE
	A leading participant in the non-investment grade corporate credit markets	*One of the most consistent private equity managers in the U.S. with a growing international presence*	*A leading participant in the real estate equity markets and a growing direct lender*
Assets Under Management[(1)]	$106.3 billion	$25.5 billion	$12.5 billion
Investment Strategies	Direct Lending Liquid Credit Alternative Credit	Corporate Private Equity Special Opportunities Energy Opportunities Infrastructure and Power	Real Estate Debt Real Estate Equity
Investment Funds	173 active funds	23 active funds	46 active funds
Investment Personnel	275 professionals	~115 professionals	75 professionals
Local Market Presence	U.S. & Europe	U.S., Europe & China	U.S. & Europe
Current Portfolio	1,700+ companies	46 companies 54 power and energy infrastructure assets	179 properties

[1]As of September 30, 2019. AUM amounts include funds managed by Ivy Hill Asset Management, L.P., a wholly owned portfolio company of Ares Capital Corporation and a registered investment adviser. Past performance is not indicative of future results.

Credit Group. Our Credit Group is a leading manager of credit strategies across the non-investment grade credit universe, with approximately $106.3 billion of AUM and 173 funds as of September 30, 2019[2]. We offer a

[1]As of September 30, 2019. AUM amounts include funds managed by Ivy Hill Asset Management, L.P., a wholly owned portfolio company of Ares Capital Corporation and a registered investment adviser.

[2] As of September 30, 2019, AUM amounts include funds managed by Ivy Hill Asset Management, L.P., a wholly owned portfolio company of Ares Capital Corporation and a registered investment adviser.

range of investment strategies across the liquid and illiquid credit spectrum. Since the firm's founding in 1997, Ares has been a leader in providing credit solutions to investors searching for yield and for less correlated returns, particularly relevant in today's relatively low interest rate and volatile investment environment. We are additionally one of the largest self-originating direct lenders to the U.S. and European middle markets, providing one-stop financing solutions for small-to-medium sized companies, which we believe are increasingly underserved by traditional lenders. We provide investors access to our broad credit capabilities through several vehicles, including commingled funds, separately managed accounts, publicly traded vehicles and sub-advised funds for retail investors.

Private Equity Group. Our Private Equity Group has achieved compelling risk-adjusted investment returns for a loyal and growing group of high profile limited partners and has approximately $25.5 billion of AUM as of September 30, 2019. Our Private Equity Group broadly categorizes its investment strategies as corporate private equity, special opportunities, energy opportunities and infrastructure and power. Our private equity professionals have a demonstrated ability to deploy flexible capital, which allows them to stay both active and disciplined in various market environments. The group's activities are managed by three dedicated investment teams in North America, Europe and China. The group manages flagship funds focused primarily on North America and, to a lesser extent, Europe, special opportunities funds, U.S. infrastructure and power funds and related co-investment vehicles and a China growth fund.

Real Estate Group. Our Real Estate Group manages comprehensive public and private equity and debt strategies, with approximately $12.5 billion of AUM as of September 30, 2019. With its experienced team, along with its expansive network of relationships, our Real Estate Group capitalizes on opportunities across both real estate equity and debt investing. Our Real Estate Group's equity investments focus on implementing hands-on value creation initiatives to mismanaged and capital-starved assets, as well as new development, ultimately selling stabilized assets back into the market. Our debt strategies leverage our Real Estate Group's diverse sources of capital to directly originate and manage commercial mortgage investments on properties that range from stabilized to requiring hands-on value creation. Our Real Estate Group has achieved significant scale in a short period of time through various acquisitions and successful fundraising efforts. Our Real Estate Group provides investors access to its capabilities through several vehicles: a publicly traded commercial mortgage real estate investment trust ("**REIT**"), Ares Commercial Real Estate Corporation (NYSE: ACRE), U.S. and European real estate private equity commingled funds and real estate equity and debt separately managed accounts. Our Real Estate Group's activities are managed by dedicated equity and debt teams in the U.S. and Europe.

In addition to the primary business platforms, Ares has an experienced team of support professionals in investor relations, marketing, accounting, finance, legal, compliance, operations, technology, human resources and administration.

We have an established track record of delivering favourable risk-adjusted returns through market cycles. We believe our consistent performance in a broad range of alternative assets has been shaped by several distinguishing features of our platform:

- ***Robust Sourcing Model***: our investment professionals' local market presence and ability to effectively cross-source for other investment groups generates a robust pipeline of high-quality investment opportunities across our platform.

- ***Comprehensive Multi-Asset Class Experience and Flexible Capital***: our proficiency at evaluating every level of the capital structure, from senior debt to common equity, across companies, structured assets, power and energy assets, and real estate projects enables us to effectively assess relative value. This proficiency is complemented by our flexibility in deploying capital in a range of structures and different market environments to maximize risk-adjusted returns.

- ***Differentiated Market Intelligence***: our proprietary research in approximately 55 industries and insights from a broad, global investment portfolio enable us to more effectively diligence and structure our products and investments.

- ***Consistent Investment Approach***: we believe our rigorous, credit-oriented investment approach across each of our investment groups is a key contributor to our strong investment performance and ability to expand our product offering.

- ***Talented and Committed Professionals***: we attract, develop and retain highly accomplished investment professionals who not only demonstrate deep and broad investment expertise but also have a strong sense of commitment to our Firm.

- ***Collaborative Culture***: we share ideas, relationships and information across our investment groups, which enable us to more effectively source, evaluate and manage investments.

Leadership Professionals of the Ares Group

Management Committee

Antony P. Ressler

Mr. Ressler is a Co-Founder of Ares and Executive Chairman of Ares Management Corporation. He is a member of the Ares Executive Management Committee and the firm's Management Committee. He is Chairman of the Ares Executive Management Committee and the firm's Management Committee. Mr. Ressler also serves as a member of the Investment Committees of certain funds managed by the Ares Private Equity Group and the Ares Real Estate Group and is a member of the Ares Diversity and Inclusion Council. Mr. Ressler has been with Ares Management since its founding in 1997. He previously served on the Boards of Directors of Ares Capital Corporation and Air Lease Corporation. Since June 2015, Mr. Ressler has served as the Principal Owner and Chair of the Atlanta Hawks Basketball Club. In the not for profit sector, Mr. Ressler is a member of the Board of Directors of Cedars-Sinai Medical Center, is Co-Chair of the Los Angeles County Museum of Art (LACMA) Board of Trustees and a member of the Board of Trustees of Georgetown University. Mr. Ressler is also one of the founding Board members and Finance Co-Chair of the Painted Turtle Camp, a southern California based organization (affiliated with Paul Newman's Hole in the Wall Association), which was created to serve children dealing with chronic and life-threatening illnesses by creating memorable, old-fashioned camping experiences. Mr. Ressler received his B.S.F.S. from Georgetown University's School of Foreign Service and received his M.B.A. from Columbia University's Graduate School of Business.

Michael J. Arougheti

Mr. Arougheti is Co-Founder, Chief Executive Officer and President, as well as a Director of Ares Management Corporation. He is a member of the Ares Executive Management Committee and the firm's Management Committee. He additionally serves as Co-Chairman of ARCC and as a director of ACRE. Mr. Arougheti also is a member of the Ares Credit Group's U.S. Direct Lending Investment Committee, the Ares Equity Income Opportunity Strategy Portfolio Review Committee and the Ares Operations Management Group. Prior to joining Ares in 2004, Mr. Arougheti was employed by Royal Bank of Canada from 2001 to 2004, where he was a Managing Partner of the Principal Finance Group of RBC Capital Partners and a member of the firm's Mezzanine Investment Committee. Mr. Arougheti oversaw an investment team that originated, managed and monitored a diverse portfolio of middle-market leveraged loans, senior and junior subordinated debt, preferred equity and common stock and warrants on behalf of RBC and other third-party institutional investors. Mr. Arougheti joined Royal Bank of Canada in October 2001 from Indosuez Capital, where he was a Principal and an Investment Committee member, responsible for originating, structuring and executing leveraged transactions across a broad range of products and asset classes. Prior to joining Indosuez in 1994, Mr. Arougheti worked at Kidder, Peabody & Co., where he was a member of the firm's Mergers and Acquisitions Group. Mr. Arougheti serves on the Board of Directors of Operation HOPE, a not-for-profit organization focused on expanding economic opportunity in underserved communities through education and empowerment. He is additionally a member of the PATH Organization Leadership Council. Mr. Arougheti received a B.A. in Ethics, Politics and Economics, cum laude, from Yale University.

Ryan Berry

Mr. Berry is a Partner and Chief Marketing and Strategy Officer of Ares Management Corporation. He is a member of the Ares Executive Management Committee and the firm's Management Committee. As a Partner and Chief Marketing and Strategy Officer, he is responsible for the ongoing global expansion of the firm and oversees a dedicated team of M&A professionals, as well as the firm's global marketing function, with relationship managers located in Los Angeles, New York, London, Hong Kong, Dubai, Chicago and Sydney. Among his initiatives in recent years, Mr. Berry has completed asset manager acquisitions, forged strategic partnerships, expanded the firm's international presence, enhanced the firm's distribution channels and assisted with Ares' IPO in May 2014 and related high grade debt offerings. Mr. Berry joined the firm in 2005 and spent

several years working as an investment professional in the Private Equity Group, where he participated in various leveraged buyouts, growth equity and distressed debt transactions. Prior to joining Ares, Mr. Berry worked at UBS in Los Angeles as an Investment Banking Analyst. Mr. Berry holds a B.A., with distinction, from the Ivey Business School at Western University in Business Administration and a B.A. from Huron University College at Western University in Cross Disciplinary Studies.

Kipp deVeer

Mr. deVeer is a Partner of Ares Management Corporation and Head of the Ares Credit Group. He is a member of the Ares Executive Management Committee and the firm's Management Committee. He additionally serves as a Director and Chief Executive Officer of Ares Capital Corporation. Mr. deVeer is a member of the Ares Credit Group's U.S. Direct Lending and European Direct Lending Investment Committees. Prior to joining Ares in 2004, Mr. deVeer was a partner at RBC Capital Partners, a division of Royal Bank of Canada, which led the firm's middle market financing and principal investment business. Mr. deVeer joined RBC in October 2001 from Indosuez Capital, where he was Vice President in the Merchant Banking Group. Mr. deVeer has also worked at J.P. Morgan and Co., both in the Special Investment Group of J.P. Morgan Investment Management, Inc. and the Investment Banking Division of J.P. Morgan Securities Inc. Mr. deVeer received a B.A. from Yale University and an M.B.A. from Stanford University's Graduate School of Business.

David Kaplan

Mr. Kaplan is a Co-Founder of Ares, a Director and Partner of Ares Management Corporation and Co-Head of the Ares Private Equity Group. He is a member of the Ares Executive Management Committee and the firm's Management Committee. He additionally serves on the Ares Private Equity Group's Corporate Opportunities, Asia Private Equity and Special Opportunities Investment Committees. Mr. Kaplan joined Ares in 2003 from Shelter Capital Partners, LLC, where he was a Senior Principal from June 2000 to April 2003. From 1991 through 2000, Mr. Kaplan was a Senior Partner of, Apollo Management, L.P. and its affiliates, during which time he completed multiple private equity investments from origination through exit. Prior to Apollo Management, L.P., Mr. Kaplan was a member of the Investment Banking Department at Donaldson, Lufkin & Jenrette Securities Corp. Mr. Kaplan currently serves as Chairman of the Boards of Directors of the parent entities of Neiman Marcus Group, Inc. and as a member of the Boards of Directors of 99 Cents Only Stores LLC, Guitar Center Holdings, Inc. and the parent entity of Floor and Decor Outlets of America, Inc. Mr. Kaplan's previous public company Board of Directors experience includes Maidenform Brands, Inc. where he served as the company's Chairman, GNC Holdings, Inc., Dominick's Supermarkets, Inc., Stream Global Services, Inc., Orchard Supply Hardware Stores Corporation, Smart & Final, Inc. and Allied Waste Industries Inc. Mr. Kaplan also serves on the Board of Directors of Cedars-Sinai Medical Center and serves on the President's Advisory Group of the University of Michigan. Mr. Kaplan graduated with High Distinction, Beta Gamma Sigma, from the University of Michigan, School of Business Administration with a B.B.A. concentrating in Finance.

Michael McFerran

Mr. McFerran is a Partner, Executive Vice President, Chief Financial Officer and Chief Operating Officer of Ares Management Corporation. He is a member of the Ares Executive Management Committee and the firm's Management Committee. As Chief Financial Officer and Chief Operating Officer, Mr. McFerran oversees Finance, Accounting, Technology, Operations and Human Resources across the firm. He additionally serves as Vice President of Ares Dynamic Credit Allocation Fund, Inc. (NYSE:ARDC) and is a member of the Ares Enterprise Risk Committee. Prior to joining Ares in March 2015, Mr. McFerran was a Managing Director at KKR where he was Chief Financial Officer of KKR's credit business and Chief Operating Officer and Chief Financial Officer at KKR Financial Holdings LLC. Prior to joining KKR, Mr. McFerran spent the majority of his career at Ernst & Young LLP where he was a senior manager in their financial services industry practice. Mr. McFerran also held Vice President roles at XL Capital Ltd. and American Express. Mr. McFerran holds an M.B.A. from the Haas School of Business at U.C. Berkeley and a B.S. in Business Administration from San Francisco State University.

Bennett Rosenthal

Mr. Rosenthal is a Co-Founder of Ares, a Director and Partner of Ares Management Corporation and Co-Head of the Ares Private Equity Group. He is a member of the Ares Executive Management Committee and the firm's Management Committee. Mr. Rosenthal additionally serves as the Co-Chairman of the Board of Directors of

ARCC. Mr. Rosenthal also is a member of the Ares Private Equity Group's Corporate Opportunities and Special Opportunities Investment Committees. Mr. Rosenthal joined Ares in 1998 from Merrill Lynch & Co. where he served as a Managing Director in the Global Leveraged Finance Group. He currently serves on the Boards of Directors of City Ventures, LLC and the parent entities of Aspen Dental Management, Inc., CHG Healthcare Holdings L.P., CPG International Inc., Dawn Holdings, Inc., DuPage Medical Group, National Veterinary Associates, Inc. and other private companies. Mr. Rosenthal's previous board of directors experience includes Hanger, Inc., Jacuzzi Brands Corporation, Maidenform Brands, Inc. and Nortek, Inc. Mr. Rosenthal also serves on the Board of Trustees of the Windward School in Los Angeles, and on the Graduate Executive Board of the Wharton School of Business. Mr. Rosenthal graduated summa cum laude with a B.S. in Economics from the University of Pennsylvania's Wharton School of Business where he also received his M.B.A. with distinction.

Additional Management Committee Members

Mark Affolter

Mr. Affolter is a Partner and Portfolio Manager in the Ares Credit Group, Co-Head of U.S. Direct Lending and a member of the Management Committee of Ares Management. Additionally, Mr. Affolter serves as a member of the Ares Credit Group's U.S. Direct Lending Investment Committee. Prior to joining Ares in 2008, Mr. Affolter was a Managing Director at CIT, where he focused on building its sponsor finance business. Previously, Mr. Affolter was a Senior Managing Director at GE Capital in its sponsor finance business and a Senior Vice President at Heller Financial, leading its mezzanine finance business in corporate finance. He currently serves on the Regional Committee of Washington University and holds an A.B. from Washington University in Economics.

Keith Ashton

Mr. Ashton is a Partner, Portfolio Manager and Co-Head of Alternative Credit in the Ares Credit Group, and a member of the Management Committee of Ares Management. Mr. Ashton serves as a Vice President and Portfolio Manager for the Ares Dynamic Credit Allocation Fund, Inc. (NYSE:ARDC). Additionally, he serves as a member of the Ares Credit Group's Alternative Credit Executive Committee, Alternative Credit Investment Committee, Ares Dynamic Credit Allocation Fund Investment Committee and the Ares Diversity and Inclusion Council. Prior to joining Ares in 2011, Mr. Ashton was a Partner at Indicus Advisors LLP, where he focused on launching the global structured credit business in May 2007. Previously, Mr. Ashton was a Portfolio Manager and Head of Structured Credit at TIAA-CREF, where he focused on managing a portfolio of structured credit investments and helped launch TIAA's institutional asset management business. Mr. Ashton's experience as an investor in alternative fixed income products spans virtually all securitized asset classes, including CLOs, consumer and commercial receivables, insurance and legal settlements, small business and trade receivables, whole business securitizations, timeshare and other mortgage-related receivables, and esoteric asset classes such as catastrophe risk and intellectual property. Mr. Ashton holds a B.A. from Brigham Young University in Economics and an M.B.A. from the University of Rochester William E. Simon School of Business in Finance and Accounting.

Bill Benjamin

Mr. Benjamin is a Partner and Head of Ares Real Estate Group and a member of the Management Committee of Ares Management. Additionally, Mr. Benjamin serves on the Ares Real Estate Operating Committee and is a member of the Ares Real Estate Group's Equity, Debt and U.S. Development and Redevelopment Fund II Investment Committees. He also serves as a Director and Chairman of the Ares Commercial Real Estate Corporation board of directors. Mr. Benjamin joined Ares Management LLC in July 2013 from AREA Property Partners, where he was a Senior Partner from 1995 to 2013. Mr. Benjamin joined AREA Property Partners in 1995 from Bankers Trust Corp, where he was a Principal from 1986 to 1995. He is a Trustee of Impetus, a UK based charity focused on improving access to education and employment for disadvantaged youth. Mr. Benjamin graduated from Harvard with a Bachelor of Arts degree in social studies and holds a Master of Business Administration degree from University of Pennsylvania, Wharton School.

Seth Brufsky

Mr. Brufsky is a Partner in the Ares Credit Group, Co-Head of Global Liquid Credit, Portfolio Manager and a member of the Management Committee of Ares Management. Mr. Brufsky also serves as a Director, President, Chief Executive Officer and Portfolio Manager of the Ares Dynamic Credit Allocation Fund, Inc.

(NYSE:ARDC). Additionally, he serves as a member of the Ares Credit Group's U.S. Liquid Credit Investment Committee and the Ares Dynamic Credit Allocation Fund Investment Committee. Prior to joining Ares in 1998, Mr. Brufsky was a member of the Corporate Strategy and Research Group of Merrill Lynch & Co., where he focused on analyzing and marketing non-investment grade securities and was acknowledged by Institutional Investor as a member of the top-ranked credit analyst team during each year of his tenure. Previously, Mr. Brufsky was a member of the Institutional Sales and Trading Group of the Global Fixed Income Division at Union Bank of Switzerland. Mr. Brufsky serves on the Board of Directors of the Luminescence Foundation, a charitable giving organization. Mr. Brufsky holds a B.S. from Cornell University in Applied Economics and Business Management and an M.B.A., with honors, from the University of Southern California Marshall School of Business in Finance, where he was awarded the Glassick Scholarship for academic achievement.

Matthew Cwiertnia

Mr. Cwiertnia is a Partner and Co-Head of North American Private Equity within Ares Private Equity Group and a member of the Management Committee of Ares Management. He serves as a member of the Ares Private Equity Group's Corporate Opportunities, Energy Opportunities and Special Opportunities Investment Committees. Prior to joining Ares in 2005, Mr. Cwiertnia worked in the Financial Sponsors Group at Credit Suisse First Boston, where he focused on providing advisory and financing services to financial sponsors and their portfolio companies. Previously, Mr. Cwiertnia was a member of the Investment Banking Department of Donaldson, Lufkin & Jenrette Securities Corp. In addition, he worked at Jefferies & Co. Inc., where he focused on investment banking. Mr. Cwiertnia currently serves as a member of the Boards of Directors for the parent entities of Insight Global LLC, Convergint Technologies, CoolSys and Valet Living, LLC. Mr. Cwiertnia holds a B.A., magna cum laude, from the University of California Los Angeles in Business Economics and an M.B.A. from the University of California, Los Angeles Anderson School of Management, where he graduated as a Carter Fellow.

Michael Dennis

Mr. Dennis is a Partner and Co-Head of European Credit, in the Ares Credit Group. Additionally, Mr. Dennis serves as a member of the Management Committee of Ares Management and the Ares Credit Group's European Direct Lending and European Liquid Credit Investment Committees. Prior to joining Ares in 2007, Mr. Dennis was Head of the London Financial Sponsor Group at Barclays Bank, where he focused on originating middle market financing opportunities. Mr. Dennis holds a B.Sc. from the University of Nottingham and University of Manchester Institute of Science and Technology and an M.B.A., with high honors, from the University of Chicago Booth School of Business.

Keith Derman

Mr. Derman is a Partner and Co-Head of the Infrastructure and Power Group, where he focuses on originating, analyzing, structuring and closing new fund investments, as well as ongoing portfolio company management. Additionally, Mr. Derman serves as a member of the Management Committee of Ares Management and the Infrastructure and Power Group Funds Investment Committee. Prior to joining Ares in 2015, he was a Partner at Energy Investors Funds. Previously, he was a Manager of Corporate Development at the PSEG Power, where he focused on the acquisition and development of power generation projects. In addition, he was a Senior Financial Analyst in the Acquisition and Development Group at Sunterra Corporation. He began his career as a Financial Analyst at Smith Barney, where he focused on mergers and acquisitions. Mr. Derman holds a B.A. from Duke University in Political Science and an M.B.A. from the University of Pennsylvania Wharton School in Entrepreneurial Management.

Jessica Dosen

Ms. Dosen is a Partner and Global Head of Ares Human Resources Department. In addition, she serves as a member of the Management Committee of Ares Management. Prior to joining Ares in 2011, Ms. Dosen worked as an HR Business Partner and as the Head of Learning and Development at Citadel LLC. In her role as an HR Business Partner, she focused on building out the company's New York presence while supporting the fixed income, mortgages and equities business lines. In her role as the Head of Learning and Development, she designed and built a robust firmwide training offering, including new graduate training programs, leadership development programs as well as programs designed to enhance both soft and technical skills. Ms. Dosen holds a B.A. from the University of Wisconsin in Psychology and an M.A. from Loyola University Chicago in Human Resources and Industrial Relations.

Carl Drake

Mr. Drake is a Partner and Head of Public Investor Relations and Communications for Ares Management, Ares Capital Corporation and Ares Commercial Real Estate Corporation. He additionally serves as a member of the Management Committee of Ares Management, the Ares Equity Income Opportunity Strategy Portfolio Review Committee and the Ares Operations Management Group. Prior to joining Ares in 2008, Mr. Drake was a Managing Director in the Equity Research Department of SunTrust Robinson Humphrey, where he focused on covering specialty finance companies including Business Development Companies ("BDCs"), and was a Vice President in the firm's investment banking department. Previously, Mr. Drake was a Vice President at Creditanstalt Corporate Finance Inc., GE Capital Commercial Finance and Metropolitan Life. Mr. Drake holds a B.A. from Vanderbilt University in History and an M.B.A. from the Duke University Fuqua School of Business. Mr. Drake is a CFA® charterholder.

Mitch Goldstein

Mr. Goldstein is a Partner and Co-Head of the Ares Credit Group and a member of the Management Committee of Ares Management. He additionally serves as Co-President of ARCC and Vice President and interested trustee of CION Ares Diversified Credit Fund. He is a member of the Ares Credit Group's U.S. Direct Lending and Commercial Finance Investment Committees and the Ivy Hill Asset Management Investment Committee. Prior to joining Ares Management in May 2005, Mr. Goldstein worked at Credit Suisse First Boston, where he was a Managing Director in the Financial Sponsors Group. At CSFB, Mr. Goldstein was responsible for providing investment banking services to private equity funds and hedge funds with a focus on M&A and restructurings as well as capital raisings, including high yield, bank debt, mezzanine debt, and IPOs. Mr. Goldstein joined CSFB in 2000 at the completion of the merger with Donaldson, Lufkin & Jenrette. From 1998 to 2000, Mr. Goldstein was at Indosuez Capital, where he was a member of the Investment Committee and a Principal, responsible for originating, structuring and executing leveraged transactions across a broad range of products and asset classes. From 1993 to 1998, Mr. Goldstein worked at Bankers Trust. He also serves on the Board of Managers of Ivy Hill Asset Management GP, LLC. Mr. Goldstein graduated summa cum laude from the State University of New York at Binghamton with a B.S. in Accounting, received an M.B.A. from Columbia University's Graduate School of Business and is a Certified Public Accountant.

Scott Graves

Mr. Graves is a Partner and Co-Head of North American Private Equity and Head of Special Opportunities. He serves as a member of the Management Committee of Ares Management and the Ares Private Equity Group's Corporate Opportunities and Special Opportunities Investment Committees. Prior to joining Ares in 2017, Mr. Graves spent over 15 years in various capacities as a senior executive and investment professional for Oaktree Capital Management, L.P. From 2013 through 2016, Mr. Graves served as Oaktree's Head of Credit Strategies and Portfolio Manager of Multi-Strategy Credit. He was responsible for a substantial portion of Oaktree's credit platform, managed investment portfolios spanning the breadth of Oaktree's credit strategies and was active in Oaktree corporate management, serving on the Capital and Risk Management Board, the Senior Leadership Counsel, the Product Governance Board and the Project Steering Committee. From 2001 through 2013, Mr. Graves was an investment professional in Oaktree's Distressed Opportunities, Value Opportunities and Strategic Credit strategies, where he served as a Co-Portfolio Manager. From 2010 to 2015, Mr. Graves also managed Oaktree's corporate and strategic development group, leading the firm's product step-outs into emerging market credit, strategic credit, value equities, infrastructure, the enhanced income strategies, structured credit and senior secured lending. Prior to joining Oaktree, Mr. Graves served as a Principal in William E. Simon & Sons' private equity group and as an Analyst at Merrill Lynch & Company in the mergers and acquisitions group. Additionally, Mr. Graves worked at Price Waterhouse LLP in the audit business services division. Mr. Graves received a B.A. degree from the University of California, Los Angeles, in History, and an M.B.A. from the Wharton School at the University of Pennsylvania, where he currently serves on the Wharton School Graduate Executive Board. He is a Certified Public Accountant (inactive).

Sandesh Hegde

Mr. Hegde is a Partner and Chief Technology Officer in the Ares Information Technology Department and is a member of the Management Committee of Ares Management. Prior to joining Ares in 2015, Mr. Hegde was a Senior Vice President at Bain Capital, where he focused on technology initiatives and application support across all Bain Capital business units. Previously, Mr. Hegde worked at Wellington Management, where he focused on business process optimization and technology automations related to investment data and analytics. In addition, he worked with SunGard Consulting Services, where he focused on alternative investment technology strategy

and solutions. In addition, he was an Investment Associate with Odyssey Capital, where he focused on evaluating investment opportunities, project financings and portfolio management. Mr. Hegde began his career at Financial Technologies Inc., where he led the design and development team supporting a partnership accounting and portfolio management software for alternative investments. Mr. Hegde holds a B.E. from the University of Pune in Chemical Engineering, an M.S. from Lamar University in Chemical Engineering and an M.B.A. from Rice University.

James Hirshorn

Mr. Hirshorn is a Partner in the Private Equity Group, where he focuses on portfolio management. Additionally, Mr. Hirshorn serves as a member of the Management Committee of Ares Management and the Ares Private Equity Group's ACOF Investment Committee. Previously, Mr. Hirshorn served as an Operating Advisor for Ares from 2009 to 2013. Prior to joining Ares in 2009, Mr. Hirshorn was the President of Potbelly Sandwich Works. Previously, he was Senior Executive Vice President of Finance, Operations, Research and Development for Sealy Mattress Corporation. In addition, he was a Vice President in the Portfolio Group at Bain Capital, where he focused on providing operating leadership to a number of its retail and consumer products businesses, was a Manager at Bain & Company, and worked at Procter & Gamble, where he focused on product development. Mr. Hirshorn currently serves on the Board of Directors of DuPage Medical Group and The Azek Company (formerly CPG International Inc.) and is a board member of Dawn Holdings Inc. (the parent company of Serta Simmons Bedding, LLC). Mr. Hirshorn holds a B.S. from Cornell University in Chemical Engineering and an M.B.A. from Harvard Business School.

Joel Holsinger

Mr. Holsinger is a Partner, Portfolio Manager and Co-Head of Alternative Credit in the Ares Credit Group and a member of the Management Committee of Ares Management. Mr. Holsinger serves as a member of the Ares Credit Group's Alternative Credit Executive Committee and Alternative Credit Investment Committee. Prior to joining Ares in 2019, Mr. Holsinger was a Partner at Fortress Investment Group in the Credit Group, where he served on the Management Committee of Fortress and the Investment Committee for the Credit Funds. He also co-headed Illiquid Credit, which included leading the Direct Lending, Structured Equity, Net Lease, Structured Finance and Energy Groups at Fortress and focused on tactical and opportunistic direct investments across all asset classes, industries and geographies. Previously, Mr. Holsinger was a Founding Partner of Atalaya Capital Management, where he co-headed the investment committee. Additionally, Mr. Holsinger held prior positions within financial services at Navigant Consulting, American Commercial Capital (subsequently acquired by Wells Fargo) and Citigroup. He currently serves on a number of corporate boards and advisory groups. Mr. Holsinger is also active in a number of charities, with a particular focus on global health and education, which includes serving on the board of directors of PATH Global Health. Mr. Holsinger holds a B.A. from California State Fullerton in Business Management and Administration, with an emphasis in Finance.

Merritt Hooper

Ms. Hooper is a Partner and Head of Product Management and Investor Relations, Private Equity in the Ares Investor Relations Group and is a member of the Management Committee of Ares Management. Prior to joining Ares in 1997, Ms. Hooper was a Senior Credit Analyst at Lion Advisors, L.P. (an affiliate of Apollo Management, L.P.), where she focused on portfolio management and strategy. Previously, Ms. Hooper was a Vice President at Columbia Savings and Loan, where she focused on investment management. Ms. Hooper serves on the executive and investment boards of Cedars-Sinai Medical Center in Los Angeles. Ms. Hooper holds a B.A. from the University of California, Los Angeles, in Mathematics and an M.B.A. from the University of California Los Angeles Anderson School of Management in Finance.

Blair Jacobson

Mr. Jacobson is a Partner and Co-Head of European Credit in the Ares Credit Group and a member of the Management Committee of Ares Management. He also serves on the boards of Ares Management Limited and Ares Management UK Limited. Additionally, Mr. Jacobson serves on the Ares Credit Group's European Direct Lending and European Liquid Credit Investment Committees. Prior to joining Ares in 2012, Mr. Jacobson was a Partner at The StepStone Group, where he focused on building and running European operations, including oversight of private debt and equity investments. Previously, Mr. Jacobson was a Partner at Citigroup Private Equity and Mezzanine Partners in London and New York. In addition, he has held a variety of roles in investment banking and mergers and acquisitions in a broad range of industries, most recently at Lehman

Brothers. Mr. Jacobson holds a B.A., magna cum laude, from Williams College in Political Economy and an M.B.A., with honors, from the University of Chicago Booth School of Business in Finance.

Sundo Kim

Mr. Kim is a Partner and Head of Asia Relationship Management in the Ares Relationship Management Group and is a member of the Management Committee of Ares Management. Prior to joining Ares in 2009, Mr. Kim was a Vice President and Director of Global Structured Syndication at JP Morgan and Bear Stearns, where he focused on originating, structuring and marketing various types of alternative investment and structured credit products to Asia ex-Japan investor clients. Previously, Mr. Kim was a Vice President at Merrill Lynch, where he focused on global structured credit products in Hong Kong and Tokyo. In addition, Mr. Kim was an Investment Analyst at Samsung Life Insurance Company. Mr. Kim holds a B.A. from Korea University in Business Administration.

Jennifer Kozicki

Ms. Kozicki is a Partner in the Ares Credit Group, Co-Head of Global Liquid Credit and a member of the Management Committee of Ares Management. She additionally serves as a member of the Ares Credit Group's U.S. Liquid Credit Investment Committee and the Ares Enterprise Risk Committee. Ms. Kozicki began her career at Ares as a member of the Private Equity Group. Prior to joining Ares in 1999, she was a member of the European Leveraged Finance Group at Merrill Lynch & Co. in London. Previously, Ms. Kozicki worked in the Global Leveraged Finance Group at Merrill Lynch & Co. in New York, where she focused on the origination and structuring of high yield bond and mezzanine financing transactions across a number of industries. Ms. Kozicki holds a B.S. from the New York University Stern School of Business in Finance and International Business.

Jeffrey Kramer

Mr. Kramer is a Partner, Portfolio Manager and Strategy Head for ABS in the Ares Credit Group, where he focuses on alternative credit investments. Additionally, he serves as a member of the Management Committee of Ares Management and the Ares Credit Group's Alternative Credit Executive Committee, Alternative Credit Investment Committee, and Commercial Finance Investment Committee. Prior to joining Ares in 2013, Mr. Kramer worked in the Special Situations Group at Goldman Sachs & Co., where he was a member of the Asset Investing team from 2009 through 2013, focusing on investing and lending across a wide range of consumer and commercial related assets. Prior to Mr. Kramer's integration into the Special Situations Group at Goldman Sachs, he founded ReMark Capital Group, LLC, in 2005, an investment management company focused on the acquisition and structured lending of pools of consumer loans. ReMark Capital was a partnership between Mr. Kramer and Goldman Sachs, and the platform was acquired in full by Goldman Sachs in 2009. Previously, Mr. Kramer was an Executive Director in the Global Financial Markets Division and Co-Head of the Securitization and Structured Credit Unit of WestLB AG, a European based global commercial and investment bank. Prior to that, Mr. Kramer worked in the Structured Finance and Capital Markets Groups of both Rothschild, Inc. and Nomura Securities and was a Vice President in the Asset Finance Unit at Financial Security Assurance Inc. Mr. Kramer holds a B.B.A. from the University of Texas at Austin in Finance.

Miriam Krieger

Ms. Krieger is a Partner and Global Chief Compliance Officer and is a member of the Ares Operations Management Group, as well as a member of the Management Committee of Ares Management. Ms. Krieger is the firm's Global Anti-Money Laundering Officer and Global Anti-Corruption Officer, and also serves as Chief Compliance Officer of several entities affiliated with Ares Management or of investment funds managed by Ares Management and its affiliates, including Ivy Hill Asset Management, L.P. ("IHAM"). She also serves as Vice President of Ares Capital Corporation ("ARCC"). From March 2008 until joining Ares in April 2010, Ms. Krieger was Chief Compliance Officer and Corporate Secretary of Allied Capital Corporation, where she served as Executive Vice President from August 2008 until April 2010 and as Senior Vice President from March 2008 to August 2008. Ms. Krieger also served as Senior Vice President and Chief Compliance Officer at MCG Capital Corporation, a publicly traded business development company, from 2006 to 2008 and Vice President and Assistant General Counsel from 2004 to 2006. From 2001 to 2004, Ms. Krieger was an associate in the Financial Services Group of the law firm of Sutherland Asbill & Brennan LLP. Ms. Krieger graduated with a B.A. in Economics and Political Science from Wellesley College and received a J.D. and an M.A. in Economics from Duke University.

Oualid Lahsini

Mr. Lahsini is a Partner and Head of Middle East Relationship Management in the Ares Relationship Management Group and is a member of the Management Committee of Ares Management. Prior to joining Ares in 2014, Mr. Lahsini was a Vice President and Product Specialist in the Capital Services and Fund Linked Products Group at Credit Suisse. Mr. Lahsini holds a B.Sc. from Dauphine University in Finance and an M.Sc. from ESSEC Business School in International Affairs.

Wilson Lamont

Mr. Lamont is a Partner and Co-Head of European Real Estate Equity in the Ares Real Estate Group. Additionally, Mr. Lamont is a member of the Management Committee of Ares Management and the Ares Real Estate Group's Equity Investment Committee. Prior to joining Ares in 2013, Mr. Lamont was a Partner at AREA Property Partners, where he focused on European investments. Previously, Mr. Lamont was an Associate at London & Regional Properties, where he focused on reviewing and analyzing new transactions. In addition, Mr. Lamont was an Analyst at Morgan Stanley, where he focused on real estate investment banking. Mr. Lamont holds an M.A. from the University of Cambridge in Land Economy.

Mike Leopardi

Mr. Leopardi is a Partner and Head of Investment Operations in the Ares Finance, Accounting and Operations Department and is a member of the Management Committee of Ares Management. Mr. Leopardi oversees trade settlement, asset servicing, corporate actions/restructures, agency, cash reconciliations and pricing/data for the firm. He has been responsible for managing operations at several other firms, including treasury, risk and trade compliance functions, and has significant experience with prime brokerage, ISDA counterparties and fund administrators. Prior to joining Ares in 2017, Mr. Leopardi was a Partner and Director of Operations at Deimos Asset Management LLC, where he was responsible for designing the infrastructure to launch a multi-manager multi-strategy hedge fund integrated for liquid asset classes. Previously, Mr. Leopardi was Director of Operations at Shumway Capital Partners LLC, where he managed the operations team for a multi-strategy hedge fund, supporting equity, credit and macro strategies. Prior to Shumway, Mr. Leopardi was an Associate Director at SAC Capital Advisors LLC, where he oversaw multiple departments in the operations and fund accounting group. Mr. Leopardi holds a B.S. from Northeastern University in Finance and Insurance.

Herb Magid

Mr. Magid is a Partner and Chairman of the Infrastructure and Power Group and a member of the Management Committee of Ares Management. Additionally, he serves on the Infrastructure and Power Group Funds Investment Committee. He has over 30 years of experience in the financing, development and operations of power assets in the energy industry. Prior to joining Ares in 2015, he was a founder and Managing Partner at Energy Investors Funds. Previously, he was a Senior Investment Officer at John Hancock Mutual Life Insurance Company. In addition, he was a Licensing Engineer at United Engineering & Constructors, where he focused on the construction of electric power plants. Mr. Magid holds a B.A. from Colby College in Economics and Environmental Science. In addition, he holds an M.B.A. from Cornell University.

Greg Margolies

Mr. Margolies is a Partner in the Ares Credit Group, the Head of Markets for Ares, a member of the Management Committee of Ares Management and is Vice President of CION Ares Diversified Credit Fund. Additionally, Mr. Margolies serves as a member of the Ares Credit Group's Alternative Credit Investment Committee, the Ares Dynamic Credit Allocation Fund Investment Committee and the Ares Private Equity Group's Special Opportunities Investment Committee. Prior to joining Ares in 2009, Mr. Margolies served as a Managing Director and Global Head of Leveraged Finance and Capital Commitments at Merrill Lynch & Co. and was a member of the Executive Committee for Merrill Lynch's Global Investment Banking Group. Previously, Mr. Margolies was Co-Head of the DB Capital Mezzanine Fund. Mr. Margolies serves on the Board of Directors for the International Organization for Women and Development, the Advisory Council for University of Michigan's Life Science Institute and the Board of Trustees for The Juilliard School. Mr. Margolies holds a B.A. from the University of Michigan in International Economics and Finance and an M.B.A. from the University of Pennsylvania Wharton School of Business.

Jana Markowicz

Ms. Markowicz is a Partner in the Ares Credit Group and serves as Head of Product Management and Investor Relations, U.S. Direct Lending and is a member of the Management Committee of Ares Management. Prior to joining Ares in 2005, Ms. Markowicz was an Analyst in the Global Power Investment Banking Group and the Leveraged Finance Group at Citigroup, where she focused on financings for companies across a broad range of industries. Ms. Markowicz holds a B.S. from the University of Pennsylvania in Engineering, with a concentration in Economic and Financial Systems.

Jim Miller

Mr. Miller is a Partner, Co-Head of U.S. Direct Lending and Portfolio Manager in the Ares Credit Group. He is also a member of the Management Committee of Ares Management. Additionally, he serves on the Ares Credit Group's U.S. Direct Lending and Commercial Finance Investment Committees. Prior to joining Ares in 2006, Mr. Miller was a Vice President at Silver Point Capital, where he focused on building its sponsor finance business, which led the firm’s middle market financing and principal investing. Previously, Mr. Miller was a Vice President at GE Capital, where he was responsible for a variety of investing and investment banking services to private equity funds including high yield, bank debt, mezzanine debt and rescue financing. Mr. Miller holds a B.A. from Fairfield University in Economics and an M.B.A. from Columbia University’s Graduate School of Business.

Christina Oh

Ms. Oh is a Partner, Chief Financial Officer, Private Equity, and Deputy Chief Financial Officer, Corporate and Corporate Treasurer in the Ares Finance Department and is a member of the Management Committee of Ares Management. Ms. Oh previously served as Chief Accounting Officer of Ares Management. Prior to joining Ares in 2007, Ms. Oh was a Senior Associate at Deloitte and Touche LLP, where she focused on auditing financial services institutions, including investment companies and broker dealers. She holds a B.S., with honors, from the University of California, Los Angeles, in Economics, with a minor in Accounting. Ms. Oh holds a CPA license.

Boris Okuliar

Mr. Okuliar is a Partner in the Ares Credit Group, Co-Head of Global Liquid Credit and Portfolio Manager of European Liquid Credit. Additionally, he serves as a member of the Management Committee of Ares Management and the Ares Credit Group’s European Liquid Credit and European Direct Lending Investment Committees. Prior to joining Ares in 2016, Mr. Okuliar was a Managing Director and Head of Capital Markets for Global Market Strategies at The Carlyle Group, where he focused on sourcing credit investment opportunities from banks and sponsors, syndicating excess risk, and developing new business opportunities. Previously, Mr. Okuliar was Head of Leveraged Capital Markets for UBS, where he focused on the structuring and market execution of leveraged loans, bridge financing and high yield bond placements. In addition, Mr. Okuliar was Head of High Yield Capital Markets and Syndicate at Barclays Capital in London. He has also worked for Banc of America Securities in Syndicated Finance and High Yield Capital Markets in the U.S. and London. Mr. Okuliar holds a B.S.B.A. from Georgetown University with a double major in Finance and International Business.

Anthony Pawlowski

Mr. Pawlowski is a Partner and Head of North America Relationship Management in the Ares Relationship Management Group and is a member of the Management Committee of Ares Management. Prior to joining Ares in April 2013, Mr. Pawlowski was a Managing Director where he was a global head of the CLO business as well as co-head of the Fixed Income Funds Group. At Deutsche Bank, he was a Managing Director on the bank’s global Structured Credit syndicate, and at Citigroup, he was a Director on the European Structured Credit sales team. Mr. Pawlowski began his career in the alternative risk underwriting teams at Willis Group and at AIG-subsidiary Transatlantic Reinsurance Company. Mr. Pawlowski holds a B.A. from the University of Southern California in Economics and Political Science and an M.B.A. in Finance from Columbia University.

Andrew Pike

Mr. Pike is a Partner and Co-Head of the Infrastructure and Power Group. Additionally, Mr. Pike is a member of the Management Committee of Ares Management and the Infrastructure and Power Group Funds Investment

Committee. Prior to joining Ares in 2015, he was a Partner at Energy Investors Funds, where he focused on portfolio and risk management and infrastructure finance. Mr. Pike holds a B.A. from Bowdoin College in History and Government.

Edward Polonsky

Mr. Polonsky is a Partner and Head of European Relationship Management in the Ares Relationship Management Group and is a member of the Management Committee of Ares Management. Prior to joining Ares in 2009, Mr. Polonsky was an Executive Director at JP Morgan and Bear Stearns in London, where he focused on European marketing and capital raising activities for credit and alternative products. Previously, Mr. Polonsky was a Vice President of Structured Credit and Derivatives at Swiss Re Financial Products in London. In addition, Mr. Polonsky worked at Morgan Stanley in New York and London, where he focused on structuring, originating, and marketing structured credit products. Mr. Polonsky holds a B.S., cum laude, from Cornell University in Engineering.

Laura Rogers

Ms. Rogers is a Partner and Head of Trading in the Ares Credit Group and is a member of the Management Committee of Ares Management. Prior to joining Ares in 2003, Ms. Rogers was a Vice President at Robertson Stephens, where she focused on NASDAQ market making and specialized in the retail sector. Previously, Ms. Rogers was an Associate at Smith Barney, where she focused on international equity trading and was an active market maker in over 50 Latin American equity securities. Ms. Rogers currently serves on the Board of Directors of the LA Promise Fund. Ms. Roger previously served on the Board of Directors of the Loan Syndications & Trading Association organization from 2007-2010, and then again in 2016. Ms. Rogers holds a B.A. from Tufts University in History and an M.B.A. from the University of California Los Angeles Anderson School of Management, with a concentration in Finance and Accounting.

Penelope Roll

Ms. Roll is a Partner and the Chief Financial Officer of the Ares Credit Group and is a member of the Management Committee of Ares Management. She also serves as the Chief Financial Officer of Ares Capital Corporation (NASDAQ:ARCC), and is Treasurer of Ares Dynamic Credit Allocation Fund, Inc. (NYSE:ARDC) and CION Ares Diversified Credit Fund. She may additionally from time to time serve as an officer, director or principal of entities affiliated with Ares Management or of investment funds managed by Ares Management and its affiliates. Ms. Roll also serves as a member of the Ares Diversity and Inclusion Council. Prior to joining Ares Management in April 2010, Ms. Roll served as Chief Financial Officer of Allied Capital Corporation from 1998 until April 2010. Ms. Roll joined Allied Capital Corporation in 1995 as its Controller after serving as a Manager in KPMG LLP's financial services practice. Ms. Roll graduated magna cum laude with a B.S.B.A. in Accounting from West Virginia University.

David Roth

Mr. Roth is a Partner and Head of U.S. Real Estate Private Equity in the Ares Real Estate Group and is a member of the Management Committee of Ares Management. Prior to joining Ares in 2019, Mr. Roth was a Senior Managing Director of the Real Estate Group at Blackstone. Previously, he was a Principal in the Acquisitions Group at Walton Street Capital, where he was involved in numerous real estate transactions. In addition, he worked at Security Capital Group as Senior V.P. and CIO Europe and at Wachtell Lipton Rosen & Katz as an Associate. He serves as head of the Executive Committee for the Board of Directors of Project Lyme and as a Board Member of Jas Aspen. He is also on the national council of the Aspen Art Museum. He has served on the Boards of Directors of numerous real estate entities including Invitation Homes Inc. Mr. Roth holds a B.A., magna cum laude, from Dartmouth College and a J.D. from New York University School of Law. Mr. Roth is a CFA® charterholder.

John Ruane

Mr. Ruane is a Partner and Co-Head of European Real Estate Equity in the Ares Real Estate Group. Additionally, Mr. Ruane is a member of the Management Committee of Ares Management and the Ares Real Estate Group's Equity and Operating Investment Committees. Prior to joining Ares in 2013, Mr. Ruane was a Partner at AREA Property Partners. Previously, Mr. Ruane was in the Investment Banking Division at Morgan Stanley, where he focused on mergers and acquisitions. Mr. Ruane holds a Bachelor of Commerce, with first

class honours, from the University College Dublin, and an M.Sc. from the London School of Economics in Finance and Accounting.

Naseem Sagati Aghili

Ms. Sagati Aghili is a Partner and Co-General Counsel, Corporate and General Counsel, Private Equity, in the Ares Legal Group and is a member of the Management Committee of Ares Management. Prior to joining Ares in 2009, she was with Proskauer Rose LLP, where she focused on mergers and acquisitions, securities offerings, securities law matters and general corporate issues. Ms. Sagati Aghili holds a B.A. from the University of California Berkeley in Political Economy of Industrial Societies and a J.D. from the University of Southern California Gould School of Law.

Kort Schnabel

Mr. Schnabel is a Partner, Co-Head of U.S. Direct Lending and Portfolio Manager in the Ares Credit Group. He is also a member of the Management Committee of Ares Management. Additionally, he serves on the Ares Credit Group's U.S. Direct Lending Investment Committee. Prior to joining Ares in 2001, Mr. Schnabel was in the Corporate Development Group at Walker Digital Corporation, a business and technology research and development firm, where he was responsible for corporate finance, merger and acquisition and strategic planning activities. Previously, Mr. Schnabel was in the Corporate Finance Group at Morgan Stanley, where he performed detailed financial analyses and modeling for mergers and acquisitions, leveraged buyouts and equity/debt offerings. Mr. Schnabel holds a B.A., cum laude, from the University of Pennsylvania in Economics.

David Schwartz

Mr. Schwartz is a Partner, Co-Head of U.S. Direct Lending and a Portfolio Manager in the Ares Credit Group. He is also a member of the Management Committee of Ares Management. Additionally, Mr. Schwartz serves as a member of the Ares Credit Group's U.S. Direct Lending Investment Committee. Prior to joining Ares in 2004 at the inception of the firm's Direct Lending effort, Mr. Schwartz worked at RBC Capital Partners and Indosuez Capital. Mr. Schwartz received a B.S. from Georgetown University.

Michael Smith

Mr. Smith is a Partner and Co-Head of the Ares Credit Group and a member of the Management Committee of Ares Management. He additionally serves as Co-President of ARCC. He is a member of the Ares Credit Group's U.S. Direct Lending and Commercial Finance Investment Committees, the Ares Private Equity Group's Special Opportunities Investment Committee and the Ivy Hill Asset Management Investment Committee. Prior to joining Ares in 2004, Mr. Smith was a Partner at RBC Capital Partners, a division of Royal Bank of Canada, which led the firm's middle market financing and principal investment business. Mr. Smith joined RBC in October 2001 from Indosuez Capital, where he was a Vice President in the Merchant Banking Group. Previously, Mr. Smith worked at Kenter, Glastris & Company, and at Salomon Brothers Inc., in their Debt Capital Markets Group and Financial Institutions Group. Mr. Smith received a B.S. in Business Administration, cum laude, from the University of Notre Dame and a Masters in Management from Northwestern University's Kellogg Graduate School of Management.

Craig Snyder

Mr. Snyder is a Partner and Portfolio Manager of Special Opportunities in the Ares Private Equity Group, where he focuses on investing across the various Ares fund platforms in the public and private markets. Mr. Snyder serves as a member of the Management Committee of Ares Management and the Ares Private Equity Group's Special Opportunities Investment Committee. Prior to joining Ares in 2017, Mr. Snyder was a Managing Director at GSO Capital Partners/Blackstone where he was Global Head of Trading for all of GSO and served as a Portfolio Manager and Investment Committee member for its distressed special situations funds focusing on both the public and private markets. Previously, he was a Senior Trader for a distressed debt fund at Kingstreet Capital. In addition, Mr. Snyder was a Trader at Caxton Associates. He holds a B.A. from Bucknell University in Political Science.

Julie Solomon

Ms. Solomon is a Partner and Head of Product Management and Investor Relations, Real Estate in the Ares Investor Relations Group. Ms. Solomon is a member of the Management Committee of Ares Management, the Ares Real Estate Operating Committee and is a member of the Ares Diversity and Inclusion Council. Prior to joining Ares in 2013, Ms. Solomon was a Partner at AREA Property Partners. Previously, Ms. Solomon was an Associate at JP Morgan. Ms. Solomon holds a B.A., magna cum laude, from the University of Pennsylvania in History and an M.B.A. from Harvard Business School.

Eric Vimont

Mr. Vimont is a Partner and Chief Operating Officer of Ares Asia in the Ares Private Equity Group. Additionally, Mr. Vimont serves as a member on the Management Committee of Ares Management, the Ares Credit Group's European Direct Lending Investment Committee and the Ares Private Equity Group's Asia Investment Committee. Prior to joining Ares in 2007, he was a Director in the Financial Sponsor Group of Barclays, where he focused on leveraged finance, established the French business in Paris and was appointed Head of Continental Europe for middle market leveraged finance. Mr. Vimont holds a Master's Degree (M.Sc.) in Management, with distinction, from the French Grande Ecole ESCP Europe. He also holds an ACT (Association of Corporate Treasurers) qualification.

Nate Walton

Mr. Walton is a Partner and Co-Head of North American Private Equity within Ares Private Equity Group and a member of the Management Committee of Ares Management. He joined the Firm in 2006. Mr. Walton serves on the Ares Private Equity Group's Corporate Opportunities Investment Committee. He also serves on the Board of Directors of Development Capital Resources, LP, EPIC Midstream Holdings, LP, Halcón Resources Corporation, Salt Creek Midstream LLC, Verdad Resources Holdings LLC and the parent company of BlackBrush Oil & Gas LP. Mr. Walton holds a B.A. from Princeton University in Politics and an M.B.A. from the Stanford Graduate School of Business.

Michael Weiner

Mr. Weiner is Executive Vice President and Chief Legal Officer and Secretary of Ares Management Corporation, a Partner and Co-General Counsel in the Ares Legal Group, the Firm's Global Privacy Officer and a member of the Management Committee of Ares Management. Mr. Weiner has been an officer of Ares Capital Corporation since 2006, including General Counsel from September 2006 to January 2010, and also serves as Vice President of Ares Commercial Real Estate Corporation and Vice President and Assistant Secretary of Ares Dynamic Credit Allocation Fund, Inc. (NYSE:ARDC) and is Vice President and Assistant Secretary of CION Ares Diversified Credit Fund. He additionally serves as a member of the Ares Enterprise Risk Committee. Mr. Weiner joined Ares in September 2006. Previously, Mr. Weiner served as General Counsel to Apollo Management L.P. and had been an officer of the corporate general partners of Apollo since 1992. Prior to joining Apollo, Mr. Weiner was a partner in the law firm of Morgan, Lewis & Bockius specializing in corporate and alternative financing transactions and securities law, as well as general partnership, corporate and regulatory matters. Mr. Weiner has served on the boards of directors of several public and private corporations. Mr. Weiner also serves on the Board of Governors of Cedars Sinai Medical Center in Los Angeles. Mr. Weiner graduated with a B.S. in Business and Finance from the University of California at Berkeley and a J.D. from the University of Santa Clara.

Steven Wolf

Mr. Wolf is a Partner and the Chief Investment Officer for U.S. Equity in the Ares Real Estate Group and a member of the Management Committee of Ares Management. Additionally, he serves on the Ares Real Estate Group's Equity and Debt Investment Committees and serves on the Ares Real Estate Operating Committee. Prior to joining Ares in 2013, Mr. Wolf was a Partner at AREA Property Partners and CEO of VEF Advisors. Previously, Mr. Wolf was a Director at Credit Suisse First Boston. In addition, Mr. Wolf was a Managing Director at Federal Realty Investment Trust and a Senior Vice President at Equitable Real Estate Investment Management. Mr. Wolf holds a B.A. from Boston University in Economics and an M.S. from New York University in Real Estate Investment Analysis.

Tae-Sik Yoon

Mr. Yoon is a Partner and Chief Financial Officer of Ares Real Estate Group. He additionally serves as Chief Financial Officer and Treasurer of Ares Commercial Real Estate Corporation. Mr. Yoon is a member of the Management Committee of Ares Management and the Ares Real Estate Group's European Equity and Debt Investment Committees. Prior to joining Ares in 2012, Mr. Yoon was a Senior Vice President of Capital Markets at Akridge, Managing Director and Chief Financial Officer of J.E. Robert Company and held various investment banking roles at Morgan Stanley. Mr. Yoon was also an attorney at the law firm of Williams & Connolly. He is a graduate of Johns Hopkins University and Harvard Law School and is a member of bars of the District of Columbia and State of Maryland.

Ares Credit Group Professionals

Charles Arduini, CFA

Mr. Arduini is a Partner, Portfolio Manager and Strategy Head for CLOs in the Ares Credit Group, where he focuses on alternative credit investments. Mr. Arduini serves as a Vice President and Portfolio Manager for the Ares Dynamic Credit Allocation Fund, Inc. (NYSE:ARDC). Additionally, he serves as a member of the Ares Dynamic Credit Allocation Fund Investment Committee. Prior to joining Ares in 2011, Mr. Arduini was a Managing Director at Indicus Advisors LLP, where he focused on structured credit investment opportunities. Previously, Mr. Arduini was Director of Structured Credit in the Fixed Income Investment Group and a Manager in the Risk Management Group at TIAA-CREF. In addition, Mr. Arduini worked in the telecommunications and information technology industries in various systems, operations and management roles. Mr. Arduini holds a B.A. from Bucknell University in Mathematics and an M.S. from Stevens Institute of Technology in Mathematics. Mr. Arduini also holds an M.S. from Carnegie Mellon University in Computational Finance. Mr. Arduini is a CFA® charterholder and a member of the New York Society of Security Analysts.

Keith Ashton

See "*Management Committee*" above.

Seth Brufsky

See "*Management Committee*" above.

Jason Duko

Mr. Duko is a Partner and Portfolio Manager of U.S. Liquid Credit in the Ares Credit Group, where he is primarily responsible for managing Ares' U.S. bank loan credit strategies. Mr. Duko also serves as a Vice President of Ares Dynamic Credit Allocation Fund, Inc. Additionally, he serves as a member of the Ares Credit Group's U.S. Liquid Credit Investment Committee. Prior to joining Ares in 2018, Mr. Duko was a Portfolio Manager at PIMCO, where he managed bank loan assets across a broad range of investment strategies and was responsible for secondary loan trading across all sectors. Previously, Mr. Duko was an Associate Portfolio Manager at Lord Abbett & Co. LLC., where he focused on its leveraged loan business, portfolio management, trading decisions and marketing. He also held positions at Nomura Corporate Research and Asset Management and ING Pilgrim Research. Mr. Duko holds a B.S. from Arizona State University in Finance, where he was a Barrett Honors College Graduate.

David Ells, CFA

Mr. Ells is a Managing Director and Portfolio Manager in the Ares Credit Group, where he focuses on alternative credit investments. Prior to joining Ares, Mr. Ells worked at Northwestern Mutual in various roles for fifteen years. Previously, he served as a Managing Director and Portfolio Manager for structured alternatives in Northwestern Mutual Capital. In addition, Mr. Ells served as a Vice President of Northwestern Mutual and Department Head for its Investment Strategy Department. Concurrently, he was the Chairman of the Board of Mason Street Advisors, the Company's Registered Investment Advisor and Chairman of the Board of Northwestern Mutual Series Funds, Inc., the Company's 40 Act Mutual Fund Company. Mr. Ells was also a board member of Northwestern Mutual Investment Management Company (NMIMC) and Northwestern Mutual Wealth Management Company, a state regulated trust bank. Prior to these roles, Mr. Ells was a Managing Director and Portfolio Manager for Mason Street Advisors, managing various funds and portfolios, including the company's pension plans. Mr. Ells also served as the President of Northwestern Mutual Series Fund, Inc. at

this time. Mr. Ells also was a Director in Mason Street Advisors at Northwestern Mutual. Prior to Northwestern Mutual, Mr. Ells worked briefly for Imagine Reinsurance, a Bermuda based reinsurer, and Deerfield Capital, an Illinois based registered investment advisor. Mr. Ells began his career at Guggenheim Partners/The Liberty Hampshire Company. Mr. Ells holds a B.A. from Trinity College in Economics. He is a CFA® charterholder.

Francois Gauvin

Mr. Gauvin is a Partner and Portfolio Manager of European Liquid Credit in the Ares Credit Group, where he is responsible for managing Ares' European CLO strategies. Additionally, Mr. Gauvin serves as a member of the Ares Credit Group's European Liquid Credit Investment Committee. Prior to joining Ares in 2011, Mr. Gauvin was a Partner and Managing Director at Indicus Advisors LLP. Previously, Mr. Gauvin was Head of the CDO Groups at BNP PARIBAS in Europe, where he founded and ran the leveraged loan investment management business. Previously, he was a Portfolio Manager for PARIBAS in the U.S. Mr. Gauvin holds an M.A. from Hautes Etudes Commerciales, Paris, in Business.

Daniel Hayward

Mr. Hayward is a Partner and Portfolio Manager of U.S. Liquid Credit in the Ares Credit Group, where he is responsible for managing Ares' U.S. CLO strategies. Mr. Hayward also serves as a Vice President of Ares Dynamic Credit Allocation Fund, Inc. (NYSE:ARDC). Additionally, he serves as a member of the Ares Credit Group's U.S. Liquid Credit Investment Committee. Prior to joining Ares in 2012, he was a Senior CLO Analyst at State Street Bank, where he focused on managing a team in the Trustee Department. Mr. Hayward holds a B.A. from the University of Rochester in Economics.

Peter Higgins

Mr. Higgins is a Partner and Portfolio Manager of European Liquid Credit, in the Ares Credit Group, where he is primarily responsible for managing Ares' European bank loan and high yield credit strategies. Additionally, Mr. Higgins serves as a member of the Ares Credit Group's European Liquid Credit Investment Committee. Prior to joining Ares in 2017, Mr. Higgins was a Partner and Senior Portfolio Manager in the Global Leveraged Finance Group at BlueBay Asset Management, where he was the group's Global Head of Long Only and lead portfolio manager managing BlueBay's Global and European leveraged loan and high yield bond funds. Previously, he was an Executive Director and Proprietary Trader in the European Principal Strategies Group at Deutsche Bank. In addition, he was an Executive Director and Desk Analyst in High Yield Trading at Goldman Sachs in London and New York. He has also held a variety of roles in high yield capital markets and investment banking, including at Credit Suisse First Boston and at Prudential Securities. He holds a B.A. from Columbia University in Economics and Political Science.

Joel Holsinger

See "*Management Committee*" above.

Jennifer Kozicki

See "*Management Committee*" above.

Jeffrey Kramer

See "*Management Committee*" above.

Gregory Margolies

See "*Management Committee*" above.

Josh Mason

Mr. Mason is a Managing Director, Portfolio Manager and Strategy Head for CMBS in the Ares Credit Group, where he focuses on alternative credit investments. Prior to joining Ares in 2019, Mr. Mason was a Senior Managing Director and Head of Liquid Real Estate Debt, where he was responsible for all aspects of the business, including investment decisions, operations, fundraising, marketing and business development. Previously, Mr. Mason was a Managing Director at UBS, where he was responsible for a CMBS proprietary

investing platform. Additionally, Mr. Mason was a Director at Merrill Lynch, where he was a Senior Secondary CMBS Trader. Mr. Mason holds a B.A, from Amherst College in Economics.

Christopher Mathewson

Mr. Mathewson is a Partner and Portfolio Manager of U.S. Liquid Credit in the Ares Credit Group, where he is primarily responsible for managing Ares' U.S. high yield credit strategies. Additionally, he serves as a member of the Ares Credit Group's U.S. Liquid Credit Investment Committee. Prior to joining Ares in 2006, Mr. Mathewson was an Analyst in the Communications and Media Investment Banking Group at Lehman Brothers, where he focused on creating financial models, performing valuation analysis and conducting due diligence. Mr. Mathewson holds a B.A. from Dartmouth College in Economics.

Samantha Milner

Ms. Milner is a Partner, Portfolio Manager and Head of U.S. Liquid Credit Research in the Ares Credit Group, where she is primarily responsible for managing Ares' U.S. bank loan credit strategies. Ms. Milner serves as a Vice President and Portfolio Manager for the Ares Dynamic Credit Allocation Fund, Inc. (NYSE:ARDC). Additionally, she serves as a member of the Ares Credit Group's U.S. Liquid Credit Investment Committee, and the Ares Dynamic Credit Allocation Fund Investment Committee. Prior to joining Ares in 2004, Ms. Milner was an Associate in the Financial Restructuring Group at Houlihan Lokey Howard & Zukin, where she focused on providing advisory services in connection with restructurings, distressed mergers and acquisitions and private placements. Ms. Milner serves on the Board of Directors of STEAM:CODERS, a not-for-profit organization focused on underrepresented and underserved students through Science, Technology, Engineering, Art, and Math (STEAM), in preparation for academic and career opportunities. Ms. Milner holds a B.B.A., with distinction, from Emory University's Goizueta Business School in Finance and Accounting.

Boris Okuliar

See "*Management Committee*" above.

Kapil Singh, CFA

Mr. Singh is a Partner and Portfolio Manager of U.S. Liquid Credit in the Ares Credit Group, where he is primarily responsible for managing Ares' U.S. high yield credit strategies. Additionally, he serves as a member of the Ares Credit Group's U.S. Liquid Credit Investment Committee. Prior to joining Ares in 2018, Mr. Singh was a Portfolio Manager in the Global Developed Credit Group at DoubleLine Capital, where he managed high yield bonds across strategies and portfolios in a variety of investment vehicles. Previously, Mr. Singh was a Senior Analyst at the Post Advisory Group, where he managed high yield bonds and leveraged loans within the energy sector. In addition, Mr. Singh was Co-Portfolio Manager and Senior Credit Analyst at Four Corners Capital, a subsidiary of Macquarie Funds Group. He also held positions at Bradford & Marzec, PPM America and Heller Financial. Mr. Singh holds a B.S. from the University of Illinois, Urbana-Champaign College of Business in Finance and an M.B.A. from Northwestern University, Kellogg School of Management in Strategy and Finance. Additionally, Mr. Singh is a CFA® charterholder.

Ian Smith

Mr. Smith is a Partner and Portfolio Manager of U.S. Liquid Credit in the Ares Credit Group, where he is responsible for managing Ares' hedge fund, derivative, and hedging strategies. Additionally, he serves as a member of the Ares Credit Group's U.S. Liquid Credit Investment Committee and the Ares Equity Income Opportunity Strategy Portfolio Review Committee. Mr. Smith began his career at Ares in 2002, where he worked as a member of the Investment Analytics Team for the Credit Group, most recently as Manager. Mr. Smith holds a B.S. from the University of Southern California in Business Administration and emphasis in Finance.

Ares Liquid Credit Global Research Team

Kevin Alexander

Mr. Alexander is a Partner and Strategy Head for Specialty Assets in the Ares Credit Group, where he focuses on alternative credit investments. Additionally, he serves as a member of the Ares Credit Group's Alternative

Credit Investment Committee. Prior to joining Ares in 2019, Mr. Alexander was Deputy CEO and Head of Global Market, Americas at Natixis CIB. Previously, he worked at Deutsche Bank within the Interest Rate Derivatives Group. Mr. Alexander began his career as an Economic Analyst at the New York Federal Reserve Bank. He holds a B.S. from Washington and Lee University in Business Administration and Accounting and an M.A. from Fordham University in Economics.

Russell Almeida

Mr. Almeida is a Managing Director in the Ares Credit Group, where he focuses on U.S. credit. Prior to joining Ares in 2008, Mr. Almeida was an Associate in the Securitization Banking Group at Lehman Brothers, where he focused on providing advisory services to financial institutions. Mr. Almeida holds a B.S., magna cum laude, from the University of California, Riverside, in Business Administration.

Ben Bonsall, CFA

Mr. Bonsall is a Managing Director in the Ares Credit Group, where he focuses on U.S. credit. Prior to joining Ares in 2009, Mr. Bonsall was an Associate in the Global Structured Finance Group at Bank of America Merrill Lynch, where he focused on analytics and investment banking, structuring transactions and advising issuers of consumer and esoteric ABS. Mr. Bonsall holds a B.A. from the University of Pennsylvania in Economics. Additionally, Mr. Bonsall is a CFA® charterholder.

Spencer Chang

Mr. Chang is a Managing Director in the Ares Credit Group, where he focuses on U.S. credit. Prior to joining Ares in 2019, Mr. Chang was a Senior Credit Analyst in the Global Developed Credit Group at DoubleLine Capital, where he focused on technology, telecom and satellite communications high yield and loan investments. Previously, Mr. Chang was a Vice President in the Capital Markets Group and an Associate in the Mezzanine Group at Crescent Capital Group. Mr. Chang began his career as an Analyst at Lehman Brothers in the Equity-Linked Origination Investment Banking Group, where he focused on pricing, structuring and execution of convertible bond and other equity-linked derivative products. Mr. Chang holds a B.A. from Columbia University in Economics and Operations Research.

Andrew Chen

Mr. Chen is a Principal in the Ares Credit Group, where he focuses on U.S. credit. Prior to joining Ares in 2019, Mr. Chen was an Analyst in the Global Developed Credit Group at DoubleLine Capital, where he focused on healthcare leveraged loan and high yield investments. Previously, Mr. Chen held Analyst positions at Magnetar Capital and Kingdon Capital, where he focused on healthcare investments. In addition, he was an Associate in the Credit Group at KKR, and an Analyst in the Healthcare Investment Banking Group at Lehman Brothers. Mr. Chen holds a B.A. from Dartmouth College in Economics.

Marcello Chermisqui

Mr. Chermisqui is a Principal in the Ares Credit Group, where he focuses on U.S. credit. Prior to joining Ares in 2012, Mr. Chermisqui was an Associate at Houlihan Lokey, where he was part of the Capital Markets Group. Mr. Chermisqui holds a B.S. from the University of Pennsylvania Wharton School in Finance, Accounting and Marketing.

Craig Cortright

Mr. Cortright is a Managing Director in the Ares Credit Group, where he focuses on alternative credit investments. Additionally, he serves as a member of the Ares Credit Group's Alternative Credit Investment Committee. Prior to joining Ares in 2019, Mr. Cortright was a Managing Director at Fortress Investment Group, where he focused on originating and structuring debt and equity investments in middle-market companies as well as making opportunistic investments in structured products and loan portfolios. Previously, Mr. Cortright was a Senior Associate at Atalaya Capital Management. In addition, he was an Associate at Navigant Capital Advisors. Mr. Cortright serves on the board of directors of the Aurora Day Camp for children with cancer in Atlanta, GA. He holds a B.S. from University of Denver in Finance and an M.B.A. from the Goizueta Business School at Emory University.

Douglas Dieter, Dr. P.H.

Dr. Dieter is a Managing Director in the Ares Credit Group, where he focuses on U.S. credit. Prior to joining Ares in 2016, Dr. Dieter was a Senior Analyst at Western Asset Management Company, where he focused on healthcare and technology high yield and loan investments. Previously, Dr. Dieter was a Managing Director at Imperial Capital LLC and a Senior Analyst for Gleacher & Company/Broadpoint Capital and The Bank of New York Mellon. In addition, Dr. Dieter previously served as a Research Associate for managed care, hospital and surgical center public equities for FTN Midwest Securities Corporation and provided consulting services to start-up healthcare companies and non-profit healthcare institutions. He holds a B.S. from Villanova University in Chemistry, an M.S. from Georgetown University in Chemistry, and an M.P.H. and Dr.P.H. from Tulane University School of Public Health and Tropical Medicine in Health Systems Management.

John Eck

Mr. Eck is a Managing Director in the Ares Credit Group, where he focuses on alternative credit investments. Prior to joining Ares in 2018, Mr. Eck was a Managing Director at Arena Investors, LP, where he focused on the origination, structuring and execution of private ABS transactions. Previously, Mr. Eck was a Managing Director within the Global Mortgages and Securitized Products division of Bank of America Merrill Lynch. Mr. Eck holds a B.S. from Rensselaer Polytechnic Institute in Management and an M.B.A. from Columbia Business School.

Sung Hong

Mr. Hong is a Managing Director in the Ares Credit Group, where he focuses on U.S. credit. Prior to joining Ares in 2005, Mr. Hong worked in the Global Leveraged Finance Research and Portfolio Strategy Division at Credit Suisse First Boston (formerly Donaldson, Lufkin & Jenrette Securities Corp.), where he focused on fund management strategies within the high yield bond, leveraged loan and CDO markets. Mr. Hong holds a B.S., with honors, from Rutgers University in Accounting and an M.B.A. from the University of California Los Angeles Anderson School of Management.

Michael Huddleston

Mr. Huddleston is a Managing Director in the Ares Credit Group, where he focuses on U.S. credit. Prior to joining Ares in 2007, Mr. Huddleston was an Associate at Houlihan Lokey Howard & Zukin in New York, where he focused on providing advisory services in connection with financial restructurings, mergers and acquisitions across a variety of industries. Mr. Huddleston holds a B.B.A. in Finance and Accounting from Emory University's Goizueta Business School. He also holds a B.A. in Economics from Emory University and an M.B.A. from McGill University.

Peter Keane

Mr. Keane is a Principal in the Ares Credit Group, where he focuses on alternative credit investments. Prior to joining Ares in 2017, Mr. Keane was a Director at The Royal Bank of Scotland, where he focused on structured finance. Previously, Mr. Keane was a Manager at Deloitte, where he focused on audit and transaction services. Mr. Keane holds a B.Sc. (Hons) from The University of Warwick in Mathematics and Business Studies. He is an Associate Chartered Accountant (ACA®).

Jason Late

Mr. Late is a Managing Director in the Ares Credit Group, where he focuses on European credit. Prior to joining Ares in 2017, Mr. Late was a Director in High-Yield Trading in Global Markets at Deutsche Bank AG, where he focused on credit-specific trading and investment opportunities. Previously, Mr. Late was an Executive Director in High-Yield Trading at Nomura PLC. In addition, Mr. Late was a Director at Brookfield Investment Management, where he focused on credit analysis and investment and served on the Investment Committee for its European High-Yield investment funds. Mr. Late holds a B.S. from the University of Southern California in Chemical Engineering with an emphasis in Petroleum Engineering and an M.B.A from the Columbia Business School in Finance. Mr. Late also completed coursework at the London School of Economics.

Riccardo Ottaviani

Mr. Ottaviani is a Principal in the Ares Credit Group, where he focuses on European credit. Prior to joining Ares in 2014, Mr Ottaviani was an Associate at DZ Bank AG, where he focused on acquisitions and leveraged finance. Mr Ottaviani holds a B.Sc. from the University of Milan in Mathematics, as well as a Postgraduate Diploma in Economics from the University of Warwick. Mr. Ottaviani also holds an M.Sc. from the London School of Economics in Economics and Management.

Ankur Patel, CFA

Mr. Patel is a Managing Director in the Ares Credit Group, where he focuses on alternative credit investments. Additionally, he serves as a member of the Credit Group's Alternative Credit Investment Committee. Prior to joining Ares in 2019, Mr. Patel was a Director at Fortress Investment Group in the Credit Group, where he focused on making opportunistic investments in direct lending, structured equity, and structured finance across a broad range of industries including financial services, retail, real estate, media and entertainment and energy. Previously, Mr. Patel was a Vice President in SunTrust Robinson Humphrey's Financial Services Investment Banking Group, where he focused on mergers and acquisitions, leveraged finance and equity capital markets transactions in the specialty finance, insurance, asset management and banking sub-sectors. In addition, Mr. Patel was a Vice President in SunTrust Robinson Humphrey's Structured Products Group, where he structured and executed a broad range of traditional and esoteric asset backed security transactions. Mr. Patel held prior positions with MassMutual Life Insurance Company's Financial Products Division and Barings' Structured Credit Group. Mr. Patel holds a B.B.A. from the University of Pennsylvania, and an M.B.A. from the University of Virginia's Darden School of Business. Mr. Patel is a CFA® charterholder.

Nicolo Perari, CFA

Mr. Perari is a Managing Director in the Ares Credit Group, where he focuses on European credit. Prior to joining Ares in 2011, Mr. Perari was a Director in the European Leveraged Finance Team at Indicus Advisors LLP, where he focused on the analysis and monitoring of leveraged credits, mainly in the technology, media, and telecommunications sectors. Previously, Mr. Perari was a Senior Analyst at AXA, where he focused on European CLOs. In addition, Mr. Perari worked at Singer & Friedlander Bank in London, where he focused on leveraged finance. Mr. Perari holds a B.A. from the University of Reading, United Kingdom, in Economics and an M.Sc. from the University of York, United Kingdom, in Economics and Finance. Mr. Perari is a CFA® charterholder.

Kristofer Pritchett

Mr. Pritchett is a Managing Director in the Ares Credit Group, where he focuses on alternative credit investments. Prior to joining Ares in 2011, Mr. Pritchett was an Associate at Indicus Advisors. Mr. Pritchett holds an M.Eng. from Imperial College London in Mechanical Engineering.

Scott Rosen

Mr. Rosen is a Managing Director in the Ares Credit Group, where he focuses on U.S. direct lending. Additionally, Mr. Rosen serves as Strategy Head for FinCo in the Ares Credit Group, where he focuses on alternative credit investments. Prior to joining Ares in 2019, Mr. Rosen was a Partner at Solar Capital Partners where he was the Head of Lender Finance and was also responsible for managing the firm's commercial finance control equity investments. Previously, he was a Senior Associate at Wellspring Capital Management, where he focused on U.S. middle market private equity investments. In addition, Mr. Rosen was an Analyst in the Sponsor Coverage/Leveraged Finance Group of CIBC World Markets. Mr. Rosen holds a B.A. from Cornell University in Government.

Vincent Salerno

Mr. Salerno is a Partner in the Ares Credit Group, where he focuses on alternative credit investments. Prior to joining Ares in 2013, Mr. Salerno was a Director at Brevet Capital Management, where he focused on sourcing, structuring and executing debt investments secured by non-traditional assets. Previously, Mr. Salerno pursued a variety of structured finance mandates, including creation of an acquisition platform for specialty finance assets within the commercial bank affiliate of Greystone & Co. In addition, Mr. Salerno was a Managing Director at Fortress Investment Group, where he focused on originating, structuring and executing investments across a

wide array of consumer and commercial assets. Previously, he helped found the New York Asset Securitization Group of DZ Bank AG, where he focused on structuring and executing commercial paper-funded asset-backed loan transactions. Prior to that, Mr. Salerno was an Associate in the Asset Finance Group at ING Capital, where he focused on managing multiple revolving warehouse facilities secured by off-the-run asset classes. Mr. Salerno holds a B.S., with distinction, from Cornell University in Applied Economics and Management.

Sumit Sasidharan

Mr. Sasidharan is a Managing Director and Head of Capital Markets, Real Estate Debt in the Ares Real Estate Group, where he focuses on managing liquidity and financing opportunities within Ares' Real Estate Debt platform, including through Ares Commercial Real Estate Corporation and other managed funds. Additionally, Mr. Sasidharan serves as Strategy Head for Real Assets in the Ares Credit Group, where he focuses on alternative credit investments. Prior to joining Ares, Mr. Sasidharan served as Managing Director of the Annaly Commercial Real Estate Group. During his six years at Annaly, he had wide ranging responsibilities covering the investment, financing and management of the firm's real estate activities. Previously, Mr. Sasidharan was the Head of Capital Markets and Operations, where he served on the investment credit committee, overseeing loan pricing and structuring, whole loan financing and broad capital markets initiatives covering note syndication, sales, CMBS trading and CRE CLO securitization. In addition, Mr. Sasidharan held senior positions at CWCapital Investments, where he managed leveraged debt funds and other structured CRE products. He began his real estate career at Fitch Ratings, where he analyzed CMBS new issuance and contributed to the group's policy formation on structured products. Mr. Sasidharan holds a B.A. from the University of Chicago in Public Policy.

Anoop Shah

Mr. Shah is a Principal in the Ares Credit Group, where he focuses on U.S. credit. Prior to joining Ares in 2013, Mr. Shah worked at Jefferies & Company in its Leveraged Finance Group. Mr. Shah holds a B.A. in Economics and Business and a B.A. in Spanish, both from Lafayette College.

Gregory Spilberg

Mr. Spilberg is a Principal in the Ares Credit Group, where he focuses on alternative credit investments. Prior to joining Ares in 2019, Mr. Spilberg was a Vice President at AIG Investments, where he was a Portfolio Manager and Trader for the non-agency residential mortgage-backed securities, consumer asset-backed securities and collateralized debt obligation portfolios. Prior to AIG, he was a Director in the Structured Credit Group at TIAA-CREF, where he was responsible for securitized asset investments within the esoteric and collateralized debt obligation sectors. Mr. Spilberg holds a B.A. from the University of North Carolina at Chapel Hill in Economics and an M.B.A. from the University of Rochester William E. Simon Graduate School of Business Administration in Finance and Corporate Accounting.

Lisa Trolson

Ms. Trolson is a Managing Director in the Ares Credit Group, where she focuses on alternative credit investments. Prior to joining Ares in 2018, Ms. Trolson was a Managing Director at CWCapital Asset Management, where she focused on conduit and agency CMBS B-Piece acquisitions, underwriting, real estate valuation, CMBS special servicing, performing loan and REO asset management. Previously, she was an REO Asset Manager at Allied Capital where she oversaw all commercial property types. In addition, she also held various positions at JER Partners and Grosvenor in real estate equity acquisitions and asset management roles. Ms. Trolson holds a B.A., with honors, from Miami University in Chemistry and Sociology.

Benjamin Tyszka

Mr. Tyszka is a Managing Director in the Ares Credit Group, where he focuses on alternative credit investments. Prior to joining Ares in 2011, Mr. Tyszka was a Director and Founding Member of the Structured Credit Group at Indicus Advisors LLP, where he focused on building a risk surveillance platform to monitor the CLO market. Previously, Mr. Tyszka was a Director in the Risk Management Group at TIAA-CREF. In addition, Mr. Tyszka was an Analyst in the municipal finance industry. Mr. Tyszka began his career at CDI Corporation, where he was contracted to Lockheed Martin Systems Integration as an Associate Systems Engineer. Mr. Tyszka holds a B.S. from the Honors College at Michigan State University in Mathematics. He

also holds an M.S. from Michigan State University in Materials Science and Engineering and an M.S. from the New York University Courant Institute in Mathematics of Finance.

Howard Wang

Mr. Wang is a Managing Director in the Ares Credit Group, where he focuses on U.S. credit. Prior to joining Ares in 2000, Mr. Wang was a Senior Associate in the Assurance and Business Advisory Services Group at PricewaterhouseCoopers LLP. Mr. Wang serves on the Advisory Board of Big Citizen HUB, a non-profit focused on expanding the social capital of youth, and on the Board of Trustees of the California Science Center Foundation. Mr. Wang holds a B.S. in Business Administration from the University of California Berkeley Haas School of Business, where he is also a guest lecturer, and an M.B.A. from the University of California Los Angeles Anderson School of Management, where he graduated as a Global Access Program Fellow. Mr. Wang holds a CPA license.

Harry Woo

Mr. Woo is a Principal in the Ares Credit Group, where he focuses on U.S. credit. Prior to joining Ares in 2013, Mr. Woo was an Analyst in the Capital Markets Group at Houlihan Lokey, where he focused on capital-raising services for a wide variety of clients. Previously, Mr. Woo was a senior associate at Ernst & Young. Mr. Woo holds a B.S., summa cum laude, from the University of Southern California in Finance and Accounting. Mr. Woo also holds a CPA license.

David Wood

Mr. Wood is a Managing Director in the Ares Credit Group, where he focuses on European credit. Prior to joining Ares in 2011, Mr. Wood was a Senior Analyst in the European Leverage Finance Group at Indicus Advisors LLP. Previously, Mr. Wood worked at Singer & Friedlander Group Plc, where he focused on leading headed the Workout/Recovery Team. Mr. Wood is a member of the Association of Chartered Certified Accountants (ACCA).

Cheng Zeng

Mr. Zeng is a Principal in the Ares Credit Group, where he focuses on alternative credit investments. Prior to joining Ares in 2010, Mr. Zeng was an Analyst at Deutsche Bank where he focused on investment banking. Mr. Zeng holds a B.S. from Indiana University in Finance.

Felix Zhang

Mr. Zhang is a Managing Director in the Ares Credit Group, where he focuses on alternative credit investments. Prior to joining Ares in 2015, Mr. Zhang was an Associate at Goldman Sachs, where he focused on investment banking. Previously, Mr. Zhang was an Analyst at Barclays Capital, where he focused on investment banking. Mr. Zhang holds a B.A., with honors, from Harvard University in Economics.

Ares Global Trading Team

Michael Schechter

Mr. Schechter is a Partner and Head of Credit Trading in the Ares Credit Group, where he oversees trading of all bank loans, high yield and related credit instruments in the U.S. and Europe. Prior to joining Ares in 2019, Mr. Schechter was a Managing Director in leveraged loan trading at Morgan Stanley, where he focused on performing and stressed bank debt. Previously, Mr. Schechter was a Managing Director and Co-Head of Loan Trading at Citi, where he focused on performing and stressed bank debt and high yield bond trading. Additionally, Mr. Schechter was an Associate in Citi's Leveraged Finance Group. Mr. Schechter holds a B.S, with honors, from Lehigh University in Business and Economics with a concentration in Finance.

Laura Rogers

See "*Management Committee*" above.

Ben Kattan

Mr. Kattan is a Senior Associate and Trading Associate in the Ares Credit Group. Prior to joining Ares in 2016, Mr. Kattan was a Bank Loan Specialist in Operations at Western Asset Management Company. Mr. Kattan holds a B.A from the University of Southern California in Business Administration and a B.A from the University of Southern California in Accounting.

Andrea Lloyd

Ms. Lloyd is a Managing Director and Trader in the Ares Credit Group. Prior to joining Ares in 2014, Ms. Lloyd was a Credit Trader at Highland Capital Management. Ms. Lloyd holds a B.B.A. from Texas Christian University in Finance.

Tracy Mancuso

Ms. Mancuso is a Managing Director and Trader in the Ares Credit Group. Prior to joining Ares in 2006, Ms. Mancuso was Head Trader at Screaming Eagle Trading, where she focused on facilitating low-cost execution in both NYSE and NASDAQ-listed large and small cap securities for mutual funds and hedge funds. Previously, Ms. Mancuso was Head Trader at Robertson Stephens, where she focused on NASDAQ market making in over 50 company buybacks and special situations. Prior to that, Ms. Mancuso was Vice President at NASDAQ Trading, where she focused on the retail and wireless communication sectors. Ms. Mancuso holds a B.A. from California State University in Business and Finance.

Kevin Terzic, CFA

Mr. Terzic is a Principal and Trader in the Ares Credit Group. Prior to joining Ares in 2006, Mr. Terzic was a Consumer Banking Management Trainee at Bank of America. Mr. Terzic holds a B.S. from the University of Southern California Marshall School of Business in Business Administration. Additionally, Mr. Terzic is a CFA® charterholder.

Ares Special Opportunities Team[3]

Scott Graves

See "*Management Committee*" above.

Jeff Moore

Mr. Moore is a Partner and Portfolio Manager in the Ares Private Equity Group, where he focuses on special opportunities investing. He also serves as a Vice President of Ares Dynamic Credit Allocation Fund, Inc. ("ARDC"), a NYSE-listed, closed end fund managed by an affiliate of Ares. Additionally, he serves on the Ares Private Equity Group's Special Situations Funds Investment Committee. Prior to joining Ares in 1997, Mr. Moore was a Senior Credit Analyst at Lion Advisors, L.P. (an affiliate of Apollo Management, L.P.) and participated in both portfolio management and strategy. Previously, Mr. Moore was Vice President in the Investment Management Division at the Executive Life Insurance Company of California, where he was responsible for portfolio risk credit analysis and participated in analyzing and negotiating restructuring alternatives for troubled investments. In addition, Mr. Moore was a Senior Manager at Deloitte and Touche, a public accounting firm, where he focused on credit review and risk analysis of various classes of investment assets. Mr. Moore holds a B.S., with honors, from St. Louis University in Business Administration.

Aaron Rosen

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[3] Effective July 1, 2016, Special Situations strategy moved from the Credit Group into our Private Equity Group. The Credit Group leverages the resources of the Special Situations team regularly and therefore they are included in the biographies listed herein.

Mr. Rosen is a Partner in the Ares Private Equity Group, where he focuses on special opportunities investing and serves as a member of the Ares Private Equity Group's Special Opportunities Investment Committee. Prior to joining Ares in 2018, Mr. Rosen was a Partner and Director of Research at Archview Investment Group, where focused on distressed and high yield investments both in the U.S. and internationally. Prior to Archview, Mr. Rosen was a Vice President at Citigroup, where he was a founding member of the Citibank Global Special Situations Group focused on U.S. distressed debt, stressed credit, and value equity investment strategies. In addition, Mr. Rosen was a member of Citigroup's Asset-Based Finance group, where he focused on structuring senior secured debt financings for non-investment grade corporate borrowers. Mr. Rosen holds a B.S., summa cum laude, from New York University's Stern School of Business in Finance and Information Systems where he received the Valedictorian Award.

Craig Snyder

Mr. Snyder is a Partner and Portfolio Manager of Special Opportunities in the Ares Private Equity Group, where he focuses on investing across the various Ares fund platforms in the public and private markets. Mr. Snyder serves as a member of the Ares Private Equity Group's Special Opportunities Investment Committee. Prior to joining Ares in 2017, Mr. Snyder was a Managing Director at GSO Capital Partners/Blackstone where he was Global Head of Trading for all of GSO and served as a Portfolio Manager and Investment Committee member for its distressed special situations funds focusing on both the public and private markets. Previously, he was a Senior Trader for a distressed debt fund at Kingstreet Capital. In addition, Mr. Snyder was a Trader at Caxton Associates. He holds a B.A. from Bucknell University in Political Science.

Felix Bernshteyn

Mr. Bernshteyn is a Principal in the Ares Private Equity Group, where he focuses on special opportunities investing. Prior to joining Ares in 2017, Mr. Bernshteyn was a Managing Director and Portfolio Manager at Solstein Capital. Previously, he was a Vice President at Oaktree Capital Management, where he was an investment professional in the Distressed Opportunities and Value Opportunities strategies. Prior to joining Oaktree, Mr. Bernshteyn was an Analyst in the Investment Banking Division at Goldman Sachs. Mr. Bernshteyn holds a B.S., summa cum laude, from the University of Southern California in Business with a concentration in Corporate Finance where he also received the Delta Sigma Pi Key Award for academic excellence, and an M.B.A. from the Stanford Graduate School of Business.

Matt Underwood

Mr. Underwood is a Principal in the Ares Private Equity Group, where he focuses on special opportunities investing. Prior to joining Ares in 2018, Mr. Underwood was a Senior Analyst at HBK Capital in the Corporate Credit Group, where he focused on investment opportunities in distressed credit. Previously, Mr. Underwood was an Analyst at Houlihan Lokey in the Financial Restructuring Group. Mr. Underwood holds a B.S., summa cum laude, from the University of Southern California in Business Administration and Accounting.

Brad Friedman

Mr. Friedman is a Vice President in the Ares Private Equity Group, where he focuses on special opportunities investing. Prior to joining Ares in 2017, Mr. Friedman was an Associate in the Financial Restructuring Group at Milbank Tweed Hadley & McCloy L.L.P., where he represented debtors and creditors in chapter 11 reorganization cases and out-of-court workouts, and private equity funds and hedge funds acquiring control positions in financially distressed companies. Mr. Friedman was a Secondee at Kohlberg Kravis Roberts & Co. L.P. in the Special Situations and Distressed Investing Group. Previously, Mr. Friedman was a Judicial Law Clerk in the District Court for the District of Columbia. Mr. Friedman holds a B.A. from Emory University in Political Science, where he was appointed to the Pi Sigma Alpha Honors Society, and a J.D., summa cum laude, from The George Washington School of Law. During law school, Mr. Friedman was a George Washington Scholar and received the Charles Glover Award and the Justice Thurgood Marshall Civil Liberties Award. Mr. Friedman is a member of the State Bar of New York, the Second Circuit Court of Appeals, and the Southern and Eastern Districts of New York.

Noah Kaswell

Mr. Kaswell is a Vice President in the Ares Private Equity Group, where he focuses on special opportunities investing. Prior to joining Ares in 2017, Mr. Kaswell was an Associate at Millstein & Co., where he focused on

corporate and municipal restructurings. Mr. Kaswell holds a B.A., summa cum laude, from the University of Pennsylvania in Economics.

Nicholas Mouradian

Mr. Mouradian is a Vice President in the Ares Private Equity Group, where he focuses on special opportunities investing. Prior to joining Ares in 2018, Mr. Mouradian was a Vice President at Monarch Alternative Capital. Previously, Mr. Mouradian was an Associate at Citigroup. Mr. Mouradian holds a B.A. from New York University in Political Economy.

Alex Stepien

Mr. Stepien is a Vice President in the Ares Private Equity Group, where he focuses on special opportunities investing. Prior to joining Ares in 2017, Mr. Stepien was an Associate at Z Capital Group, where he focused on evaluating investment opportunities across a variety of credit strategies. Previously, he was an Associate at Angel Island Capital, the credit affiliate of Golden Gate Capital. In addition, Mr. Stepien was an Analyst in the Restructuring Group at Lazard Frères & Co. Mr. Stepien holds a B.S., with high honors, from the University of Illinois at Urbana-Champaign in Finance.

Ares Management LLC Legal & Compliance – Liquid Credit-Focused

John Atherton

Mr. Atherton is a Principal and Associate General Counsel, Credit in the Ares Legal Department. Prior to joining Ares in 2018, Mr. Atherton was General Counsel, Private Investment Structures at Schroder Adveq. Previously, Mr. Atherton was a Senior Associate in the London and Boston offices of Proskauer Rose LLP, where he focused on private investment funds. Mr. Atherton is a member of the BVCA's Legal and Accounting Committee. Mr. Atherton holds an L.L.B. (Hons) from the University of Bristol in Law. He is admitted to practice law in both England and Wales.

Cory Nikolaus

Mr. Nikolaus is a Principal and Associate General Counsel (Credit) in the Ares Legal Department. Prior to joining Ares in 2013, Mr. Nikolaus was an Attorney at Latham & Watkins LLP. Previously, Mr. Nikolaus was an Attorney at White & Case LLP. He holds a B.S. from Arizona State University in International Business and a J.D., with a Certificate of Specialization in Business Law, from the University of California Los Angeles School of Law.

Ares Management LLC – Finance, Operations & Other

Kevin Early

Mr. Early is a Partner and European CFO in the Ares Finance, Accounting and Operations Department. Prior to joining Ares in 2012, Mr. Early was a Senior Vice President in Finance at Nielsen Holdings. Previously, Mr. Early held a variety of tax and finance leadership roles at GE Capital Corporation. Mr. Early holds a B.S., magna cum laude, from Marquette University in Accounting.

Penni Roll

See "*Management Committee*" above.

THE PORTFOLIO

The following description of the Portfolio consists of a summary of certain provisions of the Collateral Management and Administration Agreement which does not purport to be complete and is qualified by reference to the detailed provisions of such agreement.

Introduction

Pursuant to the Collateral Management and Administration Agreement, the Collateral Manager is required to act in specific circumstances in relation to the Portfolio on behalf of the Issuer and to carry out the duties and functions described below. In addition, the Collateral Administrator is required to perform certain calculations in relation to the Portfolio on behalf of the Issuer 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 Obligations, Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and High Yield Bonds during the Initial Investment Period, the Reinvestment Period and thereafter (including, but not limited to, Collateral Obligations purchased pursuant to the Warehouse Arrangements). The Issuer anticipates that, by the Issue Date, it, or the Collateral Manager on its behalf, will have purchased or committed to purchase Collateral Obligations, the Aggregate Principal Balance of which is equal to at least €300,000,000 which is approximately 75 per cent. of the Target Par Amount. The proceeds of issue of the Notes remaining after payment of: (a) the acquisition costs for the Collateral Obligations acquired by the Issuer on or prior to the Issue Date (including amounts due in order to finance the acquisition of warehoused Collateral Obligations); and (b) certain fees, costs and expenses incurred in connection with the issue of the Notes and anticipated to be payable by the Issuer following completion of the issue of the Notes, will be deposited in the Expense Reserve Account, the First Period Reserve Account and the Unused Proceeds Account on the Issue Date. The Collateral Manager acting on behalf of the Issuer shall use commercially reasonable efforts to purchase Collateral Obligations with an Aggregate Principal Balance (together with Collateral Obligations previously acquired) equal to at least the Target Par Amount out of the Balance standing to the credit of the Unused Proceeds Account during the Initial Investment Period.

The Issuer does not expect and is not required to satisfy the Collateral Quality Tests, 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 3 July 2020, subject to the Effective Date Determination Requirements being satisfied.

On or after the Effective Date but prior to 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: (i) the Rating Agencies have confirmed the Initial Ratings of the Rated Notes following delivery of the Effective Date Report (or in respect of S&P, the Effective Date S&P Condition is satisfied) and provided that such Rating Agency Confirmation shall only be required from Fitch to the extent that the Effective Date Determination Requirements have not been satisfied; (ii) no more than 1.0 per cent. of the Target Par Amount (in aggregate) may be transferred to the Interest Account in one or more instalments, in aggregate and without duplication, from the Unused Proceeds Account and/or the Principal Account; (iii) immediately after giving effect to any such transfer into the Interest Account the Collateral Principal Amount (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; and (iv) immediately after giving effect to any such transfer each of the Portfolio Profile Tests, the Collateral Quality Tests and the Coverage Tests (save for the Interest Coverage Tests, which shall apply only on and after the Determination Date falling immediately prior to the second Payment Date) is satisfied.

Within 10 Business Days following the Effective Date, the Collateral Administrator shall issue a report (the "**Effective Date Report**") containing the information required in a Monthly Report, confirming whether the Issuer has acquired or entered into a binding commitment to acquire Collateral Obligations having a Collateral Principal Amount which is equal to or exceeding the Target Par Amount (provided that, for the purposes of determining the Collateral Principal Amount as provided above the Principal Balance of a Collateral Obligation which is a Defaulted Obligation will be the lower of its (i) S&P Collateral Value and (ii) Fitch Collateral Value), copies of which shall be forwarded to the Issuer, the Trustee, the Collateral Manager, each Hedge Counterparty

and the Rating Agencies and within 15 Business Days following the Effective Date the Issuer will provide, or cause the Collateral Manager to provide, to the Trustee and the Collateral Administrator (with a copy to the Collateral Manager, if applicable), an accountants' certificate recalculating and comparing the Aggregate Principal Balance of all Collateral Obligations purchased or committed to be purchased as at the Effective Date and the results of the Portfolio Profile Tests, the Collateral Quality Tests and the Coverage Tests (other than the Interest Coverage Tests) by reference to such Collateral Obligations. The accountants' certificate shall specify the procedures undertaken to review data and re-computations relating to such recalculations. For the avoidance of doubt, the Trustee and the Collateral Administrator shall not disclose to any Person (including any Noteholder) any information, documents or reports provided to them by the accountants, other than as required by a court of competent jurisdiction or as otherwise required by applicable legal or regulatory process.

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 20 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 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 is not received in respect of such Rating Confirmation Plan upon request therefor by the Collateral Manager; or (ii) the Effective Date S&P Condition is not satisfied, 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 shall have occurred and be continuing, the Collateral Manager (acting on behalf of the Issuer) may prepare and present to the Rating Agencies a Rating Confirmation Plan setting forth the timing and manner of acquisition of additional Collateral Obligations and/or any other intended action which is intended to cause confirmation or reinstatement of the Initial Ratings. The Collateral Manager (acting on behalf of the Issuer) is under no obligation whatsoever to present a Rating Confirmation Plan to the Rating Agencies.

Eligibility Criteria

Each Collateral Obligation must, (i) at the time of entering into a binding commitment to acquire such obligation by, or on behalf of, the Issuer and (ii) on the Issue Date in respect of Issue Date Collateral Obligations 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, in each case;

(b) it is:

(i) either:

(A) denominated in Euro; or

(B) denominated in a Qualifying Currency other than Euro, *provided that* no later than the settlement of the purchase by the Issuer of such Collateral Obligation, the Issuer (or the Collateral Manager on its behalf) enters into a Currency Hedge Transaction with a notional amount in the relevant currency equal to the aggregate principal amount of such Collateral Obligation and otherwise complies with the requirements

set out in respect of Currency Hedge Obligations in the Collateral Management and Administration Agreement; and

(ii) not convertible into or payable in any other currency;

(c) it is not a Defaulted Obligation or a Credit Risk Obligation;

(d) it is not a lease (including, for the avoidance of doubt, a financial lease);

(e) it is not a Structured Finance Security, a letter of credit, a Synthetic Security or a Participation of a Participation;

(f) it provides for a fixed amount of principal payable in cash on scheduled payment dates and/or at maturity and does not by its terms provide for earlier amortisation or prepayment in each case at a price of less than par;

(g) it is not a Zero Coupon Security, Step-Up Coupon Security or Step-Down Coupon Security;

(h) it does not constitute "margin stock" (as defined under Regulation U issued by the Board of Governors of the United States Federal Reserve System);

(i) it is an obligation in respect of which, following acquisition thereof by the Issuer by the selected method of transfer, payments to the Issuer will not be subject to withholding tax imposed by any jurisdiction unless either: (i) such withholding tax can be sheltered by application being made under the applicable double tax treaty; (ii) such withholding tax is a U.S. federal withholding tax imposed on letter of credit fees, consent fees, commitment fees or similar fees; or (iii) 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 has a Fitch Rating of not lower than "CCC-" and an S&P Rating of not lower than "CCC-";

(k) it is not a debt obligation whose repayment is subject to substantial non-credit related risk, including catastrophe bonds or instruments whose repayment is conditional on the non-occurrence of certain catastrophes or similar events;

(l) it will not result in the imposition of any present or future, actual or contingent, monetary liabilities or obligations of the Issuer other than those: (i) which may arise at its option; (ii) which are fully collateralised; (iii) which are owed to the agent bank in relation to the performance of its duties under a Collateral Obligation; (iv) which may arise as a result of an undertaking to participate in a financial restructuring of a Collateral Obligation where such undertaking is contingent upon the redemption in full of such Collateral Obligation on or before the time by which the Issuer is obliged to enter into the restructured Collateral Obligation and where the restructured Collateral 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 Collateral Obligation; or (v) which are Delayed Drawdown Collateral Obligation or Revolving Obligations, provided that, in respect of paragraph (iv) 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 Obligation, second lien loan or similar obligation;

(m) it does not have an "f", "r", "p", "pi", "q", "sf" or "t" subscript assigned by Fitch;

(n) it will not require the Issuer or the pool of collateral to be registered as an investment company under the Investment Company Act;

(o) it is not a debt obligation that pays scheduled interest less frequently than semi-annually (other than, for the avoidance of doubt, PIK Securities);

(p) it is not a debt obligation which pays interest only and does not require the repayment of principal;

(q) 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;

(r) it is not a Long-Dated Collateral Obligation;

(s) its acquisition by the Issuer will not result in the imposition of stamp duty or stamp duty reserve tax payable by the Issuer, unless such stamp duty or stamp duty reserve tax has been included in the purchase price of such Collateral Obligation;

(t) 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 comparable security arrangement having substantially the same effect in favour of the Trustee for the benefit of the Secured Parties and (ii) (subject to (i) above) the Issuer (or the Collateral Manager on behalf of the Issuer) has notified the Trustee in writing in the event that any Collateral Obligation that is a bond is held through the Custodian but not held through Euroclear or Clearstream, Luxembourg, or does not satisfy any requirements relating to collateral held in Euroclear or Clearstream, Luxembourg (as applicable) specified in the Trust Deed and has taken such action as the Trustee may require to effect such security interest;

(u) 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);

(v) if such obligation is a Participation, then such Participation is acquired from a Selling Institution incorporated or organised under the laws of a member state of the European Union or the United States (or any state thereof) and rated at least "A-1" by S&P and "A" by Fitch;

(w) it has not been called for, and is not subject to a pending, redemption;

(x) it is capable of being sold, assigned or participated to the Issuer, together with any associated security, without any breach of applicable selling restrictions or of any contractual provisions or of any legal or regulatory requirements and the Issuer does not require any authorisations, consents, approvals or filings (other than such as have been obtained or effected) as a result of or in connection with any such sale, assignment or participation under any applicable law;

(y) it is not a Project Finance Loan;

(z) it is in registered form for U.S. federal income tax purposes, unless it is not a "registration-required obligation" as defined in Section 163(f) of the Code;

(aa) it must require the consent of at least 66⅔ 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;

(bb) it is not a Collateral Obligation with an Obligor domiciled in a country which is rated below "BB-" by S&P;

(cc) it is not a Dutch Ineligible Security;

(dd) is not an obligation of a borrower who or which is resident in or incorporated under the laws of The Netherlands and who or which is not acting in the conduct of a business or profession;

(ee) it is not an Equity Security and is not exchangeable or convertible into an Equity Security;

(ff) it does not have an "f", "r", "p", "pi", "(sf)", "q" or "t" subscript assigned by S&P;

(gg) it is not an obligation for which the total potential indebtedness (comprised of all financial debt owing by the Obligor including the maximum available amount or total commitment under any revolving or delayed draw loans) of the Obligor thereof under its loan agreements and other Underlying Instruments is less than €150,000,000 (or its equivalent in any currency);

(hh) it is not a Non-Recourse Obligation;

(ii) if such obligation is a Delayed Drawdown Collateral Obligation or a Revolving Obligation, such obligation does not permit a change in Obligors without the consent of the Issuer;

(jj) it is not a Current Pay Obligation;

(kk) it is not a Bridge Loan;

(ll) it is not an obligation that contains limited recourse provisions that limit the obligations of the Obligor thereunder to a defined portfolio or pool of assets;

(mm) it is an Eligible Interest Rate Obligation;

(nn) it has a minimum purchase price of 60 per cent. of the Principal Balance of such Collateral Obligation; and

(oo) it is not a Collateral Obligation of an Obligor whose principal business is directly derived from the production or marketing of controversial weapons (including antipersonnel landmines, cluster weapons, chemical and biological weapons); development of nuclear weapon programs or production of nuclear weapons and thermal coal production.

Other than (i) Issue Date Collateral Obligations which must satisfy the Eligibility Criteria on the Issue Date and (ii) Collateral Obligations which are the subject of a restructuring (whether effected by way of an amendment to the terms of such Collateral Obligation or by way of substitution of new obligations and/or change of Obligor) which must satisfy the Restructured Obligation Criteria on the applicable Restructuring Date, the subsequent failure of any Collateral Obligation to satisfy any of the Eligibility Criteria shall not prevent any obligation which would otherwise be a Collateral Obligation from being a Collateral Obligation so long as such obligation satisfied the Eligibility Criteria, when the Issuer or the Collateral Manager on behalf of the Issuer entered into a binding agreement to purchase such obligation.

"**Eligible Interest Rate Obligation**" means:

(a) is (i) a Fixed Rate Collateral Obligation or (ii) a Collateral Obligation in respect of which interest is referenced to a published reference rate commonly used in the financial markets such as EURIBOR, Euro LIBOR or LIBOR, as well as reference rates that may be introduced in succession or replacement in the future;

(b) it is not an obligation that allows the Obligor to pay interest amounts in a currency that is different from the denomination of the principal amount of such obligation;

(c) it is not an obligation in respect of which the interest coupon or margin may increase due to a decrease of the index or reference rate applicable to the determination of such interest amount or decrease due to an increase of the index or reference rate applicable to the determination of such interest amount other than due to the application of a cap or floor to the variable benchmark rate used to calculate floating interest;

(d) it is not an obligation in respect of which the index or reference rate applicable to the determination of the interest amount is based on a derivative of any index or reference rate;

(e) it is not an obligation in respect of which the tenor of the index or reference rate applicable to the determination of the interest amount is different to the tenor of the frequency of interest amount payments required to be made by the Obligor, other than in respect of the initial interest period or the final interest period prior to maturity or an acceleration or other early termination of such obligation (or both as the case may be), provided that in each case the difference of the tenor of the index or reference rate to the tenor of the frequency of interest amount payments required to be made by the Obligor is not more than one month at any time; and

(f) it is an obligation in respect of which any interest amount that is deferred (including any interest amount that is automatically deferred or deferred at the option of the Obligor, and including any interest amount that is capitalised) incurs interest that is greater or the same as the rate that is applicable to the principal amount (or such relevant proportion of the principal amount in the case of a partial deferral of interest) of such obligation,

provided that, in each case:

(i) the Collateral Manager's determination of whether an obligation satisfies the above criteria shall be assessed on a reasonable enquiry basis only, where a reasonable enquiry may include (but will not be limited to) either (1) reviewing the provisions of the term sheet relating to the interest rate or margin for such obligation, or (2) receiving adequate assurances or confirmation from the agent or arranger for such obligation that the above conditions have been satisfied; and

(ii) changes that could result from an event that the Collateral Manager, in its reasonable judgment, determines at the time of purchase of the obligation, would be exceptional (which may include, but is not limited to (1) a default, (2) a breach of covenants, (3) the discontinuation of a floating rate obligation's reference rate that satisfies (a) of this definition without it being replaced by a new reference rate that also satisfies (a) of this definition, (4) a sale or merger of all or some of the Obligor's businesses, or the purchase of a new business, and (5) a modification made by waiver or amendment following consents from at least 50 per cent of the obligation's Obligors or, if applicable, the trustee thereunder) will not prevent an obligation from being considered an Eligible Interest Rate Obligation.

"**Non-Recourse Obligation**" means an obligation that falls into any one of the following types of specialised lending:

(a) *Project Finance*: a method of funding in which the lender looks primarily to the revenues generated by a single project, both as the source of payment and as security for the exposure. Repayment depends primarily on the project's cash flow and on the collateral value of the project's assets, such as power plants, chemical processing plants, mines, transportation infrastructure, environment, and telecommunications infrastructure.

(b) *Object Finance*: a method of funding the acquisition of physical assets (e.g. ships, aircraft, satellites, railcars and fleets) where the repayment of the exposure is dependent on the cash flows generated by the specific assets that have been financed and pledged or assigned to the lender. A primary source of these cash flows might be rental or lease contracts with one or several third parties.

(c) *Commodities Finance*: a structured short-term lending to finance reserves, inventories, or receivables of exchange-traded commodities (e.g. crude oil, metals or crops), where the exposure will be repaid from the proceeds of the sale of the commodity and the borrower has no independent capacity to repay the exposure. This is the case when the borrower has no other activities and no other activities and no other material assets on its balance sheet.

(d) *Income-producing real estate*: a method of providing funding to real estate (such as, office buildings to let, retail space, multifamily residential buildings, industrial or warehouse space, and hotels) where the prospects for repayment and recovery on the exposure depend primarily on the cash flows generated by the asset. The primary source of these cash flows would generally be lease or rental payments or the sale of the asset.

(e) *High-volatility commercial real estate*: a financing or any of the land acquisition, development and construction phases for properties of those types in such jurisdictions, where the source of repayment at origination of the exposure is either the future uncertain sale of the property or cash flows whose source of repayment is substantially uncertain (e.g. the property has not yet been leased to the occupancy rate prevailing in that geographic market for that type of commercial real estate).

"**Project Finance Loan**" means a loan obligation under which the obligor is obliged to make payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of payments) on revenues arising from infrastructure assets, including, without limitation:

(a) the sale of products, such as electricity, water, gas or oil, generated by one or more infrastructure assets in the utility industry by a special purpose entity; and

(b) fees charged in respect of one or more highways, bridges, tunnels, pipelines or other infrastructure assets by a special purpose entity, and

in each case, the sole activity of such special purpose entity is the ownership and/or management of such asset or assets and the acquisition and/or development of such asset by the special purpose entity was effected primarily with the proceeds of debt financing made available to it on a limited recourse basis.

"**Step-Down Coupon Security**" means a security, the contractual interest rate of which decreases over a specified period of time. For the avoidance of doubt, a security will not be considered to be a Step-Down Coupon Security where interest payments decrease for non-contractual reasons due to unscheduled events such as a decrease in 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.

"**Step-Up Coupon Security**" means a security 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.

"**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

In the event a Collateral Obligation becomes (as determined by the Issuer, assisted by the Collateral Manager) the subject of a restructuring whether effected by way of an amendment to the terms of such Collateral Obligation (including but not limited to an amendment of its maturity date) or by way of substitution of new obligations and/or change of Obligor, such obligation shall only constitute a Restructured Obligation if such obligation satisfies each of the criteria comprising the Eligibility Criteria other than paragraphs (c), (i), (j), (o) (if such obligation is a PIK Security), (r), (ee), (gg) and (nn) thereof, it is not a pre-funded letter of credit and it has a Fitch Rating and an S&P Rating (together, the "**Restructured Obligation Criteria**").

For the avoidance of doubt, a repayment of a Collateral Obligation in circumstances whereby the redemption proceeds are rolled as consideration for a new obligation (including by way of a "cashless roll") shall be treated as the acquisition by the Issuer of a new Collateral Obligation and not as the acquisition of a Restructured Obligation and such new obligation shall be required to satisfy the Eligibility Criteria and the Reinvestment Criteria.

Management of the Portfolio

Overview

The Collateral Manager (acting on behalf of the Issuer) is permitted, in certain circumstances and, subject to certain requirements, to discretionally sell Collateral Obligations and Exchanged Securities and to reinvest the Sale Proceeds (other than accrued interest on such Collateral Obligations included in Interest Proceeds by the Collateral Manager) thereof in Substitute Collateral Obligations. The Collateral Manager shall notify the Collateral Administrator of all necessary details of the Collateral Obligation or Exchanged Security to be sold and the proposed Substitute Collateral Obligation to be purchased and the Collateral Administrator (on behalf of the Issuer) shall determine and shall provide confirmation of whether the Portfolio Profile Tests and Reinvestment Criteria which are required to be satisfied, maintained or improved in connection with any such sale or reinvestment are satisfied, maintained or improved or, if any such criteria are not satisfied, maintained or improved, 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.

The Collateral Manager will determine and use reasonable endeavours to cause to be purchased by the Issuer, Collateral Obligations (including all Substitute Collateral Obligations) taking into account the Eligibility Criteria, the guidelines in the Collateral Management and Administration Agreement and, where applicable, the Reinvestment Criteria and will monitor the performance of the Collateral Obligations on an ongoing basis to the extent practicable using sources of information reasonably available to it and provided that the Collateral Manager shall not be responsible for determining whether or not the terms of any individual Collateral Obligation have been observed.

The activities referred to below that the Collateral Manager may undertake on behalf of the Issuer are subject to the Issuer's monitoring of the performance of the Collateral Manager under the Collateral Management and Administration Agreement.

Sale of Issue Date Collateral Obligations

The Collateral Manager, acting on behalf of the Issuer, shall 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 satisfying the Eligibility Criteria or credited to the Principal Account pending such reinvestment.

Terms and Conditions applicable to the Sale of Credit Risk Obligations, Credit Improved Obligations, Defaulted Obligations and Equity Securities

Credit Risk Obligations, Credit Improved Obligations and Defaulted Obligations may be sold at any time by the Collateral Manager (acting on behalf of the Issuer), subject to, within the Collateral Manager's knowledge (without the need for inquiry or investigation), no Note Event of Default having occurred which is continuing.

The Collateral Manager shall use commercially reasonable endeavours to effect the sale of any Equity Securities in the Portfolio, regardless of the price it receives for such Equity Securities.

Terms and Conditions applicable to the Sale of Exchanged Securities

Any Exchanged Security may be sold at any time by the Collateral Manager in its discretion (acting on behalf of the Issuer), subject to, within the Collateral Manager's knowledge (without the need for inquiry or investigation), no Event of Default having occurred which is continuing.

In addition to any discretionary sale of Exchanged Securities as provided above, the Collateral Manager shall be required by the Issuer to use commercially reasonable endeavours to sell (on behalf of the Issuer) any Exchanged Security which constitutes Margin Stock as soon as practicable upon its receipt or upon its becoming Margin Stock (as applicable), unless such sale is prohibited by applicable law, in which case such Equity Security shall be sold as soon as such sale is permitted by applicable law.

Discretionary Sales

The Issuer or the Collateral Manager (acting on behalf of the Issuer) may dispose of any Collateral Obligation (other than a Credit Improved Obligation, a Credit Risk Obligation, a Defaulted Obligation or an Exchanged Security, each of which may only be sold in the circumstances provided above) at any time (other than during a Restricted Trading Period) ("**Discretionary Sales**") provided:

(a) no Note Event of Default has occurred which is continuing (in the case of the Collateral Manager, to its knowledge, without the need for inquiry or investigation);

(b) after giving effect to such sale, the Aggregate Principal Balance of all Collateral Obligations sold as described in this paragraph during the preceding 12 calendar months (or, for the first 12 calendar months after the Issue Date, during the period commencing on the Issue Date) is not greater than 25 per cent. of the Collateral Principal Amount as of the first day of such 12 calendar month period (or as of the Issue Date, as the case may be);

(c) either:

  (i) during the Reinvestment Period, the Collateral Manager reasonably believes prior to such sale that it will be able to enter 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 days after the settlement of such sale in accordance with the Reinvestment Criteria; or

  (ii) at any time either (1) the Sale Proceeds from such sale are at least equal to the Principal Balance of the Collateral Obligation sold (as defined below) or (2) after giving effect to such sale, the Aggregate Principal Balance (for which purposes, the Principal Balance of each Defaulted Obligation shall be its Fitch Collateral Value) of all Collateral Obligations (excluding the Collateral Obligation being sold but including, without duplication, the expected Sale Proceeds of such sale) plus, without duplication, the amounts on deposit in 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) will be greater than (or equal to) the Reinvestment Target Par Balance; and

(d) no Retention Deficiency occurs as a result of, or immediately after giving effect to, such disposal.

Restricted Trading Period

The Issuer or the Collateral Manager (acting on its behalf) shall promptly notify Fitch and S&P upon the occurrence of a Restricted Trading Period.

Sale of Collateral Prior to Maturity Date

In the event of: (i) any redemption of the Rated Notes in whole prior to the Maturity Date; (ii) receipt of notification from the Trustee of enforcement of the security over the Collateral; or (iii) the purchase of Notes of any Class by the Issuer, the Collateral Manager (acting on behalf of the Issuer) will (with regard to (ii), if requested by the Trustee following the enforcement of such security), as far as reasonably practicable, arrange for liquidation of the Collateral in order to procure that the proceeds thereof are in immediately available funds by the Business Day prior to the applicable Redemption Date or date of sale of all or part of the Portfolio, as applicable, in accordance with Condition 7 (*Redemption and Purchase*) and clause 21 (*Realisation of Collateral*) of the Collateral Management and Administration Agreement but without regard to the limitations set out in Schedule 3 (*Eligibility Criteria*) of the Collateral Management and Administration Agreement (which will include any limitations or restrictions set out in the Conditions and the Trust Deed).

Sale of Assets which do not Constitute Collateral Obligations

In the event that an asset did not satisfy the Eligibility Criteria on the date it was required to do so in accordance with the Collateral Management and Administration Agreement, the Collateral Manager shall use commercially reasonable endeavours to sell such asset. Such proceeds shall constitute Sale Proceeds and may be reinvested in accordance with and subject to the Reinvestment Criteria.

Reinvestment of Collateral Obligations

"**Reinvestment Criteria**" means, during the Reinvestment Period, the criteria set out under "*During the Reinvestment Period*" below and, following the expiry of the Reinvestment Period, the criteria set out below under "*Following the Expiry of the Reinvestment Period*". The Reinvestment Criteria (except satisfaction of the Eligibility Criteria) shall not apply prior to the Effective Date or in the case of a Collateral Obligation which has been restructured (except satisfaction of the Restructured Obligation Criteria) where such restructuring has become binding on the holders thereof.

During the Reinvestment Period

During the Reinvestment Period, the Collateral Manager (acting on behalf of the Issuer) may, at its discretion, reinvest any Principal Proceeds (with the exception of Principal Proceeds received both before and after the Reinvestment Period in connection with the acceptance of an Offer where such Offer is by way of novation or substitution, where such principal proceeds will be reinvested automatically as consideration for the novated or substitute Collateral Obligation (subject to the Restructured Obligation Criteria being satisfied)) in the purchase of Substitute Collateral Obligations satisfying the Eligibility Criteria 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 (without the need for inquiry or investigation), no Note Event of Default has occurred that is continuing at the time of such purchase;

(b) such obligation is a Collateral Obligation;

(c) on and after the Effective Date (or in the case of the Interest Coverage Tests, the second Payment Date) the Coverage Tests are satisfied or if (other than with respect to the reinvestment of any proceeds received upon the sale of, or as a recovery on, any Defaulted Obligation) as calculated immediately prior to any purchase of a Substitute Collateral Obligation any Coverage Test was not satisfied, the coverage ratio relating to such test will be maintained or improved after giving effect to such

reinvestment when compared with the results as calculated immediately prior to such sale, prepayment or repayment (in whole or in part) of the relevant Collateral Obligation;

(d) in the case of a Substitute Collateral Obligation purchased with Sale Proceeds of a Credit Risk Obligation or a Defaulted Obligation either:

(i) the Aggregate Principal Balance of all Substitute Collateral Obligations purchased with such Sale Proceeds shall at least equal such Sale Proceeds;

(ii) the Aggregate Principal Balance (for which purpose the Principal Balance of each Defaulted Obligation shall be multiplied by its Market Value) of all Collateral Obligations (after such purchase) will be maintained or increased, when respectively compared to the Aggregate Principal Balance (for which purpose the Principal Balance of each Defaulted Obligation shall be multiplied by its Market Value) of all Collateral Obligations immediately prior to such sale; or

(iii) 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 Obligations) (for which purpose the Principal Balance of each Defaulted Obligation shall be the lower of its (i) S&P Collateral Value and (ii) Fitch Collateral Value); and (B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (to the extent such amounts have not and will not be designated as Interest Proceeds to be credited to the Interest Account and including Eligible Investments therein but save for any interest accrued on Eligible Investments) is equal to or greater than the Reinvestment Target Par Balance;

(e) in the case of a Substitute Collateral Obligation purchased with Sale Proceeds of a Credit Improved Obligation or a Discretionary Sale 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 of all Collateral Obligations (for which purpose the Principal Balance of each Defaulted Obligation shall be multiplied by its Market Value) immediately prior to the sale that generates 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 Obligations) (for which purpose the Principal Balance of each Defaulted Obligation shall be the lower of its (i) S&P Collateral Value and (ii) Fitch Collateral Value); and (B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (to the extent such amounts have not and will not be designated as Interest Proceeds to be credited to the Interest Account and including Eligible Investments therein but save for any interest accrued on Eligible Investments) is equal to or greater than the Reinvestment Target Par Balance;

(f) after the Effective Date, either (A) each of the Portfolio Profile Tests and the Collateral Quality Tests will be satisfied; or (B) as calculated immediately prior to any purchase of a Substitute Collateral Obligation, if any of the Portfolio Profile Tests or Collateral Quality Tests are not satisfied such tests will be maintained or improved after giving effect to such reinvestment 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 the Principal Proceeds of which are being reinvested; and

(g) no Retention Deficiency occurs as a result of, or immediately after giving effect to, such reinvestment;

(h) with respect to the reinvestment of Sale Proceeds, Scheduled Principal Proceeds and/or Unscheduled Principal Proceeds (other than Sale Proceeds, Scheduled Principal Proceeds and/or Unscheduled Principal Proceeds from Credit Improved Obligations, Credit Risk Obligations, Defaulted Obligations, Equity Securities and Exchanged Securities) any of:

(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 of all Collateral Obligations (for which purpose the Principal Balance of each Defaulted Obligation shall be multiplied by its Market Value) immediately prior to the sale that generates such Sale Proceeds;

(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 Obligations) (for which purposes, the Principal Balance of each Defaulted Obligation shall be multiplied by the lower of its (i) S&P Collateral Value and (ii) Fitch Collateral Value); and (B) amounts standing to the credit of the Principal 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 greater than the Reinvestment Target Par Balance; or

(iii) the Adjusted Collateral Principal Amount is maintained or increased,

provided that, for the avoidance of doubt, with respect to any Collateral Obligations for which the trade date has occurred during the Reinvestment Period but which settle after such date, the purchase of such Collateral Obligations shall be treated as a purchase made during the Reinvestment Period for purposes of the Trust Deed.

Following the Expiry of the Reinvestment Period

Following the expiry of the Reinvestment Period, only Unscheduled Principal Proceeds and Sale Proceeds from the sale of Credit Improved Obligations and Credit Risk Obligations (with the exception of principal proceeds received both before and after the Reinvestment Period in connection with the acceptance of an Offer where such Offer is by way of novation or substitution, where such principal proceeds will be reinvested automatically as consideration for the novated or substitute Collateral Obligation (subject to the Restructured Obligation Criteria being satisfied)), only, may be reinvested by the Collateral Manager (acting on behalf of the Issuer) in one or more Substitute Collateral Obligations satisfying the Eligibility Criteria, in each case provided that:

(a) the Aggregate Principal Balance of Substitute Collateral Obligations (including, with respect to paragraph (ii) below, any remaining net proceeds from such sale) equals or exceeds (i) in respect of Credit Improved Obligations or Unscheduled Principal Proceeds, the Aggregate Principal Balance of the related Collateral Obligations that produced such Unscheduled Principal Proceeds or Sale Proceeds of such Credit Improved Obligations or (ii) in respect of Credit Risk Obligations, the amount of such Sale Proceeds of such Credit Risk Obligations;

(b) a Restricted Trading Period is not currently in effect;

(c) each of the Portfolio Profile Tests and the Collateral Quality Tests (excluding the Weighted Average Life Test, the Fitch Maximum Weighted Average Rating Factor Test, the S&P CDO Monitor Test and paragraphs (n) and (o) of the Portfolio Profile Tests) are (i) satisfied after giving effect to such reinvestment or (ii) if any such test was not immediately satisfied prior to such investment, such test will be maintained or improved after giving effect to such reinvestment compared with the results of such tests immediately prior to the sale or prepayment (in whole or in part) of the relevant Collateral Obligation the Principal Proceeds of which are being reinvested;

(d) the Weighted Average Life Test will be either (i) if the Weighted Average Life Test was not satisfied as of the last Business Day of the Reinvestment Period, satisfied after giving effect to such reinvestment or (ii) if the Weighted Average Life Test was satisfied as of the last Business Day of the Reinvestment Period, satisfied or, if not satisfied, maintained or improved immediately after giving effect to such reinvestment;

(e) so long as any Notes rated by Fitch are Outstanding, the Fitch Maximum Weighted Average Rating Factor Test is satisfied after giving effect to such reinvestment;

(f) each of the Coverage Tests are satisfied both before and after giving effect to such reinvestment;

(g) to the Collateral Manager's knowledge (without the need for inquiry or investigation), no Note Event of Default has occurred that is continuing at the time of such purchase;

(h) no Retention Deficiency occurs as a result of, and immediately after giving effect to, such reinvestment;

(i) the Collateral Obligation Stated Maturity of each Substitute Collateral Obligation is the same as or earlier than the Collateral Obligation Stated Maturity of the Collateral Obligation that produced such Unscheduled Principal Proceeds or Sale Proceeds;

(j) after giving effect to such reinvestment, not more than 7.5 per cent. of the Collateral Principal Amount shall consist of obligations which are Fitch CCC Obligations;

(k) after giving effect to such reinvestment, not more than 7.5 per cent. of the Collateral Principal Amount shall consist of obligations which are S&P CCC Obligations; and

(l) such Substitute Collateral Obligation(s) (i) 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 Monitor SDR is no greater following such reinvestment.

Following the expiry of the Reinvestment Period, the S&P CDO Monitor Test shall cease to apply. In addition, for the avoidance of doubt, Sale Proceeds from the sale of Defaulted Obligations may not be reinvested following the expiry of the Reinvestment Period. Following the expiry of the Reinvestment Period, any Unscheduled Principal Proceeds and any Sale Proceeds from the sale of Credit Improved Obligations and Credit Risk Obligations that have not been reinvested as provided above prior to the end of the Due Period in which such proceeds were received shall be paid into the Principal Account and disbursed in accordance with the Principal Priority of Payment on the following Payment Date (subject as provided at the end of this paragraph), save that the Collateral Manager (acting on behalf of the Issuer) may in its discretion procure that Unscheduled Principal Proceeds and Sale Proceeds from the sale of any Credit Improved Obligations or Credit Risk Obligations are paid into the Principal Account and designated for reinvestment in Substitute Collateral Obligations, in which case such Principal Proceeds shall not be so disbursed in accordance with the Principal Priority of Payments for so long as they remain so designated for reinvestment; 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 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 Payment.

Unsaleable Assets

Notwithstanding the other requirements set forth herein and in the Trust Deed, on any Business Day after the Reinvestment Period, the Collateral Manager, acting in a commercially reasonable manner, may conduct an auction on behalf of the Issuer of Unsaleable Assets in accordance with the procedures described in this paragraph provided that no such auction shall take place unless a redemption of the Notes in full in accordance with the Conditions is contemplated or scheduled to occur within three months of such auction. Promptly after receipt of written notice from the Collateral Manager of such auction, the Principal Paying Agent will provide notice (in such form as is prepared by the Collateral Manager) to the Noteholders of an auction, setting forth in reasonable detail a description of each Unsaleable Asset and the following auction procedures: (i) any Noteholder may submit a written bid within 10 Business Days after the date of such notice to purchase one or more Unsaleable Assets no later than the date specified in the auction notice (which will be at least 15 Business Days after the date of such notice); (ii) each bid must include an offer to purchase for a specified amount of cash on a proposed settlement date no later than 20 Business Days after the date of the auction notice; (iii) if no Noteholder submits such a bid within the time period specified under clause (i) above, unless the Collateral Manager determines that delivery in kind is not legally or commercially practicable and provides written notice thereof to the Principal Paying Agent, the Principal Paying Agent will provide notice (in a form to be prepared by the Collateral Manager) thereof to each Noteholder (in accordance with Condition 16 (*Notices*) and the Collateral Manager shall offer to deliver (at such Noteholder's expense) a *pro rata* portion (as determined by the Collateral Manager) of each unsold Unsaleable Asset to the Noteholders or beneficial owners of the most senior Class of Notes that provide delivery instructions in writing to the Collateral Administrator on or before the date specified in such notice, subject to minimum denominations; provided that, to the extent that minimum

denominations do not permit a *pro rata* distribution, the Collateral Administrator will distribute the Unsaleable Assets on a *pro rata* basis to the extent possible and the Collateral Manager will select by lottery the Noteholder or beneficial owner to whom the remaining amount will be delivered and deliver written notice thereof to the Collateral Administrator; provided, further, that the Collateral Administrator will use commercially reasonable efforts to effect delivery of such interests; and (iv) if no such Noteholder or beneficial owner provides delivery instructions to the Collateral Administrator, the Collateral Administrator will promptly notify the Collateral Manager and offer to deliver (at the cost of the Collateral Manager) the Unsaleable Asset to the Collateral Manager. If the Collateral Manager declines such offer, the Collateral Administrator will take such action as directed by the Collateral Manager (on behalf of the Issuer) in writing to dispose of the Unsaleable Asset, which may be by donation to a charity, abandonment or other means. For the avoidance of doubt, any sale or delivery or other transfer or disposal of an Unsaleable Asset in the circumstances contemplated in this paragraph shall not affect the Principal Amount Outstanding of any Notes.

Amendments to Collateral Obligations

The Issuer (or the Collateral Manager on the Issuer's behalf) may vote in favour of a Maturity Amendment only if, after giving effect to such Maturity Amendment:

(a) the Collateral Obligation Stated Maturity of the Collateral Obligation that is the subject of such Maturity Amendment is not later than the Maturity Date of the Rated Notes; and

(b) the Weighted Average Life Test is satisfied.

If the Issuer or the Collateral Manager (on behalf of the Issuer) has not voted in favour of a Maturity Amendment which would contravene the requirements above but by way of scheme of arrangement or otherwise, the Collateral Obligation Stated Maturity has been extended, the Issuer or the Collateral Manager acting on its behalf may but shall not be required to sell such Collateral Obligation or treat such Collateral Obligation as a Defaulted Obligation, save that the Collateral Manager shall be required to treat such Collateral Obligation as a Defaulted Obligation if on any Measurement Date, the aggregate Principal Balance of all Collateral Obligations which, as at the relevant date of determination, have been subject to this proviso exceeds the Maturity Amendment Threshold, 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.

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

On and after the Effective Date during the Reinvestment Period, if, on any Payment Date during such period after giving effect to the payment of all amounts payable in respect of paragraphs (A) through (V) (inclusive) of the Interest Priority of Payments, the Reinvestment Overcollateralisation Test has not been satisfied, then on the related Payment Date, Interest Proceeds in an amount (such amount, the "**Required Diversion Amount**") equal to the lesser of (1) 50 per cent. of all remaining Interest Proceeds available for payment pursuant to paragraph (V) of the Interest Priority of Payments and (2) the amount which, after giving effect to the payment of all amounts payable in respect of paragraphs (A) through (V) (inclusive) of the Interest Priority of Payments would be sufficient to cause the Reinvestment Overcollateralisation Test to be satisfied shall be paid, at the discretion of the Collateral Manager (acting on behalf of the Issuer) (i) into the Principal Account as Principal Proceeds; or (ii) in redemption of the Notes in accordance with the Note Payment Sequence.

Reinvestment of Collateral Obligations during, and following the expiry of the Reinvestment Period

Notwithstanding anything else in these reinvestment conditions to the contrary, it is a condition to any purchase of a Substitute Collateral Obligation, that if the balance in the Principal Account after giving effect to (i) all

expected debits and credits in connection with such purchase and all other sales and purchases (as applicable) previously or simultaneously committed to, and (ii) without duplication of amounts in the preceding paragraph (i), anticipated receipts of Principal Proceeds, is a negative amount, the absolute value of such amount may not be greater than 4.0 per cent. of the Adjusted Collateral Principal Amount as of the Measurement Date immediately preceding the trade date for such purchase.

Designation for Reinvestment

After the expiry of the Reinvestment Period, the Collateral Manager shall, one Business Day following each Determination Date, notify the Issuer and the Collateral Administrator in writing of all Principal Proceeds which the Collateral Manager determines in its discretion (acting on behalf of the Issuer, and subject to the terms of Collateral Management 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: (i) Purchased Accrued Interest; (ii) any interest received in respect of any Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation other than Defaulted Mezzanine Excess Amounts; and (iii) any interest received in respect of a Defaulted Obligation for so long as it is a Defaulted Obligation other than Defaulted Obligation Excess Amounts.

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 in the event that such Collateral Obligations satisfy such requirements in aggregate rather than on an individual basis.

For the purpose of calculating compliance with the Reinvestment Criteria at the election of the Collateral Manager acting in a commercially reasonable manner, any proposed investment (whether a single Collateral Obligation or a group of Collateral Obligations) identified by the Collateral Manager as such at the time (the "**Initial Trading Plan Calculation Date**") when compliance with the Reinvestment Criteria is required to be calculated (a "**Trading Plan**") may be evaluated after giving effect to all sales and reinvestments proposed to be entered into within the 15 Business Days following the date of determination of such compliance (such period, the "**Trading Plan Period**"); provided that:

(a) no Trading Plan may result in the purchase of Collateral Obligations having an Aggregate Principal Balance that exceeds 5 per cent. of the Collateral Principal Amount (for which purpose the Principal Balance of each Defaulted Obligation shall be multiplied by the lower of its S&P Collateral Value, Market Value and its Fitch Recovery Rate (determined with respect to an assumed "Initial Rated Note Rating" of "B")) as of the first day of the Trading Plan Period;

(b) no Trading Plan Period may include a Determination Date;

(c) no Trading Plan may be entered into following the expiry of the Reinvestment Period if (A) any of the Collateral Obligations which form part of such Trading Plan have Collateral Obligation Stated

Maturities shorter than twelve months; and (B) the differential between the shortest and the longest Collateral Obligation Stated Maturities of the related Collateral Obligations forming part of such Trading Plan exceeds three years;

(d) no more than one Trading Plan may be in effect at any time during a Trading Plan Period; and

(e) if the Reinvestment Criteria are satisfied prospectively after giving effect to a Trading Plan, but are not satisfied upon the completion of the related Trading Plan, Rating Agency Confirmation from Fitch is obtained with respect to the effectiveness of additional Trading Plans (it being understood that Rating Agency Confirmation from Fitch shall only be required once following any failure of a Trading Plan),

provided that no Trading Plan may result in the averaging of the purchase price of a Collateral Obligation or Collateral Obligations purchased at separate times for purposes of determining whether any particular Collateral Obligation is a Discount Obligation. For the avoidance of doubt, when calculating compliance with the Reinvestment Criteria, where a particular criterion in the Reinvestment Criteria only applies to one or some, but not all, of the Collateral Obligations in a Trading Plan, (a) that criterion shall apply to the relevant Collateral Obligation(s) only, (b) only those Collateral Obligations shall be aggregated for the purpose of calculating compliance with that criterion, and (c) the other Collateral Obligations in the Trading Plan shall not be taken into consideration for the purposes of calculating compliance with that criterion.

Eligible Investments

The Issuer or the Collateral Manager (acting on behalf of the Issuer) may from time to time purchase Eligible Investments out of the Balances standing to the credit of the Accounts (other than the Counterparty Downgrade Collateral Account(s), the Unfunded Revolver Reserve Account and the Payment Account). For the avoidance of doubt, Eligible Investments may be sold by the Issuer or the Collateral Manager (acting on behalf of the Issuer) at any time.

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 provided that such Collateral Enhancement Obligation may not constitute a Dutch Ineligible Security.

All funds required in respect of the purchase price of any Collateral Enhancement Obligations, and all funds required in respect of the exercise price of any rights or options thereunder, may only be paid out of the balance standing to the credit of the Supplemental Reserve Account at the relevant time or by means of a Collateral Manager Advance. Pursuant to Condition 3(j)(vi) (*Supplemental Reserve Account*), such Balance shall be comprised of all sums deposited therein from time to time which will comprise amounts which the Collateral Manager acting on behalf of the Issuer determines shall be paid into the Supplemental Reserve Account pursuant to the Priorities of Payment.

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 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 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 Security or Collateral

Enhancement Obligation which is or at any time becomes Margin Stock as soon as practicable following such event.

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

Non-Euro Obligations

The Collateral Manager shall be authorised to purchase, on behalf of the Issuer, Non-Euro Obligations from time to time provided that any such Non-Euro Obligation shall only constitute a Collateral Obligation that satisfies paragraph (b) of the Eligibility Criteria if not later than the settlement of the purchase by the Issuer of such Collateral Obligation, the Collateral Manager procures entry by the Issuer into a Currency Hedge Transaction 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 a Currency Hedge Counterparty. The Collateral Manager (on behalf of the Issuer) shall be authorised to enter into spot exchange transactions, as necessary, to fund the Issuer's payment obligations under any Currency Hedge Transaction. Rating Agency Confirmation shall be required in relation to entry into each Currency Hedge Transaction unless such Currency Hedge Transaction is a Form Approved Hedge. 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 acquire Collateral Obligations which are Revolving Obligations or Delayed Drawdown Collateral Obligations from time to time.

Such Revolving Obligations and Delayed Drawdown Collateral Obligations may only be acquired if they are capable of being drawn in a single currency only (being Euros) and are not payable in or convertible into another currency.

Each Revolving Obligation and Delayed Drawdown Collateral Obligation will, pursuant to its terms, require the Issuer to make one or more future advances or other extensions of credit (including extensions of credit made on an unfunded basis pursuant to which the Issuer may be required to reimburse the provider of a guarantee or other ancillary facilities made available to the obligor thereof in the event of any default by the obligor thereof in respect of its reimbursement obligations in connection therewith). Such Revolving Obligations and Delayed Drawdown Collateral Obligations may or may not provide that they may be repaid and reborrowed from time to time by the Obligor thereunder. Upon acquisition of any Revolving Obligations and Delayed Drawdown Collateral Obligations, the Issuer shall deposit into the Unfunded Revolver Reserve Account amounts equal to the combined aggregate principal amounts of the Unfunded Amounts under each of the Revolving Obligations and Delayed Drawdown Collateral Obligations. To the extent required, the Issuer, or the Collateral Manager acting on its behalf, may direct that amounts standing to the credit of the Unfunded Revolver Reserve Account be deposited with a third party from time to time as collateral for any reimbursement or indemnification obligations owed by the Issuer to any other lender in connection with a Revolving Obligation or a Delayed Drawdown Collateral Obligation, as applicable and upon receipt of an Issuer Order by the Collateral Administrator (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 and the Irish Security Agreement.

Participations

The Collateral Manager acting on behalf of the Issuer may from time to time acquire Collateral Obligations from Selling Institutions by way of Participation provided that at the time such Participation is taken:

(a) the percentage of the Collateral Principal Amount that represents Participations entered into by the Issuer with a single Selling Institution will not exceed the percentages set forth in the Bivariate Risk Table determined by reference to the credit rating of such third party (or any guarantor thereof); and

(b) the percentage of the Collateral Principal Amount that represents Participations entered into by the Issuer with Selling Institutions (or any guarantor thereof), each having the same credit rating (taking the lowest rating assigned thereto by any Rating Agency), will not exceed the aggregate third party credit exposure limit set forth in the Bivariate Risk Table for such credit rating,

and, for the purpose of determining the foregoing, account shall be taken of each sub participation from which the Issuer, directly or indirectly, derives its interest in the relevant Collateral Obligation.

Each Participation entered into pursuant to a sub-participation agreement shall be substantially in the form of:

(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 Assignment is acquired the Collateral Manager acting on behalf of the Issuer shall have complied, to the extent within their control, with any requirements relating to such Assignment set out in the relevant loan documentation for such Collateral Obligation (including, without limitation, with respect to the form of such Assignment and obtaining the consent of any person specified in the relevant loan documentation).

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

Bivariate Risk Table

The following is the bivariate risk table (the "**Bivariate Risk Table**") and as referred to in "*Portfolio Profile Tests*" below and "*Participations*" above. For the purposes of the limits specified in the Bivariate Risk Table, the individual third party credit exposure limit shall be determined by reference to the Aggregate Principal Balance of all Participations (excluding any Defaulted Obligations) 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

Issuer Default Rating of Selling Institution	Individual Third Party Credit Exposure Limit*	Aggregate Third Party Credit Exposure Limit*
Fitch		
AAA	5 per cent.	5 per cent.
AA+	5 per cent.	5 per cent.
AA	5 per cent.	5 per cent.
AA-	5 per cent.	5 per cent.
A+	5 per cent.	5 per cent.
A	5 per cent.	5 per cent.
A- or below	0 per cent.	0 per cent.
Long-Term/Short Term Senior Unsecured Debt Rating of Selling Institution	Individual Third Party Credit Exposure Limit*	Aggregate Third Party Credit Exposure Limit*

S&P

AAA	5 per cent.	5 per cent.
AA+	5 per cent.	5 per cent.
AA	5 per cent.	5 per cent.
AA-	5 per cent.	5 per cent.
A+	5 per cent.	5 per cent.
A	5 per cent.	5 per cent.
A- or below	0 per cent.	0 per cent.

* As a percentage of the Collateral Principal Amount (excluding any Defaulted Obligations) the aggregate third party credit exposure limit shall be determined by reference to the aggregate of the third party credit exposure of all such counterparties which share the same rating level or have a lower rating level, as indicated in the Bivariate Risk Table.

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 on and following the Effective Date, as further described herein.

Substitute Collateral Obligations in respect of which a binding commitment has been made to purchase such Substitute Collateral Obligations but such purchase has not been settled shall nonetheless be deemed to have been purchased for the purposes of the Portfolio Profile Tests, the Collateral Quality Tests and the Coverage Tests. Collateral Obligations in respect of which a binding commitment has been made to sell such Collateral Obligations, but such sale has not been settled, shall be deemed to have been sold for the purposes of the Portfolio Profile Tests, the Collateral Quality Tests and the Coverage Tests. See "*Reinvestment of Collateral Obligations*" above.

Notwithstanding the foregoing, the failure of the Portfolio to meet the requirements of the Portfolio Profile Tests at any time shall not prevent any obligation which would otherwise be a Collateral Obligation from being a Collateral Obligation.

Portfolio Profile Tests

The Portfolio Profile Tests will consist of each of the following:

(a) not less than 90.0 per cent. of the Collateral Principal Amount shall consist of Secured Senior Obligations (which term, for the purposes of this paragraph (a), shall comprise the aggregate of the Aggregate Principal Balance of the Secured Senior Obligations and the Balances standing to the credit of the Principal Account and the Unused Proceeds Account, in each case as at the relevant Measurement Date);

(b) not less than 70.0 per cent. of the Collateral Principal Amount shall consist of obligations which are Secured Senior Loans (which term, for these purposes, shall comprise the aggregate of the Aggregate Principal Balance of the Secured Senior Loans and the Balances standing to the credit of the Principal Account and the Unused Proceeds Account, including Eligible Investments acquired with such Balances (excluding accrued interest thereon, in each case as at the relevant Measurement Date));

(c) not more than 10.0 per cent. of the Collateral Principal Amount shall consist of Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and High Yield Bonds;

(d) not more than 10.0 per cent. of the Collateral Principal Amount (or, in relation to a Fitch Test Matrix elected by the Collateral Manager where such Fitch Test Matrix and/or the interpolation between the

applicable Fitch Test Matrices applies a maximum percentage of the Collateral Principal Amount that can comprise Fixed Rate Collateral Obligations, such lower percentage calculated in accordance with the provisions set out in the section of this Offering Circular entitled "*The Portfolio—Portfolio Profile Tests and Collateral Quality Tests—Fitch Tests Matrices*") shall consist of obligations which are Fixed Rate Collateral Obligations;

(e) not more than 30.0 per cent. of the Collateral Principal Amount shall consist of Secured Senior Bonds, Mezzanine Obligations in the form of bonds and High Yield Bonds;

(f) not more than 30.0 per cent. of the Collateral Principal Amount shall consist of Cov-Lite Loans;

(g) not more than 20.0 per cent. of the Collateral Principal Amount shall consist of Currency Hedge Obligations;

(h) not more than 15.0 per cent. of the Collateral Principal Amount shall consist of obligations of Obligors who are Domiciled in countries or jurisdictions which is rated below "A-" by S&P unless Rating Agency Confirmation from S&P is obtained;

(i) not more than 10.0 per cent. of the Collateral Principal Amount shall consist of Obligors who are Domiciled in countries or jurisdictions with a Fitch country ceiling below "AAA" by Fitch unless Rating Agency Confirmation from Fitch is obtained;

(j) not more than 2.5 per cent. of the Collateral Principal Amount shall consist of Current Pay Obligations;

(k) not more than 2.5 per cent. of the Collateral Principal Amount shall consist of obligations which are Bridge Loans;

(l) not more than 5.0 per cent. of the Collateral Principal Amount shall consist of obligations which are Revolving Obligations or Delayed Drawdown Collateral Obligations;

(m) not more than 5.0 per cent. of the Collateral Principal Amount shall consist of PIK Securities;

(n) not more than 7.5 per cent. of the Collateral Principal Amount shall consist of Fitch CCC Obligations;

(o) not more than 7.5 per cent. of the Collateral Principal Amount shall consist of S&P CCC Obligations;

(p) not more than 15.0 per cent. of the Collateral Principal Amount shall consist of obligations whose S&P Rating is derived from a Moody's rating;

(q) not more than 2.5 per cent. of the Collateral Principal Amount shall consist of obligations of a single Obligor (in the case of Secured Senior Obligations) provided that up to three Obligors may represent up to 3.0 per cent. of the Collateral Principal Amount each;

(r) not more than 1.5 per cent. of the Collateral Principal Amount shall consist of obligations of a single Obligor (in the case of Collateral Obligations which are not Secured Senior Obligations);

(s) not more than 2.5 per cent. of the Collateral Principal Amount shall consist of obligations of a single Obligor provided that up to three Obligors may represent up to 3.0 per cent. of the Collateral Principal Amount each;

(t) not more than 10.0 per cent. of the Collateral Principal Amount shall be obligations comprising any single Fitch industry category, *provided that* not more than 17.5 per cent. of the Collateral Principal Amount shall be obligations comprising the largest Fitch industry category, not more than 15.0 per cent. of the Collateral Principal Amount shall be obligations comprising the second largest Fitch industry category, not more than 12.0 per cent. of the Collateral Principal Amount shall be obligations comprising the third largest Fitch industry category and further *provided that* not more than 40.0 per cent. of the Collateral Principal Amount shall be obligations comprising the three largest Fitch industry categories;

(u) not more than 12.0 per cent. of the Collateral Principal Amount shall consist of obligations comprising any one S&P industry group, provided that any two S&P industry groups may each comprise up to 15.0

of the Collateral Principal Amount and one additional S&P industry group may comprise up to 17.5 per cent. of the Collateral Principal Amount;

(v) not more than 5.0 per cent. of the Collateral Principal Amount shall consist of Corporate Rescue Loans, provided that not more than 2.0 per cent. of the Collateral Principal Amount may consist of Corporate Rescue Loans of a single Obligor;

(w) not more than 5.0 per cent. of the Collateral Principal Amount shall consist of Participations;

(x) not more than 5.0 per cent. of the Collateral Principal Amount shall consist of Collateral Obligations issued by Obligors each of which has total potential indebtedness (comprised of all financial debt owing by the Obligor including the maximum available amount or total commitment under any revolving or delayed draw loans) under their respective loan agreements and other Underlying Instruments greater than or equal to €150,000,000 and less than €250,000,000 (or its equivalent in any currency);

(y) not more than 10 per cent. of the Collateral Principal Amount shall consist of Obligors that are Collateral Manager Portfolio Companies;

(z) not more than 23 per cent. of the Collateral Principal Amount (or, in relation to a Fitch Test Matrix elected by the Collateral Manager where such Fitch Test Matrix and/or the interpolation between the applicable Fitch Test Matrices applies a maximum percentage of the Collateral Principal Amount that can comprise Collateral Obligations of the ten Obligors with the highest aggregate Principal Balance, such lower percentage calculated in accordance with the provisions set out in the section of this Offering Circular entitled "*The Portfolio—Portfolio Profile Tests and Collateral Quality Tests—Fitch Tests Matrices*") shall consist Collateral Obligation of the ten Obligors with the highest aggregate Principal Balance;

(aa) the limits set forth in the Bivariate Risk Table determined by reference to the ratings of Selling Institutions shall be satisfied;

(bb) not more than 25.0 per cent. of the Collateral Principal Amount shall consist of Discount Obligations; and

(cc) not more than 0.0 per cent. of the Collateral Principal Amount shall consist of Annual Obligations.

"**Annual Obligations**" means Collateral Obligations which, in accordance with their terms, at the relevant date of measurement, pay interest less frequently than semi-annually.

"**Bridge Loan**" shall mean any Collateral Obligation that: (i) is incurred in connection with a merger, acquisition, consolidation, sale of all or substantially all of the assets of a person, restructuring or similar transaction; (ii) by its terms, is required to be repaid within one year of the incurrence thereof with proceeds from additional borrowings or other refinancings (provided, however, that any additional borrowing or refinancing having a term of more than one year may be included as a Bridge Loan if one or more financial institutions shall have provided the Obligor with a binding written commitment to provide the same); and (iii) prior to its purchase by the Issuer, has an S&P Rating and a Fitch Rating or, if the Bridge Loan is not rated by S&P and Fitch, Rating Agency Confirmation has been obtained.

"**Collateral Manager Portfolio Companies**" means Persons in respect of which funds managed by (a) the Ares Group or its affiliates or (b) any replacement Collateral Manager or its affiliates directly or indirectly holds more than 50 per cent. of the voting capital or similar right of ownership.

"**NRSRO Rating**" means a Fitch Rating or an S&P Rating.

"**Senior Secured Floating Rate Note**" means any obligation that (a) constitutes borrowed money, (b) is in the form of, or represented by, a bond, note (other than any note evidencing a loan), certificated debt security or other debt security, (c) is expressly stated to bear interest based upon an interbank offered rate for deposits in the relevant currency and in the relevant location or a relevant reference bank's published base rate or prime rate for obligations denominated in the relevant currency and in the relevant location, (d) does not constitute and is not secured by, Margin Stock, (e) if it is subordinated by its terms, is subordinated only to indebtedness for borrowed money, trade claims, capitalised leases or other similar obligations, or no other obligation of the Obligor has any higher priority security interest in such assets or stock, provided that a revolving loan of the

Obligor that, pursuant to its terms, may require one or more future advances to be made to the borrower may have a higher priority security interest in such assets or stock in the event of an enforcement in respect of such loan representing up to 15 per cent. of the Obligor's senior debt (or more if Rating Agency Confirmation has been obtained) and (f) is secured by a valid first priority perfected security interest or lien in, to or on specified collateral securing the obligor's obligations under such obligation.

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, (with each Defaulted Obligations carried at its Market Value multiplied by its respective Principal Balance (other than (n) and (o) of the Portfolio Profile Tests for which each Defaulted Obligation will be carried at zero). Obligations for which the Issuer (or the Collateral Manager acting on behalf of the Issuer) has entered into binding commitments to purchase but have not yet settled shall be included for the purposes of calculating the Portfolio Profile Tests and obligations for which the Issuer (or the Collateral Manager acting on behalf of the Issuer) has entered into binding commitments to sell, but have not yet settled, shall be excluded for the purposes of the Portfolio Profile Tests.

Collateral Quality Tests

The Collateral Quality Tests will consist of each of the following:

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

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

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

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

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

  (i) the Minimum Weighted Average Spread Test; and

  (ii) the Weighted Average Life Test,

each as defined in the Collateral Management and Administration Agreement.

The Fitch Tests 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 applicable to it) (the "**Fitch Test Matrices**") shall be applicable for purposes of the Fitch Maximum Weighted Average Rating Factor Test, the Fitch Minimum Weighted Average Recovery Rate Test and the Minimum Weighted Average Spread Test. For any given case:

(a) the percentage of the Collateral Principal Amount consisting of Fixed Rate Collateral Obligations as of such Measurement Date is less than or equal to the maximum percentage of Fixed Rate Collateral Obligations specified in such Fitch Test 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 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 (a) and (b)

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 (a) and (b) 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 Minimum Weighted Average Spread Test and the concentration limits applicable to the largest 10 Obligors by Principal Balance and 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), each of the concentration limits for the largest 10 Obligors by Principal Balance and 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.

Fitch Tests Matrices

Fitch Test Matrix 1

Maximum 10.0% Fixed Rate Collateral Obligations Concentration Limit

Largest 10 Obligors by Principal Balance 23% Concentration Limit

WAC 5%

	Fitch WARF											
WAS	30	31	32	33	34	34.25	35	36	37	38	39	40
2.40%	83.70%	84.40%	85.10%	85.80%	86.50%	86.60%	87.00%	87.60%	88.10%	88.60%	89.10%	89.50%
2.60%	79.80%	80.70%	81.50%	82.30%	83.10%	83.30%	83.80%	84.50%	85.10%	85.70%	86.30%	86.80%
2.80%	76.00%	77.00%	78.00%	78.90%	79.70%	79.90%	80.50%	81.30%	82.10%	82.70%	83.40%	84.00%
3.00%	72.00%	73.30%	74.50%	75.60%	76.50%	76.70%	77.30%	78.10%	78.80%	79.60%	80.40%	81.00%
3.20%	68.10%	69.40%	70.60%	71.90%	73.00%	73.30%	74.10%	75.10%	76.10%	76.90%	77.70%	78.50%
3.40%	64.30%	65.80%	67.20%	68.40%	69.60%	69.90%	70.70%	71.90%	73.00%	74.00%	75.00%	75.90%
3.60%	61.50%	62.70%	64.10%	65.50%	66.80%	67.10%	68.00%	69.10%	70.00%	71.10%	72.60%	74.40%
3.75%	60.20%	61.40%	62.50%	63.60%	64.80%	65.10%	66.00%	67.20%	68.30%	69.70%	71.50%	73.30%
3.80%	59.80%	61.00%	62.10%	63.20%	64.40%	64.70%	65.60%	66.80%	68.00%	69.40%	71.20%	73.00%
4.00%	57.90%	59.30%	60.70%	62.00%	63.10%	63.40%	64.20%	65.30%	66.70%	68.10%	69.70%	71.50%
4.20%	56.00%	57.50%	59.00%	60.40%	61.70%	62.00%	62.90%	64.10%	65.40%	66.70%	68.20%	69.90%
4.40%	54.20%	55.80%	57.30%	58.80%	60.20%	60.50%	61.40%	62.70%	64.00%	65.30%	66.70%	68.40%
4.60%	52.40%	54.10%	55.70%	57.20%	58.60%	59.00%	60.00%	61.20%	62.60%	64.00%	65.30%	67.10%
4.80%	50.40%	52.30%	54.00%	55.60%	57.20%	57.60%	58.70%	60.10%	61.30%	62.60%	64.20%	65.90%
5.00%	48.80%	50.40%	52.20%	53.90%	55.60%	56.00%	57.10%	58.50%	60.10%	61.50%	63.00%	64.60%
5.20%	47.20%	48.80%	50.40%	52.20%	53.90%	54.30%	55.60%	57.20%	58.80%	60.20%	61.70%	63.30%
5.40%	45.90%	47.40%	49.00%	50.80%	52.70%	53.10%	54.40%	55.90%	57.40%	58.80%	60.40%	62.10%

Fitch Test Matrix 2

Maximum 0% Fixed Rate Collateral Obligations Concentration Limit

Largest 10 Obligors by Principal Balance 23% Concentration Limit

WAC 5%

	Fitch WARF											
WAS	30	31	32	33	34	34.25	35	36	37	38	39	40
2.40%	83.70%	84.40%	85.10%	85.80%	86.50%	86.60%	87.00%	87.60%	88.10%	88.60%	89.10%	89.50%
2.60%	79.80%	80.70%	81.50%	82.30%	83.10%	83.30%	83.80%	84.50%	85.10%	85.70%	86.30%	86.80%
2.80%	76.00%	77.00%	78.00%	78.90%	79.70%	79.90%	80.50%	81.30%	82.10%	82.70%	83.40%	84.00%
3.00%	72.00%	73.30%	74.50%	75.60%	76.50%	76.70%	77.30%	78.10%	78.80%	79.60%	80.40%	81.00%
3.20%	68.10%	69.40%	70.60%	71.90%	73.00%	73.30%	74.10%	75.10%	76.10%	76.90%	77.70%	78.50%
3.40%	64.30%	65.80%	67.20%	68.40%	69.60%	69.90%	70.70%	71.90%	73.00%	74.00%	75.00%	75.80%
3.60%	61.50%	62.70%	64.10%	65.50%	66.80%	67.10%	68.00%	69.10%	70.00%	71.10%	72.10%	73.00%
3.75%	60.20%	61.40%	62.50%	63.60%	64.70%	64.90%	65.70%	66.80%	67.90%	69.00%	70.00%	71.10%
3.80%	59.80%	61.00%	62.10%	63.20%	64.30%	64.50%	65.30%	66.40%	67.50%	68.60%	69.70%	70.80%
4.00%	57.90%	59.30%	60.60%	61.80%	62.80%	63.10%	63.90%	64.90%	66.00%	67.30%	68.40%	69.40%
4.20%	55.90%	57.40%	58.70%	60.10%	61.20%	61.50%	62.40%	63.50%	64.60%	65.70%	66.90%	68.10%
4.40%	54.00%	55.60%	57.00%	58.40%	59.60%	60.00%	60.80%	62.00%	63.20%	64.30%	65.50%	66.70%
4.60%	52.30%	53.90%	55.40%	56.80%	58.10%	58.40%	59.40%	60.70%	62.00%	63.10%	64.20%	65.40%
4.80%	50.20%	51.90%	53.50%	55.00%	56.40%	56.70%	57.80%	59.20%	60.60%	61.80%	62.90%	64.10%
5.00%	48.50%	50.00%	51.60%	53.30%	55.00%	55.30%	56.30%	57.70%	59.10%	60.40%	61.60%	62.90%
5.20%	47.10%	48.60%	50.10%	51.70%	53.30%	53.70%	54.80%	56.20%	57.80%	59.20%	60.50%	61.70%
5.40%	45.60%	47.20%	48.70%	50.20%	51.80%	52.20%	53.40%	54.90%	56.30%	57.80%	59.20%	60.50%

Fitch Test Matrix 3

Maximum 10% Fixed Rate Collateral Obligations Concentration Limit

Largest 10 Obligors by Principal Balance 15% Concentration Limit

WAC 5%

	Fitch WARF											
WAS	30	31	32	33	34	34.25	35	36	37	38	39	40
2.40%	83.70%	84.40%	85.10%	85.80%	86.50%	86.60%	87.00%	87.60%	88.10%	88.60%	89.10%	89.50%
2.60%	79.80%	80.70%	81.50%	82.30%	83.10%	83.30%	83.80%	84.50%	85.10%	85.70%	86.30%	86.80%
2.80%	76.00%	77.00%	78.00%	78.90%	79.70%	79.90%	80.50%	81.30%	82.10%	82.70%	83.40%	84.00%
3.00%	72.00%	73.30%	74.50%	75.60%	76.50%	76.70%	77.30%	78.10%	78.80%	79.60%	80.40%	81.00%
3.20%	68.10%	69.40%	70.60%	71.90%	73.00%	73.30%	74.10%	75.10%	76.10%	76.90%	77.70%	78.50%
3.40%	64.30%	65.80%	67.20%	68.40%	69.60%	69.90%	70.70%	71.90%	73.00%	74.00%	75.00%	75.90%
3.60%	60.90%	62.60%	64.10%	65.50%	66.80%	67.10%	68.00%	69.10%	70.00%	71.10%	72.10%	73.20%
3.75%	59.60%	60.80%	62.00%	63.10%	64.20%	64.50%	65.50%	66.70%	67.90%	69.00%	70.10%	71.90%
3.80%	59.10%	60.40%	61.60%	62.70%	63.80%	64.10%	65.00%	66.20%	67.40%	68.50%	69.80%	71.50%
4.00%	57.20%	58.60%	60.10%	61.40%	62.50%	62.80%	63.70%	64.70%	65.90%	67.10%	68.50%	70.10%
4.20%	55.20%	56.80%	58.30%	59.70%	61.10%	61.40%	62.30%	63.50%	64.60%	65.80%	67.10%	68.60%
4.40%	53.30%	55.00%	56.60%	58.00%	59.50%	59.80%	60.80%	62.00%	63.20%	64.40%	65.70%	67.00%
4.60%	51.50%	53.30%	54.90%	56.50%	57.90%	58.30%	59.30%	60.60%	61.80%	63.10%	64.40%	65.70%
4.80%	49.60%	51.40%	53.10%	54.80%	56.40%	56.80%	58.00%	59.40%	60.70%	61.90%	63.20%	64.50%
5.00%	47.90%	49.60%	51.30%	53.10%	54.80%	55.20%	56.30%	57.80%	59.20%	60.50%	61.90%	63.30%
5.20%	46.40%	48.00%	49.50%	51.30%	53.10%	53.50%	54.80%	56.40%	58.00%	59.50%	60.80%	62.10%
5.40%	45.00%	46.70%	48.20%	49.80%	51.80%	52.20%	53.50%	55.20%	56.70%	58.10%	59.50%	60.80%

Fitch Test Matrix 4

Maximum 0% Fixed Rate Collateral Obligations Concentration Limit

Largest 10 Obligors by Principal Balance 15% Concentration Limit

	WAC 5%											
	Fitch WARF											
WAS	30	31	32	33	34	34.25	35	36	37	38	39	40
2.40%	83.70%	84.40%	85.10%	85.80%	86.50%	86.60%	87.00%	87.60%	88.10%	88.60%	89.10%	89.50%
2.60%	79.80%	80.70%	81.50%	82.30%	83.10%	83.30%	83.80%	84.50%	85.10%	85.70%	86.30%	86.80%
2.80%	76.00%	77.00%	78.00%	78.90%	79.70%	79.90%	80.50%	81.30%	82.10%	82.70%	83.40%	84.00%
3.00%	72.00%	73.30%	74.50%	75.60%	76.50%	76.70%	77.30%	78.10%	78.80%	79.60%	80.40%	81.00%
3.20%	68.10%	69.40%	70.60%	71.90%	73.00%	73.30%	74.10%	75.10%	76.10%	76.90%	77.70%	78.50%
3.40%	64.30%	65.80%	67.20%	68.40%	69.60%	69.90%	70.70%	71.90%	73.00%	74.00%	75.00%	75.80%
3.60%	60.90%	62.60%	64.10%	65.50%	66.80%	67.10%	68.00%	69.10%	70.00%	71.10%	72.10%	73.00%
3.75%	59.60%	60.80%	62.00%	63.10%	64.20%	64.50%	65.50%	66.70%	67.90%	69.00%	70.00%	71.10%
3.80%	59.10%	60.40%	61.60%	62.70%	63.70%	64.00%	64.80%	66.10%	67.20%	68.30%	69.40%	70.40%
4.00%	57.20%	58.60%	60.00%	61.20%	62.30%	62.60%	63.40%	64.40%	65.40%	66.40%	67.60%	68.70%
4.20%	55.20%	56.70%	58.10%	59.40%	60.70%	61.00%	61.80%	62.90%	63.90%	65.00%	66.00%	67.30%
4.40%	53.20%	54.80%	56.30%	57.70%	59.00%	59.30%	60.20%	61.40%	62.50%	63.60%	64.70%	65.90%
4.60%	51.50%	53.10%	54.70%	56.10%	57.50%	57.80%	58.80%	60.00%	61.20%	62.30%	63.50%	64.60%
4.80%	49.50%	51.10%	52.70%	54.30%	55.70%	56.10%	57.10%	58.40%	59.70%	60.90%	62.10%	63.30%
5.00%	47.70%	49.30%	50.80%	52.50%	54.10%	54.60%	55.70%	57.00%	58.30%	59.60%	60.80%	62.00%
5.20%	46.30%	47.80%	49.30%	50.90%	52.50%	52.90%	54.10%	55.50%	56.90%	58.20%	59.60%	60.90%
5.40%	44.80%	46.40%	47.90%	49.40%	51.00%	51.40%	52.60%	54.20%	55.60%	57.00%	58.30%	59.60%

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

Fitch Rating	Fitch Rating Factor
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 lesser of: (i) the Reinvestment Target Par Balance (minus the sum of: (A) all amounts standing to the credit of the Principal Account; (B) all amounts standing to the credit of the Unused Proceeds Account (to the extent that such amounts have not been designated as such as Interest Proceeds to be credited to the Interest Account); and (C) all Eligible Investments in relation thereto which represent Principal Proceeds (provided that, for the purposes of determining such amounts, Principal Proceeds to be used to purchase Collateral Obligations in respect of which the Issuer has entered into a binding commitment to purchase, but in respect of which has not yet settled, shall be excluded as if such purchase had been completed and Principal Proceeds to be received from the sale of Collateral Obligations in respect of which the Issuer has entered into a binding commitment to sell, but in respect of which sale has not yet settled, shall be included as if such sale has been completed)); and (ii) 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
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, if such Collateral Obligation is a Secured Senior Bond, the recovery rate corresponding to the Fitch recovery rating "RR3" in the table above and, otherwise, the recovery rate determined in accordance with the table below, where the Collateral Obligation shall be categorised as "**Strong Recovery**" if it is a Secured Senior Loan, "**Moderate Recovery**" if it is an Unsecured 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 it 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 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" as of the Issue Date.

"**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 Collateral Obligations (other than any obligation with an S&P Rating below "CCC-"), Principal Proceeds, and the sum of the products of the lower of the S&P Recovery Rate or the Market Value of each obligation with an S&P Rating below "CCC-" and the Principal Balance of the relevant obligation.

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

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

C0, C1 and C2 will not change unless S&P provides an updated S&P CDO Monitor Input File at the request of the Collateral Manager following the Issue Date. As at the Issue Date, C0, C1 and C2 have the following values: C0 = 0.202047028107195; C1 3.82673155187258 and C2 = 0.952880997149598.

"**S&P Weighted Average Spread**" means the aggregate of the Weighted Average Spread plus the Weighted Average Coupon Adjustment Percentage.

"**S&P CDO Monitor Input File**" means the file provided to the Collateral Manager or the Collateral Administrator by S&P setting out any new S&P CDO Monitor BDR coefficients applicable after the Issue Date.

"**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
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 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 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 and Ramp 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 of all Collateral Obligations as of such date is less than or equal to (A) 8.5 years minus (B) the number of full quarters (each quarter being a period of three months) that have elapsed since 21 January 2020 to such Measurement Date divided by four.

"**Weighted Average Life**" is, as of any Measurement Date with respect to all Collateral Obligations other than Defaulted Obligations and Deferring Securities, the number of years (rounded down to the nearest one-hundredth thereof) following such date obtained by summing the products obtained by multiplying (a) the Average Life at such time of each such Collateral Obligation by (b) the Principal Balance of such Collateral Obligation and dividing such sum by the Aggregate Principal Balance at such time of all Collateral Obligations other than Defaulted Obligations and Deferring Securities.

"**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.

The Minimum Weighted Average Spread Test

The "**Minimum Weighted Average Spread Test**" will be satisfied if, as at any Measurement Date from (and including) the Effective Date, the Weighted Average Spread as at such Measurement Date plus the Excess Weighted Average Coupon as at such Measurement Date equals or exceeds the Minimum Weighted Average Spread as at such Measurement Date.

The "**Minimum Weighted Average Spread**", as of any Measurement Date, means the weighted average spread (expressed as a percentage) applicable to the current Fitch Tests Matrices selected by the Collateral Manager.

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 Aggregate Principal Balance of all Floating Rate Collateral Obligations as of such Measurement Date,

in each case for the purposes of calculating the Weighted Average Spread;

(i) the spread of any Collateral Obligation shall exclude:

(A) (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

(B) (2) any interest that will be withheld because of tax reasons and which is neither grossed up nor recoverable under any applicable double tax treaty;

(ii) a Fixed Rate Collateral Obligation which is subject to an Interest Rate Hedge Transaction which swaps the fixed rate on such Collateral Obligation for a floating rate shall be treated as a Floating Rate Collateral Obligation with a stated spread and index equal to the stated floating rate payable by the applicable Interest Rate Hedge Counterparty to the Issuer under such Interest Rate Hedge Transaction; and

(iii) a Floating Rate Collateral Obligation which is subject to an Interest Rate Hedge Transaction which swaps the floating rate on such Collateral Obligation for a fixed rate shall be disregarded.

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 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 multiplied by (ii) the outstanding 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 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 outstanding 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 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 subject to a Currency Hedge Transaction, (i) the stated interest rate spread over EURIBOR payable by the applicable Currency Hedge Counterparty to the Issuer under the related Currency Hedge Transaction multiplied by (ii) the outstanding principal balance of such Non-Euro Obligation, converted into Euro at the applicable Currency Hedge Transaction Exchange Rate,

provided that for such purpose:

(i) a Fixed Rate Collateral Obligation which is subject to an Interest Rate Hedge Transaction which swaps the fixed rate on such Collateral Obligation for a floating rate shall be treated as a Floating Rate Collateral Obligation with a stated spread and index equal to the stated floating rate payable by the applicable Interest Rate Hedge Counterparty to the Issuer under such Interest Rate Hedge Transaction;

(ii) a Floating Rate Collateral Obligation which is subject to an Interest Rate Hedge Transaction which swaps the floating rate on such Collateral Obligation for a fixed rate shall be disregarded; and

(iii) any withholding tax withheld or to be withheld by an Obligor in respect of a Restructured Obligation shall be deducted from the spread applicable to the relevant Restructured Obligation.

If a Collateral Obligation is subject to a floor, the margin shall include, if positive: (x) the EURIBOR (or such other floating rate of interest) floor value minus (y) the greater of (i) EURIBOR (or such other floating rate of interest) applicable in respect of such Collateral Obligation on such Measurement Date and (ii) zero (*provided that*, to the extent the floor is in respect of a Non-Euro Obligation and the floor is not included in the payments made to a Hedge Counterparty under a related Currency Hedge Transaction by the Issuer, for the purposes of paragraph (c) above, any additional interest amount as a result of such floor shall be determined by multiplying (1) in the case of Non-Euro Obligations denominated in U.S. Dollars, Sterling, Danish Krone, Swiss Francs, Swedish Krona, or Norwegian Krone, 85 per cent.; and (y) in the case of Non-Euro Obligations denominated in each other Qualifying Currency, 50 per cent., in each case of such additional interest amount by (2) the Spot Rate and not the Applicable Exchange Rate (such adjustment pursuant to this paragraph, the "**EURIBOR Floor Adjustment**").

Further, 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 "**Aggregate Unfunded Spread**" is, as of any Measurement Date, the sum of the products obtained by multiplying (i) for each Delayed Drawdown Collateral Obligation and Revolving Obligation (other than Defaulted Obligations and Deferring Securities), the 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, in each case, net of any applicable withholding tax thereon.

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 outstanding principal balance of the Collateral Obligations (excluding (x) for any Deferring Security, any interest that has been deferred and capitalised thereon and (y) for the avoidance of doubt, the principal balance of any Defaulted Obligation) as of such Measurement Date minus (ii) the Target Par Amount minus (iii) the aggregate amount of Principal Proceeds received from the issuance of additional Notes pursuant to the Trust Deed; provided that the outstanding principal balance of (i) any Non-Euro Obligation subject to a Currency Hedge Transaction shall be an amount equal to the Euro equivalent of the outstanding principal amount of the reference Non-Euro Obligation, converted into Euro at the Currency Hedge Transaction Exchange Rate and (ii) any Non-Euro Obligation which is not subject to a Currency Hedge Transaction shall be an amount equal to the Euro equivalent of the outstanding principal amount of the reference Non-Euro Obligation, converted into Euro at the applicable Spot Rate.

The "**Excess Weighted Average Coupon**" means a percentage equal as of any Measurement Date to a number obtained by multiplying (a) the result of the Weighted Average Fixed Coupon minus the Reference Weighted Average Fixed Coupon by (b) the number obtained by dividing the Aggregate Principal Balance of all Fixed Rate Collateral Obligations by the Aggregate Principal Balance of all Floating Rate Collateral Obligations (excluding, for the purposes of calculating the Aggregate Principal Balance in each case, Defaulted Obligations and Deferring Securities) and which product may, for the avoidance of doubt, be negative.

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 Aggregate Principal Balance of all Fixed Rate Collateral Obligations as of such Measurement Date,

in each case excluding, for any Mezzanine Obligation, any interest that has been deferred and capitalised thereon (other than any such interest capitalised pursuant to the terms thereof which is paid for on the date of acquisition of such Mezzanine Obligation) and excluding Defaulted Obligations, Deferring Securities and the

unfunded portion of any Delayed Drawdown Collateral Obligations and Revolving Obligations and in each case adjusted for any withholding tax deducted in respect of the relevant obligation which is neither grossed up nor recoverable under any applicable double tax treaty and rounding the result up to the nearest 0.01 per cent.

For the purposes of calculating the Weighted Average Fixed Coupon,

(a) a Floating Rate Collateral Obligation which is subject to an Interest Rate Hedge Transaction which swaps the floating rate on such Collateral Obligation for a fixed rate shall be treated as a Fixed Rate Collateral Obligation with a stated coupon equal to the stated fixed rate payable by the applicable Interest Rate Hedge Counterparty to the Issuer under such Interest Rate Hedge Transaction; and

(b) a Fixed Rate Collateral Obligation which is subject to an Interest Rate Hedge Transaction which swaps the fixed rate on such Collateral Obligation for a floating rate shall be disregarded.

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

(i) with respect to any Fixed Rate Collateral Obligation which is a Non-Euro Obligation and subject to a Currency Hedge Transaction, and excluding Defaulted Obligations, Deferring Securities and the unfunded portion of any Delayed Drawdown Collateral Obligations and Revolving Obligations, the product of (x) stated coupon on such Non-Euro Obligation expressed as a percentage and (y) the outstanding principal balance of such Non-Euro Obligation, converted into Euro at the applicable Currency Hedge Transaction Exchange Rate;

(iii) with respect to all other Fixed Rate Collateral Obligations and excluding Defaulted Obligations, Deferring Securities and the unfunded portion of any Delayed Drawdown Collateral Obligations and Revolving Obligations, the sum of the products obtained by multiplying, in the case of each Fixed Rate Collateral Obligation (including, for any Deferring Security, only the required current cash pay interest required by the Underlying Instruments thereon), (x) the stated coupon on such Collateral Obligation expressed as a percentage and (y) the outstanding 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 "**Weighted Average Coupon Adjustment Percentage**" means a percentage equal as of any Measurement Date to a number obtained by multiplying: (a) the result, if any, of the Weighted Average Fixed Coupon minus the Reference Weighted Average Fixed Coupon; by (b) the number obtained by dividing the Aggregate Principal Balance of all Fixed Rate Collateral Obligations by the Aggregate Principal Balance of all Floating Rate Collateral Obligations, and which product may, for the avoidance of doubt, be negative.

The "**Reference Weighted Average Fixed Coupon**", as of any Measurement Date, means 5.00 per cent.

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; (ii) the relevant Collateral Obligation has a Fitch IDR Equivalent of "B-" or above (obtained by applying the Fitch Rating Mapping Table based on the private rating by Moody's or S&P); 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"; 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*:

(a) if a debt security or obligation of the Obligor has been in default during the past two years, the Fitch Rating of such Collateral Obligation shall be treated as "D"; and

(b) with respect to any Current Pay Obligation that is rated "D" or "RD", the Fitch Rating of such Current Pay Obligation will be "CCC",

and provided further that:

(i) if the applicable Collateral Obligation has been put on rating watch negative or negative credit watch for possible downgrade by:

(ii) Fitch, then the rating used to determine the Fitch Rating above shall be one rating subcategory below such rating by Fitch;

(iii) Moody's, then in the case only where the Fitch Rating is derived from a rating assigned by Moody's then the Fitch Rating shall be one rating subcategory below what would otherwise be the Fitch Rating determined pursuant to paragraphs (a) to (h) above; or

(iv) S&P, then in the case only where the Fitch Rating is derived from a rating assigned by S&P then the Fitch Rating shall be one rating subcategory below what would otherwise be the Fitch Rating determined pursuant to paragraphs (a) to (h) above; and

(c) notwithstanding the rating definition described above, Fitch reserves the right to use a credit opinion or a rating estimate for any Collateral Obligations at any time.

"**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 secured or subordinated secured	Fitch or S&P	"BBB-" or above	+0
Senior secured or subordinated secured	Fitch or S&P	"BB+" or below	-1
Senior secured or subordinated secured	Moody's	"Ba1" or above	-1
Senior secured or subordinated secured	Moody's	"Ba2" or below	-2
Senior secured or subordinated secured	Moody's	"Ca"	-1
Subordinated (junior or senior)	Fitch, Moody's or S&P	"B+" / "B1" or above	+1
Subordinated (junior or senior)	Fitch, Moody's or S&P	"B" / "B2" or below	+2

"**Insurance Financial Strength Rating**" means, in respect of a Collateral Obligation, the lower of any applicable public insurance financial strength rating by S&P or Moody's in respect thereof.

"**Moody's CFR**" means, with respect to a Fitch Rating, 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 (such guarantee to comply with the current S&P criteria on guarantees), 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 Corporate Rescue Loans) pursuant to paragraphs (i) to (iii) below:

(i) if an obligation of the issuer is not a Corporate Rescue Loan and is publicly rated by Moody's Investors Services, Inc. and any successor or successors thereto ("**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 Collateral Principal Amount, the Principal Balance of each Defaulted Obligation shall be equal to its S&P Collateral Value); and

(ii) the S&P Rating may be based on a credit estimate provided by S&P, and in connection therewith, the Issuer, the Collateral Manager on behalf of the Issuer or the issuer of such Collateral Obligation shall, prior to or within 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; and

(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 (x) neither the issuer of such Collateral Obligation nor any of its Affiliates are subject to any bankruptcy or reorganisation proceedings; (y) 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 (z) the Collateral Obligation is current and the Collateral Manager reasonably expects it to remain current,

(f) if an S&P Rating cannot be determined in any of the circumstances described in paragraphs (a) to (e), the S&P Rating of such Collateral Obligation will be “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 F 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, the Class F Notes and the Subordinated Notes, whether Principal Proceeds may be reinvested in Substitute Collateral Obligations, or whether Interest Proceeds which would otherwise be used to pay interest (and, if applicable, any Class D Additional Amount) on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes must instead be used to pay principal on the Notes in accordance with the Note Payment Sequence, in each case to the extent necessary to cause the Coverage Tests relating to the relevant Class of Notes to be met.

Each of the Class A/B Par Value Test, the Class A/B Interest Coverage Test, the Class C Par Value Test, the Class C Interest Coverage Test, the Class D Par Value Test, the Class D Interest Coverage Test, the Class E Par Value Test and the Class F Par Value Test shall apply on a Measurement Date (i) on and after the Effective Date in respect of the Par Value Tests, and (ii) on and after the Determination Date immediately preceding the second Payment Date in the case of each Interest Coverage Test and shall be satisfied on a Measurement Date if the corresponding Par Value Ratio or Interest Coverage Ratio (as the case may be) is at least equal to the percentage specified in the table below in relation to that Coverage Test. There are no Coverage Tests in respect of the Class X Notes.

Coverage Test and Ratio	**Percentage at Which Test is Satisfied**
Class A/B Par Value	130.86 per cent.
Class A/B Interest Coverage	120.00 per cent.
Class C Par Value	118.00 per cent.
Class C Interest Coverage	110.00 per cent
Class D Par Value	110.28 per cent.
Class D Interest Coverage	105.00 per cent.
Class E Par Value	105.69 per cent.
Class F Par Value	102.95 oper cent.

The Reinvestment Overcollateralisation Test

If the Reinvestment Overcollateralisation Test is not satisfied as of any Determination Date on and after the Effective Date and during the Reinvestment Period, on the related Payment Date, Interest Proceeds shall be paid to the Principal Account to be applied for the purpose of the acquisition of additional Collateral Obligations in an amount equal to the lesser of (1) 50 per cent. of all remaining Interest Proceeds available for payment pursuant to paragraph (V) of the Interest Priority of Payments and (2) the amount which, after giving effect to payment of all amounts payable in respect of paragraphs (A) through (V) (inclusive) of the Interest Priority of Payments, would be sufficient to cause the Reinvestment Overcollateralisation Test to be satisfied as of such Payment Date after giving effect to any payments made pursuant to paragraph (V) of the Interest Priority of Payments.

	Percentage at Which Test Is Satisfied
Reinvestment Overcollateralisation Test	103.45 per cent.

DESCRIPTION OF THE COLLATERAL MANAGEMENT AND ADMINISTRATION AGREEMENT

The following description of the Collateral Management and Administration Agreement consists of a summary of certain provisions of the Collateral Management and Administration Agreement which does not purport to be complete and is qualified by reference to the detailed provisions of such agreement. Capitalised terms used in this section and not defined in this Offering Circular shall have the meaning given to them in the Collateral Management and Administration Agreement.

General

The Collateral Manager will perform certain investment management functions, including, without limitation, supervising and directing the investment and reinvestment of the Collateral Obligations and Eligible Investments, and perform certain administrative and advisory functions on behalf of the Issuer in accordance with the applicable provisions of the Collateral Management and Administration Agreement. The Collateral Management and Administration Agreement contains procedures whereby the Collateral Manager will have discretionary authority of the Issuer in relation to the composition, acquisition and management of the Portfolio.

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 exercise its discretions under the Collateral Management and Administration Agreement, in good faith and exercise a standard of care which the Collateral Manager (and its Affiliates) exercises with respect to comparable assets and liabilities that it manages for itself and others (if any), in each case a manner which is consistent with practices and procedures generally followed by prudent institutional investment managers of international standing managing investments or advising in respect of assets and liabilities similar in nature and character to those which comprise the Collateral except as otherwise expressly provided in the Collateral Management and Administration Agreement or the Trust Deed (the "**Standard of Care**"). To the extent not inconsistent with the foregoing, the Collateral Manager will follow its customary and usual administrative policies and procedures in performing its duties under the Collateral Management and Administration Agreement. The Collateral Manager is exempted from liability arising out of or in connection with the performance of its duties under the Collateral Management and Administration Agreement except, *inter alia*, by reason of acts or omissions constituting a breach of the Standard of Care, negligence or wilful misconduct of the Collateral Manager.

Pursuant to the Collateral Management and Administration Agreement, the Collateral Manager shall be entitled to reasonably rely and act in good faith on the written advice of counsel and public accountants, selected in good faith with reasonable care, experienced in the matter at issue with respect to legal and accounting matters, respectively, and any advice from such counsel or public accountants shall provide full and complete authorisation (so long as such advice does not conflict with the terms hereof), shall be deemed to constitute satisfaction by the Collateral Manager of the Standard of Care applicable thereunder and shall entitle the Collateral Manager to the protections from liability set out therein in respect of any action taken or omitted by it in relation to the management of the Collateral in which it reasonably relied and acted in good faith thereon.

Liability of Collateral Manager

Without prejudice to provisions of the Collateral Management and Administration Agreement summarised below under "*Indemnity by the Collateral Manager*" below, neither the Collateral Manager nor any Collateral Manager Related Person will be liable to the Issuer, the Trustee, the Collateral Administrator, the holders of the Notes or any beneficial interests therein, or any other Person for any losses, claims, damages, judgments, assessments, costs, expenses or other liabilities incurred by the Issuer, the Trustee, the Collateral Administrator, the holders of the Notes or any beneficial interests therein, or any other Person that arise out of or in connection with the Transaction Documents, including performance by the Collateral Manager of its duties under the Collateral Management and Administration Agreement except by reason of acts or omissions constituting a Collateral Manager Breach (as defined below). The Collateral Manager shall not be liable for any consequential or punitive losses or damages.

In exercising its powers and duties under the Collateral Management and Administration Agreement, the Collateral Manager shall not be responsible for any failure to take any action, effect any transaction or make any recommendations whatsoever in relation to any part of the Portfolio if such failure was upon the instructions of the Issuer or the Trustee.

Indemnity by the Collateral Manager

Pursuant to the Collateral Management and Administration Agreement, the Collateral Manager (or as the case may be, each other Collateral Manager Related Person) shall indemnify and hold harmless the Issuer and its managing directors, officers, stockholders, partners, agents and controlling persons (each, a "**Collateral Manager Indemnified Person**") from and against any and all losses, claims, damages, judgments, assessments, costs, taxes or other liabilities whatsoever (collectively, "**Liabilities**"), arising in connection with an act or omission that constitutes a Collateral Manager Breach, and shall reimburse each such Collateral Manager Indemnified Person for all such Liabilities caused by, or arising out of or in connection with, any such act or omission (including fees and expenses of counsel). The Collateral Manager will undertake to the Issuer that it shall pay to the Issuer any amount payable to any Collateral Manager Indemnified Person under the Collateral Management and Administration Agreement or, if directed by the Issuer, to the person in respect of which the relevant Liability has arisen, which payment shall be in satisfaction of such amount payable.

The Collateral Manager indemnification described herein shall not apply when a Collateral Manager Indemnified Person engages in any act or omission constituting negligence or wilful misconduct in the performance of its obligations under the Collateral Management and Administration Agreement.

Without prejudice to the indemnity described above, the Collateral Manager shall assume no responsibility under or pursuant to the Collateral Management and Administration Agreement other than to render the services called for thereunder and, subject to the Standard of Care and in any event, shall not be responsible for any decision of the Issuer and/or the Trustee. The Collateral Management and Administration Agreement provides that the Collateral Manager shall incur no liability to anyone in acting upon any signature, instrument, settlement, notice, resolution, request, direction, consent, order, certificate, report, opinion, bond or other document or paper reasonably believed by it to be genuine and reasonably believed by it to be properly authorised, executed or signed by the proper party or parties. The Collateral Manager, its directors, members, officers, Affiliates, stockholders, partners, agents and employees, shall not be liable (whether directly or indirectly, in contract or in tort or otherwise) to the Issuer, the Trustee, the Collateral Administrator or any other Person for Liabilities incurred by the Issuer, the Trustee, the Collateral Administrator or such other Person that arise out of or in connection with the performance by the Collateral Manager of its duties under or pursuant to the Transaction Documents (including any Hedge Transaction) except nothing shall relieve the Collateral Manager from Liabilities it may have: (i) by reason of acts or omissions constituting a breach of the Standard of Care, fraud, negligence or wilful misconduct of the Collateral Manager in the performance of its obligations thereunder; and/or (ii) with respect to the Collateral Manager Information (as defined in the Collateral Management and Administration Agreement), if such information contains any untrue statement of material fact or omits to state a material fact necessary in order to make statements contained in such information, in the light of the circumstances under which they were made, not misleading.

The matters described in (i) and (ii) above are collectively referred to as "**Collateral Manager Breaches**" and each individually, a "**Collateral Manager Breach**".

Indemnity by the Issuer

Subject to the limited recourse and non-petition provisions contained in the Collateral Management and Administration Agreement, the Issuer will agree to indemnify and hold harmless the Collateral Manager and its Affiliates, their directors, members, officers, stockholders, partners, agents and employees (each such party, an "**Issuer Indemnified Person**") from and against any and all Liabilities, and will reimburse each Issuer Indemnified Person for all such Liabilities and documented fees and expenses (including documented fees and expenses of counsel but excluding, for the avoidance of doubt, taxation) (collectively, the "**Expenses**") as such Expenses are incurred in investigating, preparing, pursuing or defending any claim, action, proceeding or investigation with respect to any pending or threatened litigation (collectively, the "**Actions**"), (i) caused by the entry into and the performance by the Collateral Manager of its obligations under the Transaction Documents to which it is a party, including, without limitation, any pecuniary sanctions to which the Collateral Manager may become liable pursuant to Article 32 of the Securitisation Regulation including any pecuniary sanctions arising due to the Issuer's negligence or intentional infringement (ii) any action taken by, or any failure to act by, such Issuer Indemnified Person; provided, however, that no Issuer Indemnified Person shall be indemnified for any Liabilities or Expenses it incurs as a result of any acts or omissions by any Issuer Indemnified Person constituting Collateral Manager Breaches.

Compensation of the Collateral Manager

As compensation for the performance of its obligations under the Collateral Management and Administration Agreement, the Collateral Manager will be entitled to receive from the Issuer on each Payment Date a senior collateral management fee equal to 0.15 per cent. per annum (calculated semi-annually in respect of each semi-annual Due Period following the occurrence of a Frequency Switch Event and quarterly at all other times and, in each case, on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the Collateral Principal Amount measured as of the first day of the Due Period relating to the applicable Payment Date (or if such day is not a Business Day, the next day which is a Business Day) relating to the applicable Payment Date, which collateral management fee will be payable senior to the Notes, but subordinated to certain fees and expenses of the Issuer in accordance with the Priorities of Payment (such fee, the "**Senior Management Fee**").

The Collateral Management and Administration Agreement provides that the Collateral Manager will receive from the Issuer on each Payment Date a subordinated collateral management fee equal to 0.35 per cent. per annum (calculated semi-annually in respect of each semi-annual Due Period following the occurrence of a Frequency Switch Event and quarterly at all other times and, in each case, on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the Collateral Principal Amount measured as of the first day of the Due Period relating to the applicable Payment Date (or if such day is not a Business Day, the next day which is a Business Day) immediately preceding such Payment Date, as determined by the Collateral Administrator, which collateral management fee will be payable senior to the payments on the Subordinated Notes, but subordinated to the Rated Notes (such fee, the "**Subordinated Management Fee**").

Each of the Senior Management Fee and the Subordinated Management Fee shall be calculated based upon the actual number of days elapsed in the applicable Due Period divided by 360 and, subject to the following, on a VAT exclusive basis. In the event that the Senior Management Fee and/or the Subordinated Management Fee constitute (in whole or in part) consideration for a supply by the Collateral Manager to the Issuer for VAT purposes, VAT is or becomes chargeable on such supply and the Collateral Manager is required to account to the relevant tax authority for that VAT, then an amount equal to such VAT will be paid by the Issuer to the Collateral Manager in addition to, and at the same time, as paying such Senior Management Fee and/or Subordinated Management Fee (and the Collateral Manager shall promptly provide an appropriate VAT invoice to the Issuer), provided that the Collateral Manager may agree to bear and not receive amounts in respect of such VAT (so that the Senior Management Fee and/or the Subordinated Management Fee is paid inclusive of VAT).

If amounts distributable on any Payment Date in accordance with the Priorities of Payment are insufficient to pay the Senior Management Fee or the Subordinated Management Fee in full, then a portion of the Senior Management Fee or Subordinated Management Fee, as applicable, equal to the shortfall will be deferred and will be payable on subsequent Payment Dates on which funds are available therefor according to the Priorities of Payment. Any due and unpaid Collateral Management Fees shall not accrue any interest.

The Collateral Management and Administration Agreement also provides that the Collateral Manager will be entitled to an Incentive Collateral Management Fee on each Payment Date on which the Incentive Collateral Management Fee IRR Threshold has been met or surpassed, such fee being in an amount equal to and payable from 20 per cent. of any Interest Proceeds and Principal Proceeds that would otherwise be available to distribute to the Subordinated Noteholders in accordance with the Priorities of Payment and, subject to the following, calculated on a VAT exclusive basis. In the event that the Incentive Collateral Management Fee constitutes (in whole or in part) consideration for a supply by the Collateral Manager to the Issuer for VAT purposes, VAT is or becomes chargeable on such supply and the Collateral Manager is required to account to the relevant tax authority for that VAT, then an amount equal to such VAT will be paid by the Issuer to the Collateral Manager in addition to, and at the same time, as paying such Incentive Collateral Management Fee (and the Collateral Manager shall promptly provide an appropriate VAT invoice to the Issuer), provided that the Collateral Manager may agree to bear and not receive amounts in respect of such VAT (so that the Incentive Collateral Management Fee is paid inclusive of VAT).

The Collateral Management and Administration Agreement provides that any extraordinary expenses incurred by the Collateral Manager in the performance of the obligations under the Collateral Management and Administration Agreement will be reimbursed by the Issuer as Administrative Expenses to the extent funds are available therefor in accordance with and subject to the limitations contained in the Collateral Management and Administration Agreement and the Priorities of Payment. Those extraordinary expenses include (i) any reasonable expenses incurred by it to employ outside lawyers or consultants reasonably necessary in connection

with the evaluation, transfer, or restructuring of any Collateral Obligation and any reasonable expenses incurred by it in obtaining advice from counsel (including Dutch counsel) with respect to its obligations under the Collateral Management and Administration Agreement and (ii) any other reasonable out-of-pocket fees and expenses incurred in connection with the evaluation, acquisition, carrying, and disposition of the Collateral Obligations, but excluding any such counsel fees and expenses, not otherwise ordered by any court, incurred in connection with any dispute between the Collateral Manager and the Trustee or any Noteholder.

Termination of the Collateral Management and Administration Agreement

Subject to the paragraph below, the Collateral Management and Administration Agreement may be terminated, and the Collateral Manager may be removed, upon the occurrence of a Collateral Manager Event of Default (other than pursuant to paragraph (vii) of the definition thereof) (i) at the Issuer's discretion; (ii) by the Controlling Class acting by Extraordinary Resolution or (ii) by holders of the Subordinated Notes acting by Extraordinary Resolution (in each case, excluding Class X Notes, CM Non-Voting Exchangeable Notes, CM Non-Voting Notes and Notes held by the Collateral Manager or any Collateral Manager Related Person) upon 10 Business Days' prior written notice to the Collateral Manager, the Trustee, each Hedge Counterparty and the Collateral Administrator.

The Collateral Management and Administration Agreement will automatically terminate upon the earliest to occur of (i) the payment in full of the Notes, in accordance with their terms, (ii) the liquidation of the Portfolio and the final distribution of the proceeds of such liquidation as provided in the Transaction Documents, and (iii) the determination in good faith by the Issuer that the Issuer or the Portfolio has become required to be registered under the Investment Company Act, and the Issuer notifies the Collateral Manager thereof.

Resignation

The Collateral Manager may resign, upon at least 45 days' written notice to the Issuer, the Trustee, the Collateral Administrator, each Hedge Counterparty and each Rating Agency (or upon such shorter notice as is acceptable to the Issuer). Any such resignation is without prejudice and subject to fulfilment of the Collateral Manager's obligations in respect of the Retention Notes (unless the same are subsequently transferred in accordance with the Collateral Management and Administration Agreement (as described herein)).

Appointment of Successor

Upon any removal or resignation of the Collateral Manager, 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, including receipt of Rating Agency Confirmation in respect thereof (provided that Rating Agency Confirmation from S&P shall not be required so long as S&P is notified by or on behalf of the Issuer of such appointment). If the Collateral Manager resigns, or is removed, the Subordinated Noteholders (acting by Ordinary Resolution) may propose an Eligible Successor by delivering notice thereof to the Issuer, the Trustee and the holders of the Notes. The Controlling Class (acting by Ordinary Resolution) may, within 30 days from receipt of such notice, object to such Eligible Successor by delivery of notice of such objection to the Issuer and the Trustee. If the Controlling Class object as described in the previous sentence, then the Controlling Class, acting by way of Ordinary Resolution, shall propose an alternative replacement collateral manager which shall be appointed a successor provided the holders of the Subordinated Notes (acting by way of an Ordinary Resolution) do not object within 30 days after having been given notice thereof. If no such Eligible Successor has been appointed and approved within 90 days of the delivery by the Collateral Manager to the Issuer of notice of resignation, or delivery by the Issuer to the Collateral Manager of written notice of removal, as applicable, the Controlling Class (acting by Ordinary Resolution) may propose an Eligible Successor. If (i) such successor Collateral Manager agrees in writing to assume all of the Collateral Manager's duties and obligations pursuant to the Collateral Management and Administration Agreement and (ii) the Issuer has not received written objections from the Controlling Class (acting by Ordinary Resolution) within 45 days of such proposal, the Issuer will appoint such proposed Eligible Successor upon the expiration of such 45 day period. If no Eligible Successor has been appointed within 135 days of the delivery by the Collateral Manager to the Issuer of notice of resignation, or delivery by the Issuer to the Collateral Manager of written notice of removal, as applicable, the Issuer and/or the Collateral Manager may petition any court of competent jurisdiction for the appointment of an Eligible Successor without any approval or veto right of any Noteholder (provided that Rating Agency Confirmation from S&P shall not be required so long as S&P is notified by or on behalf of the Issuer of such appointment). For the avoidance of doubt, no Class X Notes, Notes held in the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes or held by or on behalf of the Collateral Manager or any Collateral Manager Related Person shall have any voting rights with respect to and shall not be

counted for the purposes of determining a quorum and the results of voting any CM Replacement Resolution or with respect to the selection or appointment of the successor Collateral Manager following a CM Removal Resolution.

"**Eligible Successor**" means an established institution (1) that has demonstrated an ability to professionally and competently perform duties similar to those imposed upon the Collateral Manager under the Collateral Management and Administration Agreement with a substantially similar (or better) level of expertise, (2) that is legally qualified and has the Dutch regulatory capacity to act as Collateral Manager under the Collateral Management and Administration Agreement in the assumption of all of the responsibilities, duties and obligations of the Collateral Manager under the applicable terms of the Collateral Management and Administration Agreement and the Trust Deed, (3) the appointment of which will not cause either of the Issuer or the Portfolio to become required to register under the provisions of the Investment Company Act, (4) the appointment and conduct of which will not cause the Issuer to be subject to net income taxation outside its jurisdiction of incorporation or to be engaged in a trade or business in the U.S. for U.S. federal income tax purposes or cause any other material adverse tax consequences to the Issuer, (5) that, on the effective date of any appointment accepts a transfer of the Retention Notes if such transfer is required under the EU Retention and Transparency Requirements and (6) the appointment of which is in compliance with the restrictions set out in, and does not cause, directly or indirectly, the transaction to be non-compliant with the EU Retention and Transparency Requirements.

Upon notice of removal or resignation of the Collateral Manager

In the event that 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, purchases and sales of Collateral Obligations shall be only made in relation to sale of Margin Stock, Credit Risk Obligations and Defaulted Obligations (in addition to any purchase or sale trades initiated prior to such removal, termination or resignation).

Delegation and Transfers

Save as provided below and save for the delegation of signing authority to agent banks in connection with amendments to the terms of Collateral Obligations, the performance of any of its duties either directly or by or through agents or attorneys and the delegation of certain day-to-day discretions relating to the composition of the portfolios of the Issuer and the authority to execute transactions for the Issuer to AML described in "*Description of the Collateral Manager*", the obligations of the Collateral Manager under the Collateral Management and Administration Agreement may not be delegated, in whole or in part, except to an Affiliate that is legally qualified and has the requisite Dutch regulatory capacity to provide such services to residents in The Netherlands as a matter of Dutch law and provided that without the prior written consent of the Issuer such appointment and conduct of which will not cause the Issuer to be subject to net income taxation outside its jurisdiction of incorporation, be engaged in a trade or business in the United States for U.S. federal income tax purposes, result in the Collateral Management Fees becoming subject to value added or similar tax or otherwise cause any other material adverse tax consequences to the Issuer. Notwithstanding any such consent, no delegation of duties by the Collateral Manager shall relieve it from any liability under the Collateral Management and Administration Agreement as set out below.

The Issuer acknowledges and agrees in the Collateral Management and Administration Agreement that certain day-to-day discretions relating to the composition of the Portfolio as well as authority to execute transactions for the Issuer will be delegated to Ares Management Limited a wholly owned subsidiary of Ares Management LLC. In addition, Ares Management Limited will: (i) perform certain middle- and back-office functions for the Collateral Manager; (ii) make available certain individuals to perform certain functions for the Collateral Manager; and (iii) provide the Collateral Manager with certain intellectual property licences, however no such delegation by the Collateral Manager shall relieve it from any liability under the Collateral Management and Administration Agreement.

The Collateral Manager may assign or transfer its rights and obligations under the Collateral Management and Administration Agreement subject to the prior written consent of the Issuer and receipt of Rating Agency Confirmation in respect thereof and provided that neither (i) the holders of the Subordinated Notes (acting by Ordinary Resolution) nor (ii) the Controlling Class (acting by Ordinary Resolution) have objected to such assignment or transfer within 30 calendar days of receipt of notice thereof, in each case excluding any Notes held by the Collateral Manager or any Collateral Manager Related Person, Class X Notes and any Notes held in

the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes, and subject to such assignee having the requisite Dutch regulatory capacity; provided, that, to the extent permitted by the Collateral Management and Administration Agreement, such consent and Rating Agency Confirmation and where such assignment and/or transfer is in respect of a Retention Cure Action, the right of the Subordinated Noteholders and the Controlling Class to object (acting by Ordinary Resolution) shall not be required or, as the case may be, shall not apply, in the case of a Permitted Assignee. A "**Permitted Assignee**", for the purposes of the Collateral Management and Administration Agreement, means an Affiliate of the Collateral Manager that (i) is legally qualified and has the Dutch regulatory capacity to act as Collateral Manager under the Collateral Management and Administration Agreement; (ii) has the ability to professionally and competently perform duties similar to those imposed upon the Collateral Manager under the Collateral Management and Administration Agreement with a substantially similar (or better) level of expertise; (iii) the appointment of which will not cause either of the Issuer or the Collateral to become required to register under the provisions of the Investment Company Act; (iv) the appointment and conduct of which will not cause the Issuer to be subject to net income taxation outside its jurisdiction of incorporation, be engaged in a trade or business in the United States for U.S. federal income tax purposes, result in the Collateral Management Fees becoming subject to value added or similar tax or cause any other material adverse tax consequences to the Issuer (v) notice of such assignment or transfer is given to the Issuer, the Collateral Administrator and the Trustee; and (vi) the appointment and conduct of which will not cause the transaction described in this Offering Circular to be non-compliant with the EU Retention and Transparency Requirements.

The Issuer may not assign its rights under the Collateral Management and Administration Agreement without the prior written consent of the Collateral Manager, the holders of each Class of Notes (excluding holders of Class X Notes and any holders of CM Non-Voting Notes and CM Non-Voting Exchangeable Notes) acting by Ordinary Resolution, each voting as a separate Class, and subject to Rating Agency Confirmation, except in the case of an assignment by the Issuer (i) to an entity that is a successor to the Issuer permitted under the Trust Deed or (ii) to the Trustee.

In the event of any assignment, delegation or transfer by a party to the Collateral Management and Administration Agreement, the assignee, delegate or transferee shall execute and deliver such documents as may be necessary to effect fully such assignment, delegation or transfer and the assignee, delegate or transferee shall be required to make all the representations, *mutatis mutandis*, as set out therein as on the date of assignment, delegation or transfer, provided that the relevant party thereto will not thereby be relieved of any of its duties or obligations which arose prior to such assignment, delegation or transfer in respect of the Retention Notes (other than if the Retention Notes are transferred in accordance with the terms thereof and of the Collateral Management and Administration Agreement as described herein) or otherwise unless the assignee, delegate and/or transferee agrees in writing with all other parties to the Collateral Management and Administration Agreement to assume such duties or obligations. Any assignment, delegation or transfer made in accordance with the Collateral Management and Administration Agreement shall bind the assignee, delegate or transferee in the same manner as the relevant party who is the transferor or assignor is bound. In addition, in the case of an assignment or delegation by the Collateral Manager, the assignee or delegate shall execute and deliver to the Trustee, the Collateral Administrator and the Rating Agencies then rating the Notes a counterpart of the Collateral Management and Administration Agreement naming such assignee or delegate as the Collateral Manager (with or without any changes to or omission of the provisions relating to the Retention Notes as may be required in accordance with the terms of such provisions). Upon the execution and delivery of such a counterpart by the assignee or delegate, the Collateral Manager shall be released from further obligations pursuant to the Collateral Management and Administration Agreement, except with respect to its agreements and obligations arising under various sections of the Collateral Management and Administration Agreement in respect of acts or omissions occurring prior to such assignment or delegation and except with respect to its obligations under certain provisions relating to confidentiality, limited recourse and non-petition and only if the Retention Notes have not been transferred to the assignee or delegate in accordance with the terms of the Collateral Management and Administration Agreement, in respect of the Retention Notes. Any rights of the Collateral Manager stated to survive the termination of the Collateral Management and Administration Agreement shall remain vested in the Collateral Manager after the termination in accordance with the terms of the Collateral Management and Administration Agreement.

No Voting Rights

Notes held in the form of CM Non-Voting Exchangeable Notes or CM Non-Voting Notes shall not have any voting rights in respect of, and shall not be counted for the purposes of determining a quorum and the result of voting on any CM Removal Resolutions or any CM Replacement Resolutions (but shall carry a right to vote and be so counted on all other matters in respect of which the CM Voting Notes have a right to vote and be counted).

Any Notes held by or on behalf of the Collateral Manager or any Collateral Manager Related Person shall only be held in the form of CM Non-Voting Exchangeable Notes and will therefore have no voting rights with respect to and shall not be counted for the purposes of determining a quorum and the results of voting on any CM Removal Resolution or CM Replacement Resolution (but shall carry a right to vote and be so counted on all other matters in respect of which CM Voting Notes have a right to vote and be counted).

EU RETENTION AND TRANSPARENCY REQUIREMENTS

The information appearing in this section consists of a summary of certain provisions of the Collateral Management and Administration Agreement which does not purport to be complete and in particular is qualified by reference to the detailed provisions of the Collateral Management and Administration Agreement.

The Retention Holder

The Collateral Manager, in its capacity as Retention Holder, will hold the Retention Notes (as defined below) in its capacity as "sponsor" for the purposes of the EU Retention and Transparency Requirements as of the Issue Date.

The Collateral Manager may in its sole discretion, having retained the Retention Notes in its capacity as "sponsor" as of the Issue Date pursuant to the Collateral Management and Administration Agreement and having determined that a Retention Compliance Event has occurred (or, with the passage of time, is reasonably likely to occur) following the Issue Date, take any Retention Cure Action which may include, but is not limited to, qualifying as an "originator" for the purposes of the EU Retention and Transparency Requirements, subject to: (i) internal approval of the Retention Cure Action in accordance with the Collateral Manager's internal policies and procedures and (ii) receipt of legal advice from Paul Hastings (Europe) LLP, DLA Piper UK LLP or other reputable legal counsel as selected in the Collateral Manager's sole discretion that such Retention Cure Action is consistent with the EU Retention and Transparency Requirements. The Collateral Manager does not have any obligation to consider or take any Retention Cure Action and, if the Collateral Manager determines not to take any Retention Cure Action, it may no longer be eligible to act as the Retention Holder pursuant to the EU Retention and Transparency Requirements (and for the avoidance of doubt, even if a Retention Cure Action is taken, it is not certain whether such action would result in compliance with the EU Retention and Transparency Requirements).

Although no assurance can be given that the Collateral Manager would qualify as an "originator" for such purposes, the Collateral Manager reasonably believes that (i) were it not to retain as a "sponsor" as described above, it would qualify as an "originator" for the purposes of the EU Retention and Transparency Requirements and in particular that (ii) the Originator Requirement (as defined below) would be met.

"**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 Collateral Manager; divided by

(b) the Target Par Amount,

is greater than or equal to 5.0 per cent.

"**Originated Assets**" means (i) Limb (a) Originator Assets (as defined below) and/or (ii) Limb (b) Originator Assets (as defined below).

The Retention

The Collateral Manager will, on the Issue Date, for the benefit of the Issuer, the Trustee (for the benefit of the Secured Parties including the Noteholders) and the Placement Agents, pursuant to the Collateral Management and Administration Agreement, for so long as any Notes are Outstanding:

(a) undertake to retain a material net economic interest in the first loss tranche of not less than 5 per cent. of the nominal value of the securitised exposures through the purchase and retention of Subordinated Notes with an original Principal Amount Outstanding (such original Principal Amount Outstanding calculated as of the date of issuance of such Subordinated Notes including the date of any issuance of additional Subordinated Notes) equal to or greater than 5 per cent. of the greater of the Maximum Par Amount and the Collateral Principal Amount on the relevant date of determination within the meaning of Article 6(3)(d) of the Securitisation Regulation, in effect on the Issue Date (the "**Retention Notes**");

(b) agree that neither it nor a CM Affiliate shall sell, hedge or otherwise mitigate its credit risk under or associated with the Retention Notes, subject as provided below;

(c) subject to any regulatory requirements, agree (i) to provide any reports, data and other information on a

confidential basis (unless otherwise required by applicable law or regulation), as may be reasonably required by the Issuer to satisfy its obligations under Article 7 (*Transparency requirements for originators, sponsors and SSPEs*) of the Securitisation Regulation and (ii) to provide to the Issuer, on a confidential basis (unless otherwise required by applicable law or regulation) information in the possession of the Collateral Manager relating to its holding of the Retention Notes, at the cost and expense of the party seeking such information, and to the extent the same is not subject to a duty of confidentiality, at any time prior to maturity of the Notes;

(d) agree to confirm its continued compliance with the requirements set out in paragraphs (a) and (b) above:

(i) on a monthly basis to the Issuer, the Collateral Manager, the Trustee, the Collateral Administrator, the Arrangers and Placement Agents (concurrent with the delivery of each Monthly Report); and

(ii) promptly upon the request of the Trustee, the Collateral Administrator, Placement Agents or Issuer, its continued compliance with the covenants set out at paragraphs (a) and (b) above;

(e) agree that it shall promptly notify the Issuer, the Trustee and the Collateral Administrator in writing if for any reason it (i) ceases to hold the Retention Notes in accordance with (a) above or (ii) fails to comply with the covenants set out in (b) or (c) in any material way;

(f) represent and warrant that it is a "sponsor" for the purposes of the EU Retention and Transparency Requirements and, for so long as it is required to retain the Retention Notes, will continue to retain the Retention Notes pursuant to paragraph (a) above and in accordance with paragraph (b) above in such capacity *provided that* (i) if any Retention Compliance Event occurs which would render this representation and warranty inapplicable or (ii) if there is any change in the Collateral Manager's authorisation or licensing status such that it ceases to be a "sponsor" for the purposes of the EU Retention and Transparency Requirements following the Issue Date solely as a direct consequence of any Retention Compliance Event, this representation and warranty shall no longer apply; and

(g) represent and warrant, inter alia, that to the extent it retains as an originator:

(i) the Originator Requirement has been satisfied on the Issue Date and that the Collateral Manager has "established" and is "managing" (as such terms are used in Article 3(4)(a) of the Commission Delegated Regulation (EU) No. 625/2014) the transaction as contemplated by the Transaction Documents; and

(ii) it was not established and does not operate for the sole purpose of securitising exposures, taking into consideration that:

(X) it has a business strategy and the capacity to meet payment obligations consistent with a broader business enterprise and involving material support from capital, assets, fees or other income available to it, relying neither on the exposures it securitises, nor on any interests retained in accordance with the Securitisation Regulation, as well as any corresponding income from such exposures and interests; and

(Y) its responsible decision makers have the required experience to enable it to pursue it established business strategy, as well as an adequate corporate governance arrangement.

Under the Collateral Management and Administration Agreement, the Collateral Manager may transfer its interest in the Retention Notes to the extent such transfer is (i) in compliance with any applicable laws, (ii) permitted or required in accordance with the EU Retention and Transparency Requirements and (iii) would not cause the transaction described in the Offering Circular to be non-compliant with the EU Retention and Transparency Requirements.

If a successor Collateral Manager is appointed as described in "*Appointment of Successor*" in the section "*Description of the Collateral Management and Administration Agreement*", then notwithstanding the above, the Collateral Manager may sell the Retention Notes to such successor (at a price agreed by the parties to such sale) other than if and to the extent such a sale:

(a) is restricted by the EU Retention and Transparency Requirements; or

(b) would cause the transaction described in this Offering Circular to be non-compliant with the EU Retention and Transparency Requirements,

and such successor shall, by way of entry into of the Collateral Management and Administration Agreement commit to acquire and retain the Retention Notes and provide representations, warranties and covenants substantially similar to those set out in the Collateral Management and Administration Agreement in relation to the EU Retention and Transparency Requirements.

If a successor Collateral Manager is appointed as described in "*Appointment of Successor*" in the section "*Description of the Collateral Management and Administration Agreement*" and the outgoing Collateral Manager does not sell the Retention Notes, such outgoing Collateral Manager shall continue to be bound by the provisions of the Collateral Management and Administration Agreement in respect of the Retention Notes and such provisions shall not apply to such successor.

"**CM Affiliate**" means a direct parent of the Collateral Manager and any direct or indirect subsidiary of the Collateral Manager's direct parent.

Origination of Collateral Obligations

The Issuer has accurately reproduced the information contained in the section entitled "EU Retention and Transparency Requirements – Origination of Collateral Obligations" from information provided to it by the Collateral Manager but it has not independently verified such information. So far as the Issuer is aware and is able to ascertain from information published by the Collateral Manager, no facts have been omitted which would render the reproduced information inaccurate or misleading. The information appearing in this section has been prepared by the Collateral Manager and has not been independently verified by the Issuer, the Placement Agents or any other party and none of such Persons assumes any responsibility for the accuracy, completeness or applicability of such information. The delivery of this Offering Circular shall not create any implication that there has been no change in the affairs of the Collateral Manager or of its Affiliates since the date of this Offering Circular, or that the information contained or referred to herein is correct as of any time subsequent to the date of this Offering Circular.

The Collateral Manager, or one of its related entities, may originate Collateral Obligations in order to meet the Originator Requirement as described above by virtue of having the opportunity to comment on and approve the terms of Collateral Obligations ("**Limb (a) Originator Assets**") prior to the execution of the related transaction documents as part of the primary syndication process of such Limb (a) Originator Assets. In these circumstances the Collateral Manager will have received from the syndication agent a term sheet or draft documentation and will have been able to review and provide input (and will have actually provided such input) on the terms of the credit as part of its decision to participate in the syndication; shall have reviewed the underlying business of the Obligor including its financial status and overall debt structure; and undertake a credit analysis of the underlying Obligor and loan.

Origination under Limb (b) of the Definition of Originator

The Collateral Manager may also cause the Issuer to acquire certain assets for the purposes of paragraph (b) of the definition of "originator" under the Securitisation Regulation which are intended to form part of the Collateral Obligations ("**Limb (b) Originator Assets**"), pursuant to a conditional sale agreement ("**Conditional Sale Agreement**") between the Collateral Manager (as purchaser) and the Issuer (as seller) under which the Issuer shall, in the event any such Limb (b) Originator Asset becomes a Defaulted Obligation within 15 Business Days of the date upon which the Collateral Manager entered into a binding commitment to purchase such Collateral Obligation from the Issuer pursuant to such Conditional Sale Agreement, have the right to require the Collateral Manager to complete the purchase from it of the relevant Limb (b) Originator Asset for the same purchase price as the Issuer committed to purchase and settle such Limb (b) Originator Asset.

The Collateral Manager shall have absolute discretion to acquire, hold and/or sell assets at any time and, if appropriate, shall also have absolute discretion to nominate any asset which is proposed to be acquired from the Issuer pursuant to the arrangements described above.

Comparable Assets

In the event that the Collateral Manager holds the Retention Notes in its capacity as "originator" as described above, it will not select assets to be transferred to the Issuer for the purposes of meeting the Originator

Requirement detailed above with the aim of rendering losses on the assets transferred to the Issuer higher than the losses over the same period on comparable assets held on its balance sheet.

Credit Granting Criteria

In the event that the Collateral Manager holds the Retention Notes in its capacity as "originator" as described above, it shall apply to the Originated Assets the same sound and well-defined criteria for credit-granting which it applies to non-securitised exposures and shall have effective systems in place to ensure that such credit granting is based on a thorough assessment of the obligor's credit worthiness including taking appropriate account of factors relevant to verifying the prospect of the obligor meeting its obligations under the credit agreement. It will also, as part of its due diligence on any Limb (b) Originator Assets to be securitised for the purposes of meeting the Originator Requirement detailed above in respect of which it has not undertaken the original credit-granting, verify to the extent required pursuant to Article 9(3) that the entity directly or indirectly involved in the original agreement which created such asset, has met the foregoing credit-granting requirements in respect in respect of such Originated Asset.

Transparency Requirements

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. The Issuer has agreed to be the designated entity.

The Collateral Manager shall, subject to any regulatory requirements, undertake, on behalf of and at the expense of the Issuer, at least two Business Days prior to the date upon which Article 7 (*Transparency requirements for originators, sponsors and SSPEs*) of the Securitisation Regulation requires, to provide to the Collateral Administrator and the Issuer (and any applicable third party reporting entity) any reports, data and other information, as may be reasonably required in connection with the proper performance by the Issuer, as the designated entity, of its obligation to make available to the Noteholders, potential investors in the Notes and the competent authorities, the reports and information necessary for the Issuer to fulfil the reporting requirements of Article 7 (*Transparency requirements for originators, sponsors and SSPEs*) of the Securitisation Regulation (and prior to the adoption of final disclosure templates in respect of the Transparency Requirements of Article 7 (*Transparency requirements for originators, sponsors and SSPEs*) of the Securitisation Regulation, the Issuer intends to fulfil those requirements contained in subparagraphs (a) and (e) of Article 7(1) of the Securitisation Regulation through the Monthly Reports and the Payment Date Reports, see "*Description of the Reports*"). Following the adoption of the final disclosure templates in respect of the EU Retention and Transparency Requirements the Issuer (with the consent of the Collateral Manager) will propose in writing to the Collateral Administrator the form, content, method of distribution and timing of such reports, data and other information. 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 in providing such reporting on such proposed terms, shall confirm in writing to the Issuer and the Collateral Manager and shall make such information (as provided to it by the Collateral Manager and the Issuer) available (or procure that such information 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 and the Collateral Manager and as further notified by the Issuer to the Noteholders in accordance with Condition 16 (*Notices*)) which shall be accessible to the competent authorities, any Noteholder and any potential investor in the Notes (and in such other manner as required by any competent authority (as instructed to the Collateral Administrator by the Issuer and as agreed with the Collateral Administrator)). If the Collateral Administrator does not agree on the terms of reporting or, in the reasonable opinion of the Issuer (acting on the advice of the Collateral Manager), the Collateral Administrator is or will be unable or unwilling to provide such reporting, the Issuer (with the consent of the Collateral Manager) shall be entitled to appoint another entity to make the relevant information available for the purposes of Article 7 (*Transparency requirements for originators, sponsors and SSPEs*) of the Securitisation Regulation. In addition, the Issuer may (with the consent of the Collateral Manager) by notice in writing to the Collateral Administrator at any time: (i) if the Issuer has reasonable grounds to believe that the Collateral Administrator will fail or be unable to perform any of its duties or responsibilities under the Collateral Management and Administration Agreement insofar as they relate to the reporting requirements set out in the EU Retention and Transparency Requirements (and any notice given in respect of this sub-paragraph (i) shall include a description of the Issuer's grounds for such belief); or (ii) following the occurrence of a default, failure or inability of the Collateral Administrator to perform any of its duties or responsibilities under the Collateral Management and Administration Agreement insofar as they relate to the reporting requirements set out in the EU Transparency Requirements which has not been cured within five days of the occurrence of such default, failure or inability to

perform, assume itself or appoint another third party to assume the obligations of the Collateral Administrator to make the relevant information available for the purposes of the EU Retention and Transparency Requirements.

For the avoidance of doubt, to the extent the Collateral Administrator agrees to assist the Issuer in making available such information and reporting on behalf of the Issuer, the Collateral Administrator will not assume any responsibility for the Issuer's obligations as the entity responsible for fulfilling the reporting obligations under the EU Retention and Transparency Requirements. In making available such information and reporting, the Collateral Administrator will not assume responsibility or liability to any third party, including the Noteholders and potential Noteholders (including for the 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.

In connection with such information and reporting, the Collateral Manager will not assume 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.

DESCRIPTION OF THE COLLATERAL ADMINISTRATOR

The information appearing in this section has been prepared by the Collateral Administrator and has not been independently verified by the Issuer or any other party. The Issuer confirms that this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information from the Collateral Administrator, no facts have been omitted which would render the reproduced information inaccurate or misleading. No party other than the Collateral Administrator assumes any responsibility for the accuracy or completeness of such information.

General

U.S. Bank Global Corporate Trust Limited, a limited company registered in England and Wales having the registration number 05521133 and a registered address at 125 Old Broad Street, Fifth Floor, London EC2N 1AR.

Termination and Resignation of Appointment of the Collateral Administrator

Pursuant to the terms of the Collateral Management and Administration Agreement, the Collateral Administrator may be removed: (a) without cause at any time upon at least 90 days' prior written notice; or (b) with cause upon at least ten days' prior written notice in each case by the Issuer at its discretion or the Trustee acting upon the written directions of the holders of the Subordinated Notes acting by way of Extraordinary 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 without cause upon at least 45 days' prior written notice and with cause upon at least ten days' prior written notice to the Issuer, the Trustee and the Collateral Manager. No resignation or removal of the Collateral Administrator will be effective until a successor collateral administrator has been appointed pursuant to the terms of the Collateral Management and Administration Agreement.

HEDGING ARRANGEMENTS

The following section consists of a summary of certain provisions which, pursuant to the Collateral Management and Administration Agreement, are required to be contained in each Hedge Agreement and/or Hedge Transaction. Such summary does not purport to be complete and is qualified by reference to the detailed provisions of each Hedge Agreement and Hedge Transaction. The terms of a Hedge Agreement or Hedge Transaction may differ from the description provided herein, subject to receipt of Rating Agency Confirmation in respect thereof or without Rating Agency Confirmation if such Hedge Transaction constitutes a Form Approved Hedge.

Hedge Agreements

Subject to the satisfaction of the Hedging Condition, the Issuer (or the Collateral Manager on its behalf) may enter into transactions documented under a 1992 (Multicurrency - Cross Border) Master Agreement, 2002 Master Agreement or such other form published by the International Swaps and Derivatives Association, Inc. ("**ISDA**"). Each Hedge Transaction will be evidenced by a confirmation entered into pursuant to a Hedge Agreement.

Each Hedge Transaction will be for the purposes of:

(a) in the case of an Interest Rate Hedge Transaction, hedging any interest rate mismatch between the Rated Notes and the Collateral Obligations; and

(b) in the case of a Currency Hedge Transaction, exchanging payments of principal, interest and other amounts in respect of any Non-Euro Obligation for amounts denominated in Euros at the Currency Hedge Transaction Exchange Rate,

in each case subject to receipt of Rating Agency Confirmation in respect thereof (save in the case of a Form Approved Hedge) and provided that the Hedge Counterparty satisfies the applicable Rating Requirement (taking into account any guarantor thereof) and any applicable regulatory requirements.

If the relevant counterparty criteria of a Rating Agency changes following the receipt of Rating Agency Confirmation or approval of a Form Approved Hedge, as applicable, the Collateral Manager (on behalf of the Issuer) may be required to seek a further Rating Agency Confirmation or approval in respect of any new Hedge Transaction and/or Hedge Agreement, as applicable.

The Issuer (or the Collateral Manager on behalf of the Issuer) may purchase a Non-Euro Obligation provided that the Collateral Manager, on behalf of the Issuer, enters, no later than the settlement of the purchase by the Issuer of such Collateral Obligation of such Non-Euro Obligation, into a Currency Hedge Transaction (to become effective on or before the settlement of the purchase by the Issuer of such Collateral Obligation) with a Currency Hedge Counterparty 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 into Euros 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.

For the avoidance of doubt, the ability of the Issuer or the Collateral Manager on its behalf to enter into any Currency Hedge Transactions, and therefore the ability of the Issuer or the Collateral Manager on its behalf to acquire Non-Euro Obligations, is subject to the satisfaction of the Hedging Condition.

Replacement Hedge Transactions

Currency Hedge Transactions: In the event that any Currency Hedge Transaction terminates in whole at any time other than in circumstances where the Collateral Manager intends to sell the related Non-Euro Obligation on behalf of the Issuer or a Redemption Date has or is scheduled to occur or the applicable Currency Hedge Counterparty is the "Defaulting Party" or sole "Affected Party" (each as defined in the applicable Currency Hedge Agreement), the Issuer (or the Collateral Manager on its behalf) shall use commercially reasonable endeavours to enter into a replacement Currency Hedge Transaction within 30 days of the termination thereof with a counterparty which (or the guarantor of which) satisfies the applicable Rating Requirement and any applicable regulatory requirements.

Interest Rate Hedge Transactions: In the event that any Interest Rate Hedge Transaction terminates in whole at any time in circumstances in which the applicable Interest Rate Hedge Counterparty is the Defaulting Hedge

Counterparty or sole "Affected Party" (each as defined in the applicable Interest Rate Hedge Agreement), the Issuer (or the Collateral Manager on its behalf) shall use commercially reasonable endeavours to enter into a replacement Interest Rate Hedge Transaction within 30 days of the termination thereof with a counterparty which (or whose guarantor) satisfies the applicable Rating Requirement and any applicable regulatory requirements.

Standard Terms of Currency Hedge Transactions

Any Currency Hedge Transaction shall contain the following terms (provided that the Issuer may enter into Currency Hedge Transactions on different terms than those set forth below, subject to receipt of Rating Agency Confirmation in respect thereof or such Currency Hedge Transaction being a Form Approved Hedge):

(a) on the effective date of entry into such transaction, the Issuer pays to the Currency Hedge Counterparty an initial exchange amount in Euros equal to the purchase price of such Non-Euro Obligation, converted into Euros at the Currency Hedge Transaction Exchange Rate in exchange for payment by the Currency Hedge Counterparty of an initial exchange amount in the relevant currency equal to the purchase price of such Non-Euro Obligation;

(b) on the scheduled date of termination of such transaction, which shall be the date falling two Business Days after the date on which the Non-Euro Obligation is scheduled to mature or such later date as otherwise specified in the relevant confirmation, the Issuer pays to the Currency Hedge Counterparty a final exchange amount equal to the amount payable upon maturity of the Non-Euro Obligation in the relevant currency (the "**Proceeds on Maturity**") in exchange for payment by the Currency Hedge Counterparty of a final exchange amount denominated in Euros, such final exchange amount to be an amount equal to the Proceeds on Maturity converted into Euros at the Currency Hedge Transaction Exchange Rate;

(c) two Business Days following the date of each scheduled payment of interest on the related Non-Euro Obligation or such later date as otherwise specified in the relevant confirmation, the Issuer pays to the Currency Hedge Counterparty an amount in the relevant non-Euro currency based on the then outstanding principal amount of the relevant Non-Euro Obligation (the "**Non-Euro Notional Amount**") and equal to the interest payable in respect of the Non-Euro Obligation and the Currency Hedge Counterparty will pay to the Issuer an amount based on the then outstanding principal amount of the related Non-Euro Obligation and equal to the interest payable in respect of the Non-Euro Obligation converted into Euros at the Currency Hedge Transaction Exchange Rate or equal to a floating amount linked to an agreed index rate for Euro-denominated cashflows (the "**Euro Notional Amount**"); and

(d) following the sale of any Non-Euro Obligation, the Issuer shall pay to the Currency Hedge Counterparty an amount equal to the sale proceeds of such Non-Euro Obligation in the relevant currency (the "**Proceeds on Sale**") in exchange for payment by the Currency Hedge Counterparty of an amount denominated in Euros, such amount to be an amount equal to the Proceeds on Sale converted into Euros at the Currency Hedge Transaction Exchange Rate less in certain cases any amounts payable to the Currency Hedge Counterparty in respect of the early termination of the Currency Hedge Agreement.

The Collateral Manager, acting on behalf of the Issuer, shall convert all amounts received by it in respect of any Non-Euro Obligation which is not the subject of a related Currency Hedge Transaction into Euros promptly upon receipt thereof at the then prevailing Spot Rate and shall procure that such amounts are paid into the Principal Account or the Interest Account, as applicable. The Collateral Manager (on behalf of the Issuer) is also authorised to enter into spot exchange transactions, as necessary, to fund the Issuer's payment obligations under any Currency Hedge Transaction.

All amounts received by the Issuer in respect of Non-Euro Obligations shall be paid into the appropriate Currency Account and all amounts payable by the Issuer under any Currency Hedge Transaction (other than any initial exchange amounts payable in Euros by the Issuer, any Hedge Replacement Payments and any Currency Hedge Issuer Termination Payments save to the extent otherwise provided in Condition 3(j)(ix) (*Currency Accounts*)), will be paid out of the appropriate Currency Account, in each case to the extent amounts are available therein.

Subject to the terms of the relevant Hedge Agreement, the Issuer shall only pay Scheduled Periodic Currency Hedge Issuer Payments to a Currency Hedge Counterparty if and to the extent it actually receives the corresponding amount in respect of the relevant Non-Euro Obligation.

Upon the acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*), and upon the Trustee (or any agent or appointee thereof), the Collateral Manager or any other agent of the Issuer (including any insolvency practitioner, receiver or equivalent such person in any relevant jurisdiction), selling the relevant Non-Euro Obligation, the Currency Hedge Counterparty shall receive the proceeds of the sale of the Non-Euro Obligation from the Currency Account of the Issuer, outside of the Post-Acceleration Priority of Payments and return the Euro equivalent amount owing, less any amount payable to the Currency Hedge Counterparty in respect of the early termination of the Currency Hedge Transaction in connection with such sale and the Currency Hedge Transaction shall terminate in accordance with its terms.

Notwithstanding the above, upon the insolvency of the Issuer and/or the acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*), the Currency Hedge Counterparty may, but shall not be obliged to, terminate any or all Currency Hedge Transactions in which case any Currency Hedge Issuer Termination Payment would be paid (following acceleration of the Notes) in accordance with Condition 10(b) (*Acceleration*) and the Post-Acceleration Priority of Payments.

Standard Terms of Hedge Agreements

Each Hedge Agreement entered into by or on behalf of the Issuer shall contain the following standard provisions, save to the extent that any change thereto is agreed by the applicable Hedge Counterparty and subject to receipt of Rating Agency Confirmation in respect thereof (other than in respect of any Form Approved Hedges).

Gross up

Under each Hedge Agreement, each of the Issuer and the applicable Hedge Counterparty shall represent that payments made by it under such Hedge Agreement (other than default interest) will not be subject to withholding tax, other than withholding tax imposed as a result of a connection between the jurisdiction imposing the withholding tax and the recipient of the payment or a related person). The Issuer will not be obliged to gross up any payments thereunder, however, the applicable Hedge Counterparty may in certain circumstances be obliged to gross up a payment thereunder in the event of any withholding or deduction for or on account of tax required to be paid on such payments, provided certain Hedging Arrangements may provide that any withholding for or on account of FATCA may be excluded from such gross up obligation. Any such event may however result in a "Tax Event" which is a "Termination Event" for the purposes of the relevant Hedge Agreement. In the event of the occurrence of a Tax Event (as defined in such Hedge Agreement), each Hedge Agreement will include provision for the relevant Affected Party (as defined therein) to use reasonable endeavours to (i) (in the case of the Hedge Counterparty) arrange for a transfer of all of its interests and obligations under the Hedge Agreement and all Transactions (as defined in the Hedge Agreement) thereunder to an Affiliate that is incorporated in another jurisdiction so as to avoid the requirement to withhold or deduct for or on account of tax; or (ii) (in the case of the Issuer) 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).

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*); provided that any Counterparty Downgrade Collateral standing to the credit of a Counterparty Downgrade Collateral Account shall be applied and delivered by the Issuer (or by the Collateral Manager on its behalf) in accordance with Condition 3(j)(v) (*Counterparty Downgrade Collateral Accounts*). The Issuer will have the benefit of non-petition language similar to the language set out in Condition 4(c) (*Limited Recourse and Non-Petition*).

Termination Provisions

Each Hedge Agreement may terminate by its terms, whether or not the Notes have been paid in full prior to such termination, upon the earlier to occur of certain events, which may include but are not limited to:

(a) certain events of bankruptcy, insolvency, receivership or reorganisation of the Issuer or the related Hedge Counterparty;

(b) failure on the part of the Issuer or the related Hedge Counterparty to make any payment under the applicable Hedge Agreement after taking into account the applicable grace period;

(c) a change in law making it illegal for either the Issuer or the related Hedge Counterparty to be a party to, or perform its obligations under, the applicable Hedge Agreement;

(d) in certain circumstances, upon a regulatory change or a change in the regulatory status of the Issuer, as further described in the relevant Hedge Agreement;

(e) representations related to certain regulatory matters prove to be incorrect when made;

(f) any amendment to any provisions of the Transaction Documents without the written consent of the Hedge Counterparty which would have a material adverse effect on its rights thereunder, or as further described in the relevant Hedge Agreement;

(g) failure by a Hedge Counterparty to comply with the requirements of the Rating Agencies in the event that it (or, as relevant, its guarantor) is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable Rating Requirement;

(h) upon the early redemption in full or acceleration of the Notes; and

(i) any other event as specified in the relevant Hedge Agreement.

Hedge Agreements commonly also contain provisions which allow a Hedge Counterparty to terminate a Hedge Transaction upon the occurrence of certain events or restructurings related to the underlying Non-Euro Obligation. These events could potentially be triggered in circumstances where the related Collateral Obligation would not constitute a Defaulted Obligation.

A termination of a Hedge Agreement or Hedge Transaction does not constitute a Note Event of Default under the Notes though the repayment in full of the Notes may be an additional termination event under a Hedge Agreement.

Upon the occurrence of any Note Event of Default or Termination Event (each as defined in the applicable Hedge Agreement), a Hedge Agreement may be terminated by the Hedge Counterparty or the Issuer (or the Collateral Manager on its behalf) in accordance with the detailed provisions thereof and a lump sum (the "**Termination Payment**") may become payable by the Issuer to the applicable Hedge Counterparty or vice versa. Depending on the terms of the applicable Hedge Agreement, such Termination Payment may be determined by the applicable Hedge Counterparty and/or Issuer (or the Collateral Manager on its behalf) by reference to market quotations obtained in respect of the entry into a replacement swap(s) on the same terms as that terminated or as otherwise described in the applicable Hedge Agreement or any loss suffered by a party, subject to and in accordance with the relevant Hedge Agreement.

Rating Downgrade Requirements

Each Hedge Agreement will contain provisions requiring certain remedial action to be taken in the event that the Hedge Counterparty (or, as relevant, its guarantor) is subject to a rating withdrawal or downgrade, such provisions being in accordance with the rating methodology of the Rating Agencies at the time of entry into such Hedge Agreements. Such provisions may include a requirement that a Hedge Counterparty must post collateral or transfer the Hedge Agreement to another entity (or, as relevant, its guarantor) meeting the applicable Rating Requirement or procure that a guarantor meeting the applicable Rating Requirement guarantees its obligations under the Hedge Agreement or take other actions subject to Rating Agency Confirmation.

Transfer and Modification

The Collateral Manager, acting on behalf of the Issuer, may not modify any Hedge Transaction or Hedge Agreement without Rating Agency Confirmation in relation to such modification, save to the extent that it would constitute a Form Approved Hedge following such modification. A Hedge Counterparty may transfer its rights and obligations under a Hedge Agreement to any institution which (or whose credit support provider (as defined in the applicable Hedge Agreement)) satisfies the applicable Rating Requirement and provided that such institution has the Dutch regulatory capacity to enter into derivatives transactions with Dutch residents.

Any of the requirements set out herein may be modified in order to meet any new or additional requirements of any Rating Agency then rating any Class of Notes.

Governing Law

Each Hedge Agreement together with each Hedge Transaction thereunder, in each case including any non-contractual obligations arising out of or in relation thereto, will be governed by, and construed in accordance with English Law.

Reporting of Specified Hedging Data

The Collateral Manager, on behalf of the Issuer, may from time to time enter into 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 Conditions.

Monthly Reports

The Collateral Administrator, not later than the eighth Business Day after the sixth calendar day (or, if such day is not a Business Day, the immediately following Business Day) of each month (save in respect of any month for which a Payment Date Report or Effective Date Report has been prepared) commencing in March 2020 on behalf, and at the expense, of the Issuer and in consultation with the Collateral Manager, shall compile a monthly report (the "**Monthly Report**"), which shall contain, without limitation, the information set out below with respect to the Portfolio (and shall include a version in excel format), determined by the Collateral Administrator as at the sixth calendar day of each month (or if such day is not a Business Day, the immediately following Business Day) in consultation with the Collateral Manager made available 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 Arrangers, the Trustee and the Hedge Counterparties and as further notified by the Issuer to the Rating Agencies and the Noteholders from time to time) which shall be accessible to any person who certifies to the Collateral Administrator (such certification to be 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 Administrator and the Collateral Manager from time to time, which 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 Arrangers, (iii) Placement Agents, (iv) the Trustee, (v) a Hedge Counterparty, (vi) the Collateral Manager, (vii) a Rating Agency, (viii) a Noteholder, (ix) a potential investor in the Notes, (x) a competent authority, (xi) Intex Solutions, or (xii) Bloomberg. In addition, for so long as any of the Notes are Outstanding, the Monthly Report will be available for inspection at the offices of, and copies thereof may be obtained free of charge upon request from, the Issuer. For the purposes of the Reports, obligations which are to constitute Collateral Obligations in respect of which the Issuer has entered into a binding commitment to purchase, but which have not yet settled, shall be included as Collateral Obligations as if such purchase had been completed and obligations in respect of which the Issuer has entered into a binding commitment to sell, but in respect of which such sale has not yet settled, shall be excluded from being Collateral Obligations as if such sale had been completed.

Portfolio

(a) the Aggregate Principal Balance of the Collateral Obligations and Eligible Investments representing Principal Proceeds;

(b) the Collateral Principal Amount of the Collateral Obligations;

(c) the Adjusted Collateral Principal Amount of the Collateral Obligations;

(d) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Obligation, its Principal Balance (in the case of Deferring Securities, both including and excluding capitalised or deferring interest), LoanX ID, CUSIP number, ISIN or identification thereof, annual interest rate or spread (and EURIBOR floor if any), facility, Collateral Obligation Stated Maturity, Obligor, the Domicile of the Obligor, S&P Rating, Fitch Rating and any other public rating (other than any confidential credit estimate), its Fitch industry category, S&P industrial classification group, S&P Recovery Rate and Fitch Recovery Rate;

(e) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Obligation, whether such Collateral Obligation is a Secured Senior Obligation, Unsecured Senior Obligation, Second Lien Loan, Mezzanine Obligation or High Yield Bond, Fixed Rate Collateral Obligation, Semi-Annual Obligation, Corporate Rescue Loan, PIK Security, Current Pay Obligation, Revolving Obligation, Delayed Drawdown Collateral Obligation, Discount Obligation, a Swapped Non-Discount Obligation, Deferring Security or Senior Secured Floating Rate Note;

(f) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Enhancement Obligation and Exchanged Security (to the extent applicable), its Principal Balance, face amount, annual interest rate, Collateral Obligation Stated Maturity and Obligor, details of the type of

instrument it represents and details of any amounts payable thereunder or other rights accruing pursuant thereto;

(g) subject to any confidentiality obligations binding on the Issuer, the number, identity and, if applicable, Principal Balance of, respectively, any Collateral Obligations, Collateral Enhancement Obligations or Exchanged 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) and the sale price thereof and identity of any of the purchasers thereof (if any) that are Affiliated with the Collateral Manager;

(h) subject to any confidentiality obligations binding on the Issuer, the purchase or sale price of each Collateral Obligation, Eligible Investment and Collateral Enhancement Obligation acquired by the Issuer and in which the Issuer has granted a security interest to the Trustee, and each Collateral Obligation, Eligible Investment and Collateral Enhancement Obligation sold by the Issuer since the date of determination of the last Monthly Report and the identity of the purchasers or sellers thereof, if any, that are Affiliated with the Issuer or the Collateral Manager;

(i) subject to any confidentiality obligations binding on the Issuer, the identity of each Collateral Obligation which became a Defaulted Obligation or Deferring Security or in respect of which an Exchanged Security has been received since the date of determination of the last Monthly Report and the identity and Principal Balance of each Fitch CCC Obligation, S&P CCC Obligation and Current Pay Obligation;

(j) subject to any confidentiality obligations binding on the Issuer, the identity of each Collateral Obligation which became a Restructured Obligation and its Obligor, as well as, where applicable, the name of the Obligor prior to the restructuring and the Obligor's new name after the Restructuring Date;

(k) the Aggregate Principal Balance of Collateral Obligations which were upgraded or downgraded since the most recent Monthly Report and of which the Collateral Administrator or the Collateral Manager has actual knowledge;

(l) the approximate Market Value of, respectively, the Collateral Obligations and the Collateral Enhancement Obligations as provided by the Collateral Manager;

(m) in respect of each Collateral Obligation, its S&P Rating and Fitch Rating (other than any confidential credit estimate) as at (i) the date of the previous Monthly Report; and (ii) the date of the current Monthly Report;

(n) the Aggregate Principal Balance of Collateral Obligations whose S&P Rating or Fitch Rating is based on a credit estimate or private credit rating;

(o) the Aggregate Principal Balance of Collateral Obligations comprising Participations in respect of which the Selling Institutions are not the lenders of record;

(p) a commentary provided by the Collateral Manager with respect to the Portfolio;

(q) a statement identifying each Collateral Obligation falling within paragraph (w) of the Portfolio Profile Tests;

(r) the amount of any Trading Gains paid into the Interest Account;

(s) for so long as any Notes are rated by Fitch, the applicable point in the Fitch Test Matrices being applied for the purposes of the Collateral Quality Tests; and

(t) a statement identifying the concentration limits applicable to the largest 10 Obligors by Principal Balance and Fixed Rate Collateral Obligations applicable to the case set out in a Fitch Test Matrix selected by the Collateral Manager and whether these limits are satisfied.

Accounts

(a) the Balances standing to the credit of each of the Accounts; and

(b) the purchase price, principal amount, redemption price, annual interest rate, maturity date and Obligor under each Eligible Investment purchased from funds in the Accounts.

Hedge Transactions and Counterparty Rating Requirements

(a) the outstanding notional amount of each Hedge Transaction and the current rate of EURIBOR;

(b) the amount scheduled to be received and paid by the Issuer pursuant to each Hedge Transaction on or before the next Payment Date;

(c) as notified to the Collateral Administrator in writing by the relevant party, the then current Fitch rating and, if applicable, S&P rating in respect of each Hedge Counterparty, Account Bank and Custodian and the current S&P rating in respect of the Principal Paying Agent and whether such Hedge Counterparty, Account Bank, Custodian and Principal Paying Agent satisfies the Rating Requirements; 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.

Coverage Tests and Collateral Quality Tests

(a) a statement as to whether each of the Par Value Tests is satisfied and details of the relevant Par Value Ratios;

(b) a statement as to whether each of the Interest Coverage Tests is satisfied and details of the relevant Interest Coverage Ratios;

(c) on and after the Effective Date during the Reinvestment Period, a statement as to whether the Reinvestment Overcollateralisation Test is satisfied;

(d) a statement as to whether each of the Collateral Quality Tests is satisfied (other than, following the expiry of the Reinvestment Period, the S&P CDO Monitor Test) and the pass levels thereof, together with details of the Weighted Average Spread (and separately, (i) the Weighted Average Spread disregarding any base rate floors applicable to Collateral Obligations and (ii) the Weighted Average Spread disregarding the Aggregate Excess Funded Spread), Weighted Average Fixed Coupon, Weighted Average Coupon Adjustment Percentage, S&P CDO Monitor BDR (other than following expiry of the Reinvestment Period), and 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) (other than following expiry of the Reinvestment Period);

(e) the S&P Weighted Average Recovery Rate;

(f) the Weighted Average Life and a statement as to whether the Weighted Average Life Test is satisfied;

(g) the Weighted Average Spread (shown as (x) including and excluding any EURIBOR Floor Adjustment), the Excess Weighted Average Coupon and a statement as to whether the Minimum Weighted Average Spread Test is satisfied;

(h) a statement identifying any Collateral Obligation in respect of which the Collateral Manager has made its own determination of "Market Value" (pursuant to the definition thereof) for the purposes of any of the Coverage Tests;

(i) so long as any Notes rated by Fitch are Outstanding, whether or not the Fitch Maximum Weighted Average Rating Factor Test is satisfied (together with the values of such Fitch Maximum Weighted Average Rating Factor Test);

(j) so long as any Notes rated by Fitch are Outstanding, whether or not the Fitch Minimum Weighted Average Recovery Rate Test is satisfied (together with the values of such Fitch Minimum Weighted Average Recovery Rate Test); and

(k) a statement identifying the concentration limits applicable to the largest ten Obligors by Principal Balance under the Fitch Tests Matrices and a statement as to whether the concentration limits applicable to the largest ten Obligors by Principal Balance under the Fitch Tests Matrices are 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;

(c) a statement as to 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; and

(d) if different from 10 per cent., a statement as to the maximum permitted percentage amount of the Collateral Principal Amount consisting of obligations which are Fixed Rate Collateral Obligations, calculated in accordance with the provisions set out in the section of this Offering Circular entitled *"The Portfolio — Portfolio Profile Tests and Collateral Quality Tests — The Fitch Tests Matrices"*, where in relation to a Fitch Test Matrix selected by the Collateral Manager, such Fitch Test Matrix applies a maximum percentage of the Collateral Principal Amount that can comprise Fixed Rate Collateral Obligations.

Frequency Switch Event

A statement indicating whether a Frequency Switch Event has occurred during the relevant Due Period, as notified in writing from the Collateral Manager to the Collateral Administrator.

Risk Retention

Confirmation that the Collateral Administrator has received written confirmation (and upon which confirmation the Collateral Administrator shall be entitled to rely without further enquiry and without liability for so relying) from the Collateral Manager that:

(a) it continues to retain the Retention Notes; and

(b) it has not sold, hedged or otherwise mitigated its credit risk under or associated with the Retention Notes or the underlying portfolio of Collateral Obligations, except to the extent permitted in accordance with the EU Retention and Transparency Requirements.

CM Voting Notes / CM Non-Voting Notes

In respect of the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 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

Only for so long as the transitional provisions of Article 43(8) of the Securitisation Regulation (the "**Transitional Requirements**") apply:

(a) any details of all current transaction parties, their entity names, roles and if such transaction parties are rated, their credit ratings (as provided to the Collateral Administrator by the Issuer or the Collateral Manager on its behalf);

(b) 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);

(c) the "legal entity identifier" number of the Issuer (as provided 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; and

(e) details of the replacement of any transaction party (as provided to the Collateral Administrator by the Issuer or the Collateral Manager on its behalf).

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**"), on the Business Day preceding the related Payment Date, determined as of the applicable Determination Date 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 Arrangers, the Placement Agents, the Trustee and the Hedge Counterparties and as further notified by the Issuer to the Rating Agencies and the Noteholders from time to time) which shall be accessible to any person who certifies to the Collateral Administrator (such certification to be 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 Administrator and the Collateral Manager from time to time, which 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 Arrangers, (iii) the Placement Agents, (iv) the Trustee, (v) a Hedge Counterparty, (vi) the Collateral Manager, (vii) a Rating Agency, (viii) a Noteholder, (ix) a potential investor in the Notes, (x) a competent authority, (xi) Intex Solutions, or (xii) Bloomberg. In addition, for so long as any of the Notes are Outstanding, 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. Upon issue 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. The Payment Date Report shall contain the following information (and shall include a version in excel format):

Portfolio

(a) the Aggregate Principal Balance of the Collateral Obligations as of the close of business on such Determination Date, after giving effect to (A) Principal Proceeds received on the Collateral Obligations with respect to the related Due Period and the reinvestment of such Principal Proceeds in Substitute Collateral Obligations during such Due Period and (B) the 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 each Class of Rated Notes on the next Payment Date; and

(d) EURIBOR for the related Due Period and the Rate of Interest applicable to each Class of Rated Notes during the related Due Period.

Payment Date Payments

(a) the amounts payable pursuant to the Interest Priority of Payments, the Principal 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 Defaulted Currency Hedge Termination Payments and Defaulted Interest Rate Hedge Termination Payments.

Accounts

(a) the Balance standing to the credit of the Interest Account at the end of the related Due Period;

(b) the Balance standing to the credit of the Principal Account at the end of the related Due Period;

(c) the Balance standing to the credit of the Interest Account immediately after all payments and deposits to be made on the next Payment Date;

(d) the Balance standing to the credit of the Principal Account immediately after all payments and deposits to be made on the next Payment Date;

(e) the amounts payable from the Interest Account through a transfer to the Payment Account pursuant to the Priorities of 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 "M*onthly Reports — Coverage Tests and Collateral Quality Tests*" above; and

(b) the information required pursuant to "*Monthly Reports — Portfolio Profile Tests*" above.

Hedge Transactions

(a) The information required pursuant to "Monthly Reports — Hedge Transactions and Counterparty Rating Requirements" above; and

(b) Only for so long as the Transitional Requirements apply, 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.

Risk Retention

The information required pursuant to "*Monthly Reports – Risk Retention*" above.

CM Voting Notes / CM Non-Voting Notes

The information required pursuant to "*Monthly Reports – CM Voting Notes / CM Non-Voting Notes*" above.

(a) Frequency Switch Event

(b) The information required pursuant to "*Frequency Switch Event*" above.

Summary of Transaction Parties

Only for so long as the transitional provisions of Article 43(8) of the Securitisation Regulation apply:

(a) any details of all current transaction parties, their entity names, roles and, if such transaction parties are rated, their credit ratings (as provided to the Collateral Administrator by the Issuer or the Collateral Manager on its behalf);

(b) 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);

(c) the "legal entity identifier" number of the Issuer (as provided 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; and

(e) details of the replacement of any transaction party (as provided to the Collateral Administrator by the Issuer or the Collateral Manager on its behalf).

Miscellaneous

Each report shall state that it is for the purposes of information only, that certain information included in the report is estimated, approximated or projected and that it is provided without any representations or warranties as to the accuracy or completeness thereof and that none of the Collateral Administrator, the Trustee, the Issuer or the Collateral Manager will have any liability for estimates, approximations or projections contained therein.

In addition, the Collateral Administrator shall provide the Issuer with such other information and in such a format relating to the Portfolio as the Issuer may reasonably request and which is in the possession of the Collateral Administrator in order for the Issuer to satisfy its obligation to make certain filings of information with the Central Bank and in respect of the preparation of its financial statements and tax returns.

TAX CONSIDERATIONS

1. General

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

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

2. Netherlands Taxation

The comments below are of a general nature based on taxation law and practice in The Netherlands as at the date of this Offering Circular and are subject to any changes therein, without prejudice to any amendment introduced at a later date and implemented with or without retroactive effect. The summary relates only to the position of persons who are absolute beneficial owners of the Notes and does not purport to describe all possible tax considerations or consequences that may be relevant to a holder or prospective holder of Notes and does not purport to deal with the tax consequences applicable to all categories of investors, some of which (such as holders that are subject to taxation in Bonaire, St. Eustatius and Saba or trusts or similar arrangements) may be subject to special rules. The following is a general description of certain tax considerations relating to the Notes. It does not purport to be a complete analysis of all tax considerations relating to the Notes and so should be treated with appropriate caution.

In particular, it does not take into consideration any tax implications that may arise on a substitution of the Issuer. Prospective investors should consult their own professional advisors concerning the possible tax consequences of purchasing, holding and/or selling Notes and receiving payments of interest, principal and/or other amounts under the Notes under the applicable laws of their country of citizenship, residence or domicile.

Investors should note that with respect to paragraph (b) below, the summary does not describe The Netherlands tax consequences for holders of Notes if such holders, and in the case of individuals, his/her partner or certain of their relatives by blood or marriage in the direct line (including foster children), have a substantial interest or deemed substantial interest in the Issuer under The Netherlands Income Tax Act 2001 (*Wet Inkomstenbelasting* 2001). Generally speaking, a holder of securities in a company is considered to hold a substantial interest in such company, if such holder alone or, in the case of individuals, together with his/her partner (as defined in The Netherlands Income Tax Act 2001), directly or indirectly, holds (i) an interest of 5 per cent. or more of the total issued and outstanding capital of that company or of 5 per cent. or more of the issued and outstanding capital of a certain class of shares of that company; or (ii) holds rights to acquire, directly or indirectly, such interest; or (iii) holds certain profit sharing rights in that company that relate to 5 per cent. or more of the company's annual profits and/or 5 per cent. or more of the company's liquidation proceeds. A deemed substantial interest arises if a substantial interest (or part thereof) in a company has been disposed of, or is deemed to have been disposed of, on a non-recognition basis. Under the existing laws of The Netherlands:

(a) all payments of interest and principal by the Issuer under the Notes can be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld, or assessed by The Netherlands or any political subdivision or taxing authority thereof or therein;

(b) a holder of a Note who is not a resident of The Netherlands and who derives income from a Note or who realises a gain on the disposal or redemption of a Note will not be subject to Dutch taxation on such income or capital gain, unless:

  (i) the holder is deemed to be resident in The Netherlands;

(ii) such income or gain is attributable to an enterprise or part thereof which is either effectively managed in The Netherlands or carried on through a permanent establishment (*vaste inrichting*) or a permanent representative (*vaste vertegenwoordiger*) in The Netherlands; or

(iii) the holder is an individual and such income or gain qualifies as income from activities that exceed normal active portfolio management in The Netherlands;

(c) Dutch gift, estate or inheritance taxes will not be levied on the occasion of the transfer of a Note by way of gift by, or on the death of, a holder unless:

(i) the holder is, or is deemed to be, resident in The Netherlands for the purpose of the relevant provisions; or

(ii) the transfer is construed as an inheritance or as a gift made by or on behalf of a person who, at the time of the gift or death, is, or is deemed to be, resident in The Netherlands for the purpose of the relevant provisions;

(d) there is no Dutch registration tax, stamp duty or any other similar tax or duty payable in The Netherlands in respect of or in connection with the execution, delivery and/or enforcement by legal proceedings (including any foreign judgment in the courts of The Netherlands) of the Notes or the performance of the Issuer's obligations under the Notes;

(e) there is no Dutch VAT payable in respect of payments in consideration for the issue of the Notes or in respect of the payment of interest or principal under the Notes or the transfer of a Note; and

(f) a holder of a Note will not be treated as a resident of The Netherlands by reason only of the holding of a Note or the execution, performance, delivery and/or enforcement of the Notes.

3. **Certain U.S. Federal Income Tax Considerations**

General

The following discussion summarises certain of the material U.S. federal income tax consequences of the purchase, beneficial ownership, and disposition of the Notes.

For purposes of this summary, a "**U.S. Holder**" is a beneficial owner of a Note that is:

- 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:

- a non-resident alien individual for U.S. federal income tax purposes;
- a foreign corporation for U.S. federal income tax purposes;
- an estate whose income is not subject to U.S. federal income tax on a net income basis; or
- a trust if no court within the United States is able to exercise primary jurisdiction over its administration or if no United States persons have the authority to control any of its substantial decisions.

An individual may, subject to certain exceptions, be deemed to be a resident of the United States for U.S. federal income tax purposes by reason of being present in the United States for at least 31 days in the calendar year and

for an aggregate of more than 182 days during a three-year period ending in the current calendar year (counting for such purposes all of the days present in the current year, one-third of the days present in the immediately preceding year, and one-sixth of the days present in the second preceding year). This summary does not address tax considerations that apply to such individuals.

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 U.S. federal income tax consequences described herein. This summary addresses only holders that purchase Notes at initial issuance for cash (and, in the case of the Rated Notes, at their issue price) which is the price at which a substantial amount of Rated Notes within the applicable Class was first 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 (such as any alternative minimum tax consequences) that may be relevant to particular investors or to investors subject to special treatment under the federal income tax laws (such as banks, thrifts, or other financial institutions; insurance companies; securities dealers or brokers, or traders in securities electing mark-to-market treatment; mutual funds or real estate investment trusts; regulated investment companies; 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 CFCs or PFICS 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 Reinvesting Noteholder of a Reinvestment Amount.

In the case of a partnership, or other entity treated as a pass-through for U.S. federal income tax purpose, that is a beneficial owner of a Note, the tax treatment of a partner of such partnership (or other equity holder of such other pass-through entity) will generally depend on the status of such partner (or other equity holder) and upon the activities of such pass-through entity. Partners of partnerships (or other equity holders of other pass-through entities, as applicable) that are beneficial owners of the Notes should consult their tax advisors as to the tax consequences of an investment in the Notes.

PROSPECTIVE PURCHASERS OF NOTES SHOULD CONSULT THEIR TAX ADVISORS AS TO THE U.S. FEDERAL, STATE AND LOCAL TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF NOTES, AS WELL AS ANY CONSEQUENCES ARISING UNDER THE LAWS OF ANY OTHER TAXING JURISDICTION TO WHICH THEY MAY BE SUBJECT.

U.S. Federal Tax Treatment of the Issuer

The Issuer will be treated as a foreign corporation for U.S. federal income tax purposes. In this regard, upon the issuance of the Notes, the Issuer will receive an opinion of DLA Piper LLP to the effect that, although no activity closely comparable to that contemplated by the Issuer has been the subject of any Treasury regulation, revenue ruling or judicial decision, if the Issuer and the Collateral Manager comply with the Trust Deed and the Collateral Management and Administration Agreement, including certain tax guidelines referenced 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 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 advice from nationally recognised U.S. tax counsel to the effect that any changes in its structure and operations will not cause the Issuer to be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes. The opinion of DLA Piper LLP will assume the correctness of any such advice. Prospective investors should be aware that the opinion of DLA Piper LLP is not binding on the IRS or the courts, and no ruling will be sought from the IRS regarding this, or any other aspect of the U.S. federal income tax treatment of the Issuer. Accordingly, in the absence of authority on point, the U.S. federal income tax treatment of the Issuer is not entirely free from doubt, and there can be no assurance that positions contrary to those stated in the opinion of DLA Piper may not be asserted successfully by the IRS. 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 is determined that the Issuer is engaged in a trade or business in the United States for U.S. federal income tax purposes, and the Issuer has taxable income that is effectively connected with such U.S. trade or business, the Issuer will be subject under the Code to the regular U.S. federal corporate income tax on its effectively connected taxable income, possibly on a gross basis, and possibly to a 30 per cent. branch profits tax and state and local taxes as well. The imposition of such a tax liability could materially adversely affect the Issuer's ability to make payments on the Notes. The balance of this summary assumes that the Issuer is not subject to U.S. federal income tax on its net income.

U.S. Federal Withholding Taxes

Although the Issuer does not anticipate that it will be subject to U.S. federal income tax with respect to its net income, income derived by the Issuer may be subject to withholding or similar taxes imposed by the United States or other countries, and the imposition of such taxes could materially affect its financial ability to make payments on the Notes. Subject to certain exceptions set forth in the Collateral Management and Administration Agreement, the Issuer generally may acquire a particular Collateral Obligation only if, at the time of commitment to purchase, either the interest payments thereon are not subject to withholding tax or the issuer of the Collateral Obligation is required to make "gross-up" payments to the Issuer that cover the full amount of any such withholding on an after-tax basis. Accordingly, the Issuer does not generally expect to be subject to U.S. federal withholding taxes on interest from Collateral Obligations. The Issuer may, however, be subject to withholding or similar taxes in respect of commitment fees, facility fees, amendment fees, waiver fees, consent fees, letter of credit fees, extension fees or other similar fees, or under FATCA as discussed in more detail below. Any such withholding or similar taxes will not be grossed up.

Notwithstanding the foregoing, there can be no assurance that income derived by the Issuer will not become subject to withholding or similar taxes more generally as a result of changes in law, contrary conclusions by the IRS, or other causes. Such withholding or similar taxes could be applied retroactively to fees or other income previously received by the Issuer. To the extent that withholding or similar taxes are imposed and not paid through withholding, the Issuer may be directly liable to the taxing authority to pay such taxes. The imposition of unanticipated withholding or similar taxes could materially impair the Issuer's ability to make payments on the Notes.

U.S. Federal Tax Treatment of the Notes

Upon the issuance of the Notes, the Issuer will receive an opinion of Paul Hastings LLP to the effect that, based on certain assumptions, the Class X Notes, Class A Notes, Class B Notes, Class C Notes, and Class D Notes will be treated, and the Class E Notes should be treated, as indebtedness for U.S. federal income tax purposes. No opinion will be received with respect to the Class F Notes. The Issuer intends to treat each Class of the Rated Notes as indebtedness for U.S. federal, state, and local income and franchise tax purposes. The Issuer's characterisations will be binding on all Noteholders, and the Trust Deed requires the Noteholders to treat the Rated Notes as indebtedness for U.S. federal, state and local income and franchise tax purposes. Nevertheless, the IRS could assert, and a court could ultimately hold, that one or more Classes of Rated Notes, particularly the Class E Notes and the Class F 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 "*Possible Treatment of Class E Notes and Class F Notes as Equity for U.S. Federal Tax Purposes*" below. Except as otherwise indicated, the balance of this summary assumes that all of the Rated Notes are treated as indebtedness of the Issuer for U.S. federal, state and local income and franchise tax purposes. Prospective investors in the Rated Notes should consult their tax advisors regarding the U.S. federal, state and local income and franchise tax consequences to the investors in the event their Rated Notes are treated as equity in the Issuer.

The Issuer intends to treat the Subordinated Notes as equity in the Issuer for U.S. federal income tax purposes, and each holder by its purchase of a Subordinated Note agrees, or will be deemed to agree, 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 characterization of the Notes as indebtedness or equity or changing the characterization and timing of income inclusions to U.S. Holders in respect of the Notes. The remainder of this discussion and the tax opinion of Paul Hastings LLP assume that the Trust Deed is not so amended.

U.S. Federal Tax Treatment of U.S. Holders of Rated Notes

Class X Notes, Class A Notes and Class B Notes

Stated Interest. U.S. Holders of Class X Notes, Class A Notes and Class B Notes will include in gross income the U.S. dollar value of payments of stated interest accrued or received on their Notes, in accordance with their usual method of tax accounting, as ordinary interest income, subject to the discussion under "*Original Issue Discount*" below.

In general, U.S. Holders of Class X Notes, Class A Notes or Class B Notes that use the cash method of accounting will calculate the U.S. dollar value of payments of stated interest based on the euro-to-U.S. dollar spot exchange rate at the time a payment is received.

In general, U.S. Holders of Class X Notes, Class A Notes or Class B Notes that use the accrual method of accounting or that otherwise are required to accrue stated interest before receipt will calculate the U.S. dollar value of accrued interest based on the average euro-to-U.S. dollar spot exchange rate during the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the average euro-to-U.S. dollar spot exchange rate for the partial period within the U.S. Holder's taxable year). Alternatively, a U.S. Holder of Class X Notes, Class A Notes or Class B Notes can elect to calculate the U.S. dollar value of accrued interest based on the euro-to-U.S. dollar spot exchange rate on the last day of the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the euro-to-U.S. dollar spot exchange rate on the last day of the U.S. Holder's taxable year) or, if the last day of the Accrual Period is within five business days of the U.S. Holder's receipt of the payment, the spot exchange rate on the date of receipt. Any such election must be applied to all debt instruments held by the U.S. Holder and is irrevocable without the consent of the IRS.

Accrual basis U.S. Holders of Class X Notes, Class A Notes or Class B Notes also will recognise foreign currency exchange gain or loss on the receipt of interest payments on their Class X Notes, Class A Notes or Class B Notes to the extent that the U.S. dollar value of such payments (based on the euro-to-U.S. dollar spot exchange rate on the date such payments are received) differs from the U.S. dollar value of such payments when they were accrued. The foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Original Issue Discount. In addition, if the discount at which a substantial amount of the Class X Notes, Class A Notes or Class B Notes is first sold to investors is at least 0.25 per cent. of the principal amount of the Class, multiplied by the number of complete years to the weighted average maturity of the Class, then the Issuer will treat the Class as issued with original issue discount ("**OID**") for U.S. federal income tax purposes. The total amount of OID with respect to a Note within the Class will equal the excess of the principal amount of the Note over its issue price (the first price at which a substantial amount of Notes within the Class was sold to investors). U.S. Holders of Notes that are issued with OID will be required to include the U.S. dollar value of OID in advance of the receipt of cash attributable to such income. In general, U.S. Holders of the Class X Notes, Class A Notes or Class B Notes that are issued with OID 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 X Notes, Class A Notes or Class B Notes that are issued with OID can elect to calculate the U.S. dollar value of OID based on the euro-to U.S. dollar spot exchange rate on the last day of the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the euro-to-U.S. dollar spot exchange rate on the last day of the U.S. Holder's taxable year) or, if the last day of the Accrual Period is within five business days of the U.S. Holder's receipt of the payment of accrued OID, the spot exchange rate on the date of receipt. Any such election must be applied to all debt instruments held by the U.S. Holder and is irrevocable without the consent of the IRS.

If the Class X Notes, the Class A Notes or the Class B Notes are issued with OID, 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 X Notes, Class A Notes or Class B Notes that are issued with OID also will recognise foreign currency exchange gain or loss on the receipt of interest payments on their Class X Notes, Class A Notes or Class B Notes to the extent that the U.S. dollar value of such payments (based on the euro-to-U.S. dollar spot exchange rate on the date such payments are received) differs from the U.S. dollar value of 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.

Under a recent amendment to Section 451(b), a U.S. Holder that uses an accrual method of accounting for U.S. federal income tax purposes generally will be required to include certain amounts in income no later than the time such amounts are reflected on certain financial statements of such U.S. Holder. The application of this rule thus may require the accrual of income earlier than would be the case under the general tax rules described above, however, proposed U.S. Treasury Regulations on which taxpayers may currently rely generally exclude most OID from this new rule. U.S. Holders that use an accrual method of accounting should consult with their tax advisors regarding the potential applicability of this legislation to their particular situation.

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 X Note, a Class A Note or a Class B Note, on the euro-to-U.S. dollar spot exchange rate on the date any such payments were received).

A U.S. Holder will generally recognise foreign currency exchange gain or loss on the receipt of any principal payments on a Class X Note, a Class A Note or Class B Note prior to a sale, exchange, or retirement of such Note to the extent that the U.S. dollar value of each such principal payment (based on the euro-to-U.S. dollar spot exchange rate on the date any such payment was received) differs from the U.S. dollar value of the equivalent principal amount of the Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired). Any such foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Upon a sale, exchange, or retirement of a Class X Note, a Class A Note or Class B Note, a U.S. Holder will generally recognise gain or loss equal to the difference between the U.S. dollar value of the amount realised on the sale, exchange, or retirement (less any accrued and unpaid interest, which will be taxable as described above) and the holder's tax basis in such Note. 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.

Class C Notes, Class D Notes, Class E Notes and Class F Notes

Original Issue Discount. The Issuer will treat the Class C Notes, Class D Notes, Class E Notes and Class F Notes as issued with OID for U.S. federal income tax purposes. The total amount of OID with respect to a Class C Note, Class D Note, Class E Note or Class F Note will equal the sum of all payments to be received under such Note less its issue price (the first price at which a substantial amount of Notes within the applicable Class was sold to investors). U.S. Holders of the Class C Notes, Class D Notes, Class E Notes, or Class F Notes will be required to include the U.S. dollar value of OID in advance of the receipt of cash attributable to such income. In general, U.S. Holders will calculate the U.S. dollar value of OID based on the average euro-to-U.S. dollar spot exchange rate during the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the average euro-to-U.S. dollar spot exchange rate for the partial period within the U.S. Holder's taxable year). Alternatively, a U.S. Holder can elect to calculate the U.S. dollar value of OID based on the euro-to-U.S. dollar spot exchange rate on the last day of the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the euro-to-U.S. dollar spot exchange rate on the last day of the U.S. Holder's taxable year) or, if the last day of the Accrual Period is within five business days of the U.S. Holder's receipt of the payment of accrued OID, the euro-to-U.S. dollar spot exchange rate on the date of receipt. Any such election must be applied to all debt instruments held by the U.S. Holder and is irrevocable without the consent of the IRS.

A U.S. Holder of Class C Notes, Class D Notes, Class E Notes or Class F Notes 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, Class E Notes, and Class F 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 Payment Date, and then adjusting the accrual for each subsequent Payment Date based on the difference between the value of EURIBOR used in setting interest for that subsequent Payment Date and the assumed rate. It is possible, however, that the IRS could assert, and a court could ultimately hold, that some other method of accruing OID on the Class C Notes, Class D Notes, Class E Notes, or Class F Notes should apply.

U.S. Holders of Class C Notes, Class D Notes, Class E Notes, or Class F Notes also will recognise foreign currency exchange gain or loss on the receipt of interest payments on their Notes to the extent that the U.S. dollar value of such payments (based on the euro-to-U.S. dollar spot exchange rate on the date such payments are received) differs from the U.S. dollar value of the corresponding amounts of OID when they were accrued. The foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Under a recent amendment to Section 451(b), a U.S. Holder that uses an accrual method of accounting for U.S. federal income tax purposes generally will be required to include certain amounts in income no later than the time such amounts are reflected on certain financial statements of such U.S. Holder. The application of this rule thus may require the accrual of income earlier than would be the case under the general tax rules described above, however, proposed U.S. Treasury Regulations on which taxpayers may currently rely generally exclude most OID from this new rule. U.S. Holders that use an accrual method of accounting should consult with their tax advisors regarding the potential applicability of this legislation to their particular situation.

Sale, Exchange or Retirement. In general, a U.S. Holder of a Class C Note, Class D Note, Class E Note or Class F Note will have a basis in such Note equal to the U.S. dollar value of the cost of such Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired, or the settlement date for the purchase of the Note if the Note is treated under applicable Treasury regulations as a security traded on an established securities market and the U.S. Holder either uses the cash method of accounting, or uses the accrual method of accounting and so elects (which election must be applied consistently from year to year)), (i) increased by any amount includable in income by such U.S. Holder as OID (as described above), and (ii) reduced by the U.S. dollar value of any payments received on such Note (based on the euro-to-U.S. dollar spot exchange rate on the date any such payments were received). A U.S. Holder will generally recognise foreign currency exchange gain or loss on the receipt of any principal payments on a Class C Note, Class D Note, Class E Note or Class F Note prior to a sale, exchange, or retirement of such Note to the extent that the U.S. dollar value of each such principal payment (based on the euro-to-U.S. dollar spot exchange rate on the date any such payment was received) differs from the U.S. dollar value of the equivalent principal amount of the Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired). Any such foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Upon a sale, exchange, or retirement of a Class C Note, Class D Note, Class E Note or Class F Note, a U.S. Holder will generally recognise gain or loss equal to the difference between the U.S. dollar value of the amount realised on the sale, exchange, or retirement and the holder's tax basis in such Note. Any such gain or loss will be foreign currency exchange gain or loss to the extent that the U.S. dollar value of the principal amount of the Note on the date of the sale, exchange, or retirement (based on the euro-to-U.S. dollar spot exchange rate on such date) differs from the U.S. dollar value of the equivalent principal amount of the Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired). 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.

Base Rate Amendment

There is a risk that the use of an Alternative Base Rate could be viewed as a "modification" of the Floating Rate Notes within such Class for U.S. federal income tax purposes (a "**Base Rate Amendment**"). Under recent proposed U.S. Treasury Regulations, a change in the base rate from EURIBOR to a "qualified rate" as defined in such proposed U.S. Treasury Regulations generally will not be treated as a modification of a Floating Rate Note for U.S. federal income tax purposes. Although it is subject to several future events or cirumstances, the Issuer expects that a Base Rate Amendment would change the base rate to a rate that would be a "qualified rate" as defined in such proposed U.S. Treasury Regulations, and therefore would not be treated as a modification of a Floating Rate Note for U.S. federal income tax purposes, or would be a rate upon which the Controlling Class and the Subordinated Noteholders agree. The proposed U.S. Treasury Regulations may be relied upon by a taxpayer if the taxpayer and its related parties consistently apply the rules in the proposed U.S. Treasury Regulations. If the Base Rate Amendment was classified as a modification, and such modification was treated as a "significant modification" for U.S. federal income tax purposes (which would generally include a Base Rate Amendment that changes the yield on the Class by more than the greater of (x) 0.25 per cent. or (y) 5 per cent. of the annual yield of the Class prior to the Base Rate Amendment), then, unless the Base Rate Amendment is treated as a tax-free "recapitalization" for U.S. federal income tax purposes or another exception exists at the time of the Base Rate Amendment, the Base Rate Amendment could cause a U.S. Holder that holds Floating Rate Notes that are subject to the Base Rate Amendment to recognize gain for U.S. federal income tax purposes equal to the difference, if any, between (A)(i) the fair market value of the modified Notes (if the Class is treated as publicly traded) or their principal amount (if the Class is not treated as publicly traded) less (ii) any accrued and unpaid interest (which will be taxable as such), and (B) the U.S. Holder's tax basis in the Notes. Any gain will be long-term capital gain if the applicable Notes were treated as held for more than one year at the time of the Base Rate Amendment, or otherwise short-term capital gain. The tax on any such gain may exceed the after-tax distributions on the modified Notes during the taxable year in which the Base Rate Amendment occurs, in which case the U.S. Holder would be required to fund its tax liability in respect of the gain from other sources. In the event that a Base Rate Amendment is treated as a taxable exchange for U.S. federal income tax purposes, it is possible that a U.S. Holder's holding period in respect of the modified Notes will begin on the day following the modification. U.S. Holders may not be permitted to recognize loss upon a Base Rate Amendment. Finally, a Base Rate Amendment could create or change the amount of any OID that U.S. Holders are required to include with respect to their Floating Rate Notes. U.S. Holders should consult their tax advisors regarding the tax consequences of a Base Rate Amendment.

Alternative Characterisation of the Rated Notes as Contingent Payment Debt Instruments

It is possible that the Rated Notes could be treated as "contingent payment debt instruments" for U.S. federal income tax purposes. In this event, the timing of a U.S. Holder's OID inclusions could differ from that described above and any gain recognised on the sale, exchange, or retirement of such Notes would be treated as ordinary income and not as capital gain.

Receipt of Euro

U.S. Holders will have a tax basis in any euro received in respect of the Notes on a sale, redemption, or other disposition of the Notes equal to the U.S. dollar value of the euro on that date. Any gain or loss recognised on a sale, exchange, or other disposition of those euro generally will be ordinary income or loss. A U.S. Holder that converts the euro into U.S. dollars on the date of receipt generally should not recognise ordinary income or loss in respect of the conversion.

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

As described above under "U.S. Federal Tax Treatment of the Notes," the Issuer intends to treat the Class E Notes and Class F Notes as indebtedness for U.S. federal, state, and local income and franchise tax purposes, and the Trust Deed requires Noteholders to treat the Class E Notes and Class F Notes as indebtedness for U.S. federal, state and local income and franchise tax purposes. Nevertheless, the IRS could assert, and a court could ultimately hold, that any Class of Rated Notes, particularly the Class E Notes and Class F Notes are equity in the Issuer for U.S. federal income tax purposes.

If the Class E Notes or Class F Notes are treated as equity in the Issuer, because the Issuer will be a PFIC for U.S. federal income tax purposes, the U.S. dollar value of gain on the sale of the Class E Notes and/or the Class F Notes could be treated as ordinary income and subject to an additional tax in the nature of interest, and the U.S. dollar value of certain interest on such Notes could be subject to the additional tax. A U.S. Holder of such Notes might be able to avoid the ordinary income treatment and additional tax by writing "Protective QEF Election" on the top of an IRS Form 8621, filling out the form, checking Box A (Election to Treat the PFIC as a QEF) and filing the form with the IRS with respect to their Class E Notes and the Class F Notes, or by filing a protective statement with the IRS preserving the U.S. Holder's ability to elect retroactively to treat the Issuer as a QEF and so electing at the appropriate time. 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 or Class F Notes is required to obtain for U.S. federal income tax purposes in order to make and maintain a "protective" QEF election. If the Class E Notes or Class F Notes are treated as equity, a U.S. Holder will also be required to file an annual PFIC report.

Alternatively, if the Class E Notes or Class F 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 generally 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 and Class F 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 or Class F Notes are treated as equity in the Issuer, U.S. Holders of Class E Notes or Class F Notes could be treated as owning an indirect equity interest in a PFIC or a CFC and could be subject to certain adverse tax consequences. In particular, a U.S. Holder of an indirect equity interest in a PFIC is treated as owning the PFIC directly. The U.S. Holder, and not the Issuer, would be required to make a QEF election with respect to each indirect interest in a PFIC. However, certain PFIC information statements are necessary for U.S. Holders that have made QEF elections, and there can be no assurance that the Issuer can obtain such statements from a PFIC. Thus, there can be no assurance that a U.S. Holder would be able to make the election with respect to any indirectly held PFIC.

In addition, if the Class E Notes or Class F Notes represent equity in the Issuer for U.S. federal income tax purposes, a U.S. Holder of such Notes would be required to file an IRS Form 926 with the IRS if (i) such person is treated as owning, directly or by attribution, immediately after the U.S. Holder's purchase of Notes, at least 10 per cent. by 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 and Class F Notes.

Finally, if the Class E Notes or Class F Notes represent equity in the Issuer, a U.S. Holder of such Notes will be required to file an IRS Form 5471 with the IRS if the U.S. Holder is treated as owning (actually or constructively) at least 10 per cent. by vote or value of the equity of the Issuer for U.S. federal income tax purposes, and may be required to provide additional information regarding the Issuer annually on IRS Form 5471 if the U.S. Holder is treated as owning (actually or constructively) more than 50 per cent. by value of the equity of the Issuer for U.S. federal income tax purposes. U.S. Holders may wish to file a "protective" IRS Form 5471 with respect to their Class E Notes and Class F Notes.

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 and Class F Notes should consult with their tax advisors regarding whether to make protective filings of IRS Forms 8621, 926 and 5471 with respect to such Notes and the consequences to them if the Class E Notes or Class F Notes are treated as equity in the Issuer.

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

Investment in a Passive Foreign Investment Company. The Issuer will constitute a PFIC for U.S. federal income tax purposes, and U.S. Holders of Subordinated Notes will be subject to the PFIC rules, except for certain U.S. Holders that are subject to the rules applicable to a CFC (as described below under "*Investment in a Controlled Foreign Corporation*"). U.S. Holders should consider making an election to treat the Issuer as a QEF. Generally, a U.S. Holder makes a QEF election on IRS Form 8621, attaching a copy of that form to its U.S. federal income tax return for the first taxable year for which it held its Subordinated Notes. If a U.S. Holder makes a timely QEF election with respect to the Issuer, the electing U.S. Holder will be required in each taxable year to currently 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. Under Section 1293 of the Code, a U.S. Holder's *pro rata* share of the Issuer's ordinary income and net capital gain is the amount which would have been distributed to such Holders if, on each day during the taxable year of the Issuer, the Issuer had distributed to each Holder of Subordinated Notes a *pro rata* share of that day's ratable share of the Issuer's ordinary earnings and net capital gain for such year. A U.S. Holder will not be eligible for the dividends received deduction in respect of such income or gain. In addition, any losses of the Issuer in a taxable year will not be available to the U.S. Holder and may not be carried back or forward in computing the Issuer's ordinary earnings and net capital gain in other taxable years. If applicable, the rules pertaining to a CFC, discussed below generally override those pertaining to a PFIC with respect to which a QEF election is in effect.

In certain cases in which a QEF does not distribute all of its earnings in a taxable year, the electing U.S. Holder may also be permitted to elect to defer payment of some or all of the taxes on the QEF's income, subject to a nondeductible interest charge on the deferred amount. In this respect, prospective purchasers of Subordinated Notes should be aware that it is expected that the Collateral 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 pertaining to a CFC, described below) that does not make a timely QEF election will be required to report the U.S. dollar value of any gain on the disposition of its Subordinated Notes as ordinary income, rather than capital gain, and to compute the tax liability on such gain and any "Excess Distribution" (as defined below) received in respect of the Subordinated Notes as if such items had been earned ratably over each day in the U.S. Holder's holding period (or a certain portion thereof) for the Subordinated Notes. The U.S. Holder will be subject to tax on such gain or Excess Distributions at the highest ordinary income tax rate for each taxable year in which such gain or Excess Distributions are treated as having been earned, other than the current year (for which the U.S. Holder's regular ordinary income tax rate will apply), regardless of the rate otherwise applicable to the U.S. Holder. Further, such U.S. Holder will also be liable for a nondeductible interest charge as if such income tax liabilities had been due with respect to each such prior year. For purposes of these rules, gifts, exchanges pursuant to corporate reorganisations and use of the Subordinated Notes as security for a loan may be treated as taxable dispositions of such Subordinated Notes. In addition, a stepped-up basis in the Subordinated Notes will not be available upon the death of an individual U.S. Holder who has not made a timely QEF election with respect to the Issuer.

Where a QEF election is not timely made by a U.S. Holder for the year in which it acquired its Subordinated Notes, but is made for a later year, the Excess Distribution rules can be avoided for such later year and

subsequent years by making an election to recognise gain from a deemed sale of such Notes at the time when the QEF election becomes effective.

An "**Excess Distribution**" is the amount by which the U.S. dollar value of distributions during a taxable year in respect of a Note exceeds 125 per cent. of the average amount of distributions in respect thereof during the three preceding taxable years (or, if shorter, the U.S. Holder's holding period for the Note).

In many cases, the U.S. federal income tax on any gain on disposition or receipt of Excess Distributions is likely to be substantially greater than the tax if a timely QEF election is made. A U.S. HOLDER OF A SUBORDINATED NOTE SHOULD STRONGLY CONSIDER MAKING A QEF ELECTION WITH RESPECT TO THE ISSUER.

Investment in a Controlled Foreign Corporation. The Issuer will be a CFC if more than 50 per cent. of the equity interests in the Issuer, measured by reference to combined voting power or value, are owned directly, indirectly, or constructively by 10 per cent. United States shareholders. For this purpose, a "**10 per cent. United States shareholder**" is any United States person that possesses directly, indirectly, or constructively 10 per cent. or more of the combined voting power or value of all classes of equity in the Issuer. Thus, a U.S. Holder of Subordinated Notes (and/or any Rated Notes that are treated as equity in the Issuer for U.S. federal income tax purposes) possessing directly, indirectly, or constructively 10 per cent. or more of the sum of the aggregate outstanding principal amount of the Subordinated Notes would be treated as a 10 per cent. United States shareholder. If more than 50 per cent. of the Subordinated Notes (and any Rated Notes that are treated as equity in the Issuer for U.S. federal income tax purposes), determined with respect to aggregate value or aggregate outstanding principal amount, are owned directly, indirectly, or constructively by such 10 per cent. United States shareholders, the Issuer will be treated as a CFC. Due to the application of certain constructive ownership rules (among other factors), it is possible that the Issuer may not have access to sufficient information to determine whether it is a CFC for any taxable year.

If, for any given taxable year, the Issuer is treated as a CFC for any period during the taxable year, a 10 per cent. United States shareholder of the Issuer will be required to include as ordinary income an amount equal to the U.S. dollar value of that person's *pro rata* share of the Issuer's "subpart F income" at the end of such taxable year. Among other items, and subject to certain exceptions, "subpart F income" includes dividends, interest, annuities, gains from the sale of shares and securities, certain gains from commodities transactions, certain types of insurance income and income from certain transactions with related parties. It is likely that, if the Issuer were to constitute a CFC, all of its income would be subpart F income.

If the Issuer is treated as a CFC for any period during the taxable year 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, and thus there can be no assurance that a U.S. Holder will be able to make the election with respect to any indirectly held PFIC.

Accordingly, if the U.S. Holder has not made a QEF election with respect to the indirectly held PFIC, the U.S. Holder would be subject to the adverse consequences described above under "*Investment in a Passive Foreign Investment Company*" with respect to any Excess Distributions of such indirectly held PFIC, any gain indirectly realised by such U.S. Holder on the sale by the Issuer of such PFIC, and any gain indirectly realised by such U.S. Holder with respect to the indirectly held PFIC on the sale by the U.S. Holder of its Subordinated Notes (which may arise even if the U.S. Holder realises a loss on such sale). Moreover, if the U.S. Holder has made a QEF election with respect to the indirectly held PFIC, the U.S. Holder will be required to include in income the U.S. dollar value of its *pro rata* share of the indirectly held PFIC's ordinary earnings and net capital gain as if the indirectly held PFIC were held directly (as described above), and the U.S. Holder will not be permitted to use any losses or other expenses of the Issuer to offset such ordinary earnings and/or net capital gains. Accordingly, if any of the Collateral 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, (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) and (iii) the use of interest proceeds to make payments of the Class X Principal Amortisation Amount. U.S. Holders should consult their tax advisors regarding the timing of income and gain on the Subordinated Notes.

Distributions. The treatment of actual distributions of cash on the Subordinated Notes will vary depending on whether a U.S. Holder has made a timely QEF election with respect to the Issuer (as described above). See "*Indirect Interests in PFICs and CFCs*." If a timely QEF election has been made, distributions should be allocated first to amounts previously taxed pursuant to the QEF election (or pursuant to the CFC rules, if applicable) and to this extent will not be taxable to such U.S. Holder. Distributions in excess of such previously taxed amounts will be treated first as a nontaxable return of capital, to the extent of the U.S. Holder's adjusted tax basis in the Subordinated Notes (as described below under "*Sale, Redemption, or Other Disposition*"), and then as a disposition of a portion of the Subordinated Notes. In addition, a U.S. Holder will recognise exchange gain or loss with respect to amounts previously taxed pursuant to the QEF election (or pursuant to the CFC rules, if applicable) equal to the difference, if any, between the U.S. dollar value of the distribution on the date received and the U.S. dollar value of the previously taxed amount. Any exchange gain or loss will generally be treated as ordinary income or loss.

If a U.S. Holder has not made a timely QEF election with respect to the Issuer then, except to the extent that distributions are attributable to amounts previously taxed pursuant to the CFC rules, some or all of any distributions with respect to the Subordinated Notes may constitute Excess Distributions, taxable as described

above under the heading "*Investment in a Passive Foreign Investment Company*". 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 non-taxable 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 sale. U.S. Holders that use the accrual method of accounting also may elect to use the settlement date valuation, provided that they apply it consistently from year to year.

A U.S. Holder's tax basis in its Subordinated Notes initially will equal the U.S. dollar value of the amount paid by the U.S. Holder for the Subordinated Notes, determined under rules analogous to the rules for determining the U.S. dollar value of the amount realised. The U.S. Holder's tax basis in the Subordinated Notes will be increased by amounts taxable to the U.S. Holder by reason of any QEF election, or by reason of the CFC rules, as applicable, and decreased by the U.S. dollar value of actual distributions by the Issuer that are deemed to consist of such previously taxed amounts or are treated as a nontaxable return of capital, as described above under "*Distributions*".

If the U.S. Holder has made a timely QEF election with respect to the Issuer, then, except to the extent that the Issuer is treated as a CFC and the U.S. Holder is treated as a 10 per cent. United States shareholder of the Issuer, gain or loss upon the sale, redemption, or other disposition of the Subordinated Notes generally will be treated as foreign currency exchange gain or loss, and taxable as ordinary income or loss, to the extent of the positive or negative change in the U.S. dollar value of any amounts previously taxed pursuant to the QEF election from the date of each deemed distribution pursuant to the election (based on the euro-to-U.S. dollar spot exchange rate on that date) to the date of the disposition. Any gain or loss in excess of foreign currency exchange gain or loss will be capital gain or loss, and generally will be long-term capital gain or loss if the U.S. Holder has held the Subordinated Notes for more than one year at the time of the disposition. In certain circumstances, U.S. Holders who are individuals may be entitled to preferential tax rates for net long-term capital gains; however, the ability of U.S. Holders to offset capital losses against ordinary income is limited.

If a U.S. Holder does not make a timely QEF election with respect to the Issuer as described above and is not subject to the CFC rules, any gain realised on the sale, redemption, or other disposition of a Subordinated Note (or any gain deemed to accrue prior to the time a non-timely QEF election is made) will be taxed as ordinary income and subject to an additional tax reflecting a deemed interest charge under the special tax rules described above. See "*Indirect Interests in PFICs and CFCs*."

If the Issuer is treated as a CFC and a U.S. Holder is treated as a 10 per cent. United States shareholder of the Issuer, then any gain or loss realised by the U.S. Holder upon a sale, redemption, or other disposition of the Subordinated Notes, other than gain or loss subject to the PFIC rules, if applicable, generally will be treated as foreign currency exchange gain or loss, and taxable as ordinary income or loss, to the extent of the positive or negative change in the U.S. dollar value of any amounts previously taxed pursuant to the CFC rules from the date of each deemed distribution pursuant to the CFC rules (based on the euro-to-U.S. dollar spot exchange rate on that date) to the date of the disposition. Any gain in excess of foreign currency exchange gain will be treated as ordinary income to the extent of the U.S. dollar value of the U.S. Holder's *pro rata* share of the Issuer's previously untaxed earnings and profits.

In addition, as described above under "*Indirect Interests in PFICs and CFCs,*" the U.S. dollar value of any gain attributable to interests in PFICs or CFCs owned by the Issuer may be treated as ordinary income to a U.S. Holder upon the sale, redemption, or other disposition of the U.S. Holder's Subordinated Notes.

Receipt of Euro. U.S. Holders will have a tax basis in any euro received in respect of the Notes on a sale, redemption, or other disposition of the Notes equal to the U.S. dollar value of the euro on that date. Any gain or loss recognised on a sale, exchange, or other disposition of those euro generally will be ordinary income or loss. A U.S. Holder that converts the euro into U.S. dollars on the date of receipt generally should not recognise ordinary income or loss in respect of the conversion.

Transfer and Information Reporting Requirements. A U.S. Holder that purchases the Subordinated Notes for cash will be required to file an IRS Form 926 or similar form with the IRS if (i) such person is treated as owning, directly or by attribution, immediately after the transfer, at least 10 per cent. by vote or value of the Issuer or (ii) the amount of cash transferred by such person (or any related person) to the Issuer during the 12-month period ending on the date of such transfer exceeds $100,000.

A U.S. Holder that is treated as owning (actually or constructively) at least 10 per cent. by vote or value of the equity of the Issuer for U.S. federal income tax purposes may be required to file an information return on IRS Form 5471, and provide additional information regarding the Issuer annually on IRS Form 5471 if it is treated as owning (actually or constructively) more than 50 per cent. by vote or value of the equity of the Issuer for U.S. federal income tax purposes.

In addition, U.S. Holders 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 on the last day of the tax year or exceeds $75,000 at any time during the tax year. Significant penalties can apply if a U.S. Holder is required to disclose its Notes and fails to do so.

3.8 per cent. Federal Tax on "Net Investment Income"

U.S. Holders that are individuals or estates and certain trusts are subject to an additional 3.8 per cent. tax on all or a portion of their "net investment income," or "undistributed net investment income" in the case of an estate or trust, which may include any income or gain with respect to the Notes, to the extent of their net investment income or undistributed net investment income (as the case may be) that, when added to their other modified adjusted gross income, exceeds $200,000 for an unmarried individual, $250,000 for a married taxpayer filing a joint return (or a surviving spouse), $125,000 for a married individual filing a separate return, or the dollar amount at which the highest tax bracket begins for an estate or trust. The 3.8 per cent. tax on net investment income is determined in a different manner than the regular income tax and special rules apply with respect to the PFIC and CFC rules described above. U.S. Holders should consult their advisors with respect to the 3.8 per cent. tax on net investment income.

FBAR Reporting

A U.S. Holder of Subordinated Notes (or any Class of Notes that are treated as equity in the Issuer for U.S. federal income tax purposes) may be required to file FinCEN Form 114 with respect to foreign financial accounts in which the Issuer has a financial interest if the U.S. Holder holds more than 50 per cent. of the aggregate outstanding principal amount of such Notes or is otherwise treated as owning more than 50 per cent. of the total value or voting power of the Issuer's outstanding equity.

Reportable Transactions

A participant in a "reportable transaction" is required to disclose its participation in such a transaction on IRS Form 8886. Any foreign currency exchange loss in excess of $50,000 recognised by a U.S. Holder may be

subject to this disclosure requirement. Failure to comply with this disclosure requirement can result in substantial penalties. U.S. Holders should consult their advisors with respect to the requirement to disclose reportable transactions.

U.S. Federal Tax Treatment of Non-U.S. Holders of Notes

In general, payments on the Notes to a Non-U.S. Holder that provides appropriate tax certifications to the Issuer and gain realised on the sale, exchange or retirement of the Notes by the Non-U.S. Holder will not be subject to U.S. federal income or withholding tax unless (i) such income is effectively connected with a trade or business conducted by such Non-U.S. Holder in the United States, or (ii) in the case of gain, such Non-U.S. Holder is a 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 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. Additionally under existing U.S. Treasury Regulations, FATCA withholding on gross proceeds from the sale or other disposition of U.S. Collateral Obligations was to take effect on January 1, 2019; however, recent proposed U.S. Treasury Regulations, which may be currently relied upon, would eliminate FATCA withholding on such types of payments. Under an intergovernmental agreement entered into between the United States and The Netherlands, the Issuer will not be subject to withholding under FATCA if it complies with Dutch implementing legislation that is expected to 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 Dutch Tax Authorities (*Belastingdienst*), which would then provide this information to the IRS. The Issuer expects to comply with the intergovernmental agreement and the legislation. However, there can be no assurance that the Issuer will be able to do so. Moreover, the intergovernmental agreement or the Dutch implementing legislation could be amended to require the Issuer to withhold on "passthru" payments to holders that fail to provide certain information to the Issuer or are certain "foreign financial institutions" that do not comply with FATCA.

If a 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 advisors regarding possible legislative and administrative changes and their effect on the federal tax treatment of the Issuer and their investment in the Notes.

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

CERTAIN ERISA CONSIDERATIONS

ERISA imposes certain requirements on "employee benefit plans" subject thereto, on entities (such as collective investment funds, insurance company separate accounts and some insurance company general accounts) the underlying assets of which include the assets of such plans (collectively, "**ERISA Plans**"), and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirement of prudence, diversification, and that investments be made in accordance with the documents governing the plan. The prudence of a particular investment must be determined by the responsible fiduciary of an ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan, as well as assets of those plans that are not subject to ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts and Keogh plans, and entities the underlying assets of which include the assets of such plans (together with ERISA Plans, "**Plans**") and certain persons (referred to as "parties in interest" under ERISA or "disqualified persons" under the Code (collectively, "**Parties in Interest**")) having certain relationships to such Plans, unless a statutory or administrative exception or exemption is applicable to the transaction. A Party in Interest who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code and the transaction may have to be rescinded at significant cost to the Issuer.

Governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and certain non-U.S. plans (as described in Section 4(b)(4) of ERISA), while not subject to the fiduciary responsibility or prohibited transaction provisions of ERISA or the provisions of Section 4975 of the Code, may nevertheless be subject to substantially similar rules under federal, state, local or non-U.S. laws or regulations, and may be subject to the prohibited transaction rules of Section 503 of the Code.

Under ERISA and regulations issued by the United States Department of Labor (29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA, and applicable guidance (the "**Plan Asset Regulation**")), if a Plan invests in an "equity interest" of an entity that is neither a "publicly offered security" nor a security issued by an investment company registered under the Investment Company Act of 1940, the Plan's assets are deemed to include both the equity interest and an undivided interest in each of the entity's underlying assets, unless it is established (a) that the entity is an "operating company," as that term is defined in the Plan Asset Regulation, or (b) that less than 25 per cent. of the total value of each class of equity interest in the entity, disregarding the value of any equity interests held by persons (other than Benefit Plan Investors) with discretionary authority or control over the assets of the entity or who provide investment advice for a fee with respect to such assets (such as the Collateral Manager), and their respective Affiliates (each a "**Controlling Person**"), is held by Benefit Plan Investors (the "**25 per cent. Limitation**"). A "Benefit Plan Investor" means (1) an employee benefit plan (as defined in Section 3(3) of ERISA), subject to the provisions of Part 4 of Subtitle B of Title I of ERISA, (2) a plan to which Section 4975 of the Code applies, or (3) any entity whose underlying assets include plan assets by reason of such an employee benefit plan's or plan's investment in such entity.

If the underlying assets of the Issuer are deemed to be Plan assets, the obligations and other responsibilities of Plan sponsors, Plan fiduciaries and Plan administrators, and of Parties in Interest, under Parts 1 and 4 of Subtitle B of Title I of ERISA and Section 4975 of the Code, as applicable, may be expanded, and there may be an increase in their liability under these and other provisions of ERISA and the Code. In addition, various providers of fiduciary or other services to the Issuer, and any other parties with authority or control with respect to the Issuer, could be deemed to be Plan fiduciaries or otherwise parties in interest or disqualified persons by virtue of their provision of such services (and there could be an improper delegation of authority to such providers).

The Plan Asset Regulation defines an "equity interest" as any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and that has no substantial equity features. Although it is not free from doubt, the Class X Notes, the Class A Notes, the Class B-1 Notes, the B-2 Notes, the Class C-1 Notes, the Class C-2 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 X Notes, the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 Notes and the Class D Notes as not being equity interests in the Issuer could, however, be affected, subsequent to their issuance, by certain changes in the structure or financial condition of the Issuer. However, the characteristics of the Class E Notes and, to a greater extent, the Class F Notes and the Subordinated Notes for purposes of the Plan Asset Regulation are less certain. The Issuer believes that the Class E Notes and the Class F Notes may 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, Class F Notes and Subordinated Notes. In reliance on representations made by investors in the Class E Notes, the Class F Notes and the Subordinated Notes, the Issuer intends to limit investment by Benefit Plan Investors in each of the Class E Notes, the Class F Notes and the Subordinated Notes to less than 25 per cent. of the total value of the Class E Notes, the Class F Notes and the Subordinated Notes (determined separately by class) at all times (excluding for purposes of such calculation the Class E Notes, Class F Notes and Subordinated Notes held by a Controlling Person). Each prospective purchaser (including a transferee) of a Class E Note, Class F Note or Subordinated Note will be required to make certain representations regarding its status as a Benefit Plan Investor or Controlling Person and other ERISA matters as described under "*Transfer Restrictions*" below. No Class E Notes, Class F Notes or Subordinated Notes will be sold or transferred to purchasers that have represented that they are Benefit Plan Investors or Controlling Persons to the extent that such sale may result in Benefit Plan Investors owning 25 per cent. or more of the total value of the Class E Notes, Class F Notes or Subordinated Notes (determined separately by class and in accordance with the Plan Asset Regulation and the Trust Deed). Except as otherwise provided by the Plan Asset Regulation, each Class E Note, Class F Note and Subordinated Note held by persons that have represented that they are Controlling Persons will be disregarded and will not be treated as outstanding for purposes of determining compliance with such 25 per cent. Limitation.

Even assuming the Class X Notes, the Class A Notes, the Class B-1 Notes, the Class B-2 Notes, the Class C-1 Notes, the Class C-2 Notes and the Class D Notes are not treated as equity interests in the Issuer for purposes of ERISA, these classes and the other classes of Notes are subject to other restrictions and, 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 or Section 4975 of the Code. Such a prohibited transaction, however, may be subject to a statutory or administrative exemption. Certain exemptions from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code may be applicable, however, in certain cases, depending in part on the type of fiduciary making the decision to acquire any Notes and the circumstances under which such decision is made. Included among these exemptions are Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code (relating to transactions with certain service providers) and Prohibited Transaction Class Exemption ("**PTCE**") 91-38 (relating to investments by bank collective investment funds), PTCE 84-14 (relating to transactions effected by independent "qualified professional asset managers"), PTCE 95-60 (relating to transactions involving insurance company general accounts), PTCE 90-1 (relating to investments by insurance company pooled separate accounts) and PTCE 96-23 (relating to transactions determined by certain "in-house asset managers"). There can be no assurance that any of these exemptions or any other exemption will be available with respect to any particular transaction involving the Notes. 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 Agents, the Collateral Manager, a Collateral Manager Related Person 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 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 Agents, the Collateral Manager, a Collateral Manager Related Person or their respective Affiliates has investment authority with respect to such assets (except to the extent (if any) that a 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 X Note, Class A Note, Class B-1 Note, Class B-2 Note, Class C-1 Note, Class C-2 Note or Class D Note or any interest in such Note will be deemed to have represented, warranted and agreed that (i) either (A) it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or a

governmental, church, non-U.S. or other plan which is subject to any federal, state, local or non-U.S. law 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 interests therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or, in the case of a governmental, church, non-U.S. or other plan, a non-exempt violation of any Other Plan Law, and (ii) it will not sell or transfer such Note (or interests therein) to a transferee acquiring such Note (or interests therein) unless the transferee makes the foregoing representations, warranties and agreements described in clause (i) hereof.

Each placement agent (other than the Placement Agents) or a transferee of: (a) any Class E Notes, Class F Notes or Subordinated Notes in the form of Rule 144A Notes; (b) any Subordinated Notes in the form of Regulation S Notes; or (c) any Class E Notes or Class F Notes in the form of Regulation S Notes represented by a Regulation S Definitive Certificate, purchased on the Issue Date will be required to enter into a placement agency agreement (or, in the case of the Collateral Manager, a note purchase agreement) with the Placement Agents in which such investor will certify as to, among other matters, its status under the Securities Act, the Investment Company Act and ERISA.

Each purchaser of Notes represented by a Rule 144A Global Certificate or a Regulation S Global Certificate will be deemed to have represented and agreed with respect to each purchaser or transferee of a Class E Note, Class F Note or Subordinated Note in the form of a Rule 144A Global Certificate, (1) it is not, and is not acting on behalf of (and for so long as it holds such Note or interest therein will not be and will not be acting on behalf of), a Benefit Plan Investor or Controlling Person unless such purchaser or transferee receives the written consent of the Issuer (other than in the case of the Notes purchased by the Collateral Manager), provides an ERISA certificate (substantially in the form of Annex B (Form of ERISA Certificate) to this Offering Circular) to the Issuer as to its status as a Benefit Plan Investor or Controlling Person and unless the written consent of the Issuer to the contrary is obtained and other than in the case of the Notes purchased by the Collateral Manager, holds such Note in the form of a Definitive Certificate, and (2)(a) if it is, or is acting on behalf of, a Benefit Plan Investor, 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, (i) it is not, and for so long as it holds such Note or an interest therein it will not be, subject to any Similar Law, and (ii) its acquisition, holding and disposition of such Note will not constitute or result in a non-exempt violation of any Other Plan Law. Any purported purchase or transfer of the Class E Notes, Class F Notes or Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void ab initio and the acquiror understands that the Issuer will have the right to cause the sale of a Class E Note, Class F Note or Subordinated Note to another acquiror that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

Each purchaser of Rule 144A Notes or Regulation S Notes represented by Definitive Certificates will be required to represent and agree with respect to acquiring or holding a Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate (i) (A) whether or not, for so long as it holds such Class E Note, Class F Note or Subordinated Note or interest therein, it is, or is acting on behalf of, a Benefit Plan Investor, (B) whether or not, for so long as it holds such Class E Note, Class F Note or Subordinated Note or interest therein, it is or is acting on behalf of a Controlling Person and (C) that (1) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Class E Note, Class F Note or Subordinated Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code and (2) if it is a governmental, church, non-U.S. or other plan, (x) it is not, and for so long as it holds such Class E Note, Class F Note or Subordinated Note or interest therein will not be, subject to any Similar Law and (y) its acquisition, holding and disposition of such Class E Note, Class F Note or Subordinated Note will not constitute or result in a non-exempt violation of any Other Plan Law, and (ii) that it will agree to certain transfer restrictions regarding its interest in such Class E Note, Class F Note or Subordinated Note. Any purported purchase or transfer of the Class E Notes, Class F Notes or Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void ab initio and the acquiror understands that the Issuer will have the right to cause the sale of a Class E Note, Class F Note or Subordinated Note to another acquiror that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

No proposed transfer of Class E Notes, Class F Notes or Subordinated Notes (or interests therein) will be permitted or recognised if a transfer to a transferee will cause 25 per cent. or more of the total value of the Class E Notes, Class F Notes or Subordinated Notes (determined separately by Class) to be held by Benefit Plan

Investors, disregarding Class E Notes, Class F Notes or Subordinated Notes (or interests therein) held by Controlling Persons.

If the purchaser or transferee of any Notes 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 Arrangers, the Collateral Manager, the Placement Agents, the Trustee or any of their affiliates, has provided any investment advice within the meaning of Section 3(21) of ERISA to the Benefit Plan Investor, or to any fiduciary or other person investing the assets of the Benefit Plan Investor ("**Fiduciary**"), in connection with its acquisition of Notes, and (ii) the Fiduciary is exercising its own independent judgment in evaluating the investment in the Notes.

Any Plan fiduciary considering whether to acquire a Note on behalf of a Plan or an employee benefit plan whether or not subject to ERISA or Section 4975 of the Code should consult with its counsel regarding the potential consequences of such investment, the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and the Code and/or provisions of Other Plan Law or Similar Law, and the scope of any available exemption relating to such investment.

The sale of Notes to a Plan or an employee benefit plan not subject to ERISA or Section 4975 of the Code is in no respect a representation or warranty by the Issuer, or any other person, that this investment meets all relevant legal requirements with respect to investments by Plans or such other plans generally or any particular plan, that any prohibited transaction exemption would apply to the acquisition, holding, or disposition of this investment by such plans in general or any particular plan, or that this investment is appropriate for such plans generally or any particular plan.

PLAN OF DISTRIBUTION

The following section consists of a summary of certain provisions of the Placement Agency Agreement which does not purport to be complete and is qualified by reference to the detailed provisions of such agreement.

Citigroup Global Markets Limited and Citigroup Global Markets Europe AG, in their capacity as Placement Agents, have agreed with the Issuer, subject to the satisfaction of certain conditions, to facilitate the sale by the Issuer of each Class of the Notes pursuant to the Placement Agency Agreement. The Placement Agency Agreement entitles the Placement Agents to terminate it in certain circumstances prior to payment being made to the Issuer.

The Placement Agents may offer the Notes (other than the Retention Notes) at other prices as may be privately negotiated at the time of sale which may vary among different purchasers and which may be different from the issue price of the Notes.

The Retention Holder have agreed with the Placement Agents, subject to the satisfaction of certain conditions, to purchase the Notes that are Retention Notes from the Placement Agents on the Issue Date at their respective issue prices described above pursuant to a retention note purchase deed to be entered into by the Placement Agents and the Retention Holder.

The Issuer has agreed to indemnify the Placement Agents, the Collateral Manager, the Retention Holder, 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 Agents. In addition, the Placement Agents may have in the past and may in the future perform investment banking services or other services for issuers of the Collateral Obligations. In addition, the Placement Agents and their 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 Agents or their Affiliates.

In addition, in the ordinary course of their business activities, the Placement Agents and their Affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments (including the Notes) of the Issuer. The Placement Agents and their 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 Agents or the Collateral Manager that would permit a public offering of the Notes or possession or distribution of this Offering Circular or any other offering material in relation to the Notes in any jurisdiction where action for the purpose is required other than the application and the approval of this Offering Circular with and by Euronext Dublin. 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 Agents.

United States of America - General

The Issuer has been advised that the Placement Agents propose to resell each Class of the Notes(a) outside the United States to non-U.S. Persons in offshore transactions in reliance on Regulation S and in accordance with applicable law and (b) in the United States (directly or through its U.S. broker dealer Affiliate) in reliance on Rule 144A only to or for the accounts of QIBs, *provided that* each of such purchasers or accountholders is also a QP. The Collateral Manager and/or its Affiliates may retain a certain proportion of the Notes in their portfolios with an intention to hold to maturity or to trade. The holding or any sale of the Notes by these parties may adversely affect the liquidity of the Notes and may also affect the prices of the Notes in the primary or secondary market.

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

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.

The Notes sold in this Offering on the Issue Date may not be purchased by any person except for (a) persons that are not Risk Retention U.S. Persons or (b) persons that have obtained a U.S. Risk Retention Waiver from the Collateral Manager. Each holder of a Note or a beneficial interest therein acquired as part of the initial distribution of the Notes, by its acquisition of a Note or a beneficial interest in a Note, will be deemed to represent to the Issuer, the Trustee, the Retention Holder, the Collateral Manager and the Placement Agents that it (1) either (a) is not a Risk Retention U.S. Person or (b) has received a U.S. Risk Retention Waiver from the Collateral Manager, and (2) is not acquiring such Note or a beneficial interest therein in contemplation of selling such Note or beneficial interest therein to a Risk Retention U.S. Person as part of a plan or scheme to evade the requirements of the U.S. Risk Retention Rules. In addition, unless waived by the Collateral Manager in the form of a U.S. Risk Retention Waiver, Notes may not be transferred to Risk Retention U.S. Persons during the Restricted Period. Any purchase or transfer of the Notes in breach of this requirement will result in the affected Notes becoming subject to forced transfer provisions. See "*Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence Requirements – U.S. Risk Retention Rules*" and "*Risk Factors – Relating to the Notes – Forced Transfer*". The Collateral Manager, the Issuer and the Placement Agents have agreed that none of the Placement Agents or any person who controls it or any director, officer, employee, agent or Affiliate of the Placement Agents shall have any responsibility for determining the proper characterisation of potential investors for such restriction or for determining the availability of the exemption provided for in the Foreign Safe Harbor, and none of none of the Placement Agents or any person who controls it or any director, officer, employee, agent or Affiliate of the Placement Agents accepts any liability or responsibility whatsoever for any such determination.

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.

Any offer or sale of Notes that are 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 Agents.

The Placement Agents have acknowledged and agreed that they will not offer, sell or deliver any Notes that are 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 Notes that are Regulation S Notes a confirmation or other notice setting forth the prohibition on offers and sales of the Notes that are 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 of Euronext Dublin. The Issuer and the Placement Agents each 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 the 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 and the Placement Agents, is prohibited.

The Placement Agents understand that the Notes have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S) except with respect to the Notes that are Rule 144A Notes only, to a person that is a QIB/QP in reliance on Rule 144A, or pursuant to any other exemption from the registration requirements of the Securities Act.

The Placement Agents represented, warranted and agreed that:

1. it is a QIB/QP and that it has not offered or sold, and will not offer or sell, any Notes constituting part of its allotment within the United States or to, or for the account or benefit of, U.S. Persons except to persons (including any other distributor and any dealers) that are or that it reasonably believes are QIB/QPs, in reliance on Rule 144A;

2. it has sold the Notes that are Regulation S Notes, and will offer and sell the Notes that are Regulation S Notes, (x) as part of their distribution at any time and (y) otherwise until 40 days after the later of the commencement of the offering and the Issue Date (the "distribution compliance period"), only in accordance with Rule 903 of Regulation S, and it agreed that, at or prior to confirmation of any sale of Notes that are Regulation S Notes, it will have sent to each distributor, dealer or person receiving a selling concession, fee or other remuneration that purchases Notesfrom it during the distribution compliance period a confirmation or notice to substantially the following effect:

   "The securities covered hereby have not been registered under the U.S. Securities Act of 1933, as amended (the Securities Act), and may not be offered and sold within the United States or to, or for the account or benefit of, U.S. persons (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the offering and the closing date, except in either case in accordance with Regulation S (or Rule 144A if available) under the Securities Act. Terms used above have the meaning given to them by Regulation S."

3. neither it, its affiliates nor any persons acting on its or their behalf have engaged or will engage in any directed selling efforts (within the meaning of Regulation S) with respect to the Notes that are Regulation S Notes, and it and they have complied and will comply with the offering restrictions requirement of Regulation S; and (4) neither it, its affiliates, nor any persons acting on its or their behalf have engaged or will engage in any form of general solicitation or general advertising (as those terms are used in Rule 502(c) under the Securities Act) in connection with any offer or sale of the Notes in the United States.

General

The Placement Agents have agreed to comply with the following selling restrictions in respect of the Notes:

(a) ***United Kingdom***:

   (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 (as amended) ("**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 Retail Investors***: The Placement Agents have represented and agreed that they have not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area. 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 Directive 2014/65/EU (as amended, "**MiFID II**"); or

      (B) a customer within the meaning of Directive (EU) 2016/97 (as amended, 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 the Prospectus Regulation; and

(ii) the expression "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 the Notes.

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

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

(ii) no recommendation to acquire, offer or invitation for issue or sale, offer or invitation to arrange the issue or sale, or issue or sale, has been or will be made to a 'retail client' (as defined in Section 761G of the Corporations Act and applicable regulations) in Australia. This document will only be provided to 'professional investors' as defined in the Corporations Act.

(d) ***Austria***: No prospectus has been or will be approved and/or published pursuant to the Austrian Capital Markets Act (*Kapitalmarktgesetz – KMG*) (the "**KMG**") as amended. Neither this Offering Circular nor any other document connected therewith constitutes a prospectus according to the KMG and neither this Offering Circular nor any other document connected therewith may be distributed, passed on or disclosed to any other person in Austria, save as specifically agreed with the Placement Agents. No document pursuant to Regulation 2017/2219 (as may be amended or superseded from time to time, the **Prospectus Regulation**) has been or will be drawn up and approved in Austria and no document pursuant to the Prospectus Regulation has been or will be passported into Austria as the Notes will be offered in Austria in reliance an on exemption from the document publication requirement under the KMG. The Placement Agents have represented and agreed that they will offer the Notes in Austria only in compliance with the provisions of the KMG, and Notes will therefore not be publicly offered or (re)sold in Austria without a document being published or an applicable exemption from such requirement being relied upon.

(e) ***Belgium***: The offering of Notes has not been and will not be notified to the Belgian Financial Services and Markets Authority (*autoriteit voor financiële diensten en markten/autorité des services et marchés financiers*) nor has this Offering Circular been, nor will it be, approved by the Belgian Financial Services and Markets Authority. The Notes may not be distributed in Belgium by way of an offer of the Notes to the public, as defined in Article 3, §1 of the Act of 16 June 2006 relating to public offers of investment instruments, as amended or replaced from time to time and taking into account the provisions of Prospectus Regulation (as may be amended or superseded from time to time) that are sufficiently clear, precise and unconditional to be capable of vertical direct effect, save in those circumstances (commonly called 'private placement') set out in Article 3 §2 of the Act of 16 June 2006 relating to public offers of investment instruments, as amended or replaced from time to time and taking into account the provisions of Prospectus Regulation (as may be amended or superseded from time to time) that are sufficiently clear, precise and unconditional to be capable of vertical direct effect. This document will be distributed in Belgium only to such investors for their personal use and exclusively for the purposes of this offering of Notes. The Placement Agents have represented and agreed that they will not:

(i) offer for sale, sell or market the Notes in Belgium otherwise than in conformity with the Act of 16 June 2006, as amended or replaced from time to time and taking into account the provisions of Prospectus Regulation (as may be amended or superseded from time to time) that are sufficiently clear, precise and unconditional to be capable of vertical direct effect; and

(ii) offer for sale, sell or market the Notes to any person qualifying as a consumer within the meaning of Article I.1 of the Code of Economic Law, as modified or replaced from time to time, otherwise than in conformity with such code and its implementing regulations.

(f) ***Cayman Islands***: The Placement Agents have represented and agreed that they will not make any invitation to the public in the Cayman Islands to subscribe for the Notes.

(g) ***Cyprus***: This document does not constitute an offer or solicitation to the public in Cyprus or to anyone in Cyprus other than a firm offering investment services, an insurance company or an undertaking for collective investment in transferable securities. This document does not constitute an offer or solicitation to any person to whom it is unlawful to make such an offer or solicitation.

(h) ***Denmark***: The Placement Agents have represented and agreed that they have not offered or sold and will not offer or sell, directly or indirectly, any of the Notes to the public in Denmark unless in accordance with Chapter 6 or Chapter 12 of the Danish Notes Trading Act (Consolidated Act No. 883 of 9 August 2011, as amended or superseded from time to time) and the Danish Executive Order No. 223 of 10 March 2010 or the Danish Executive Order No. 222 of 10 March 2010, as amended or superseded from time to time, issued pursuant thereto.

For the purposes of this provision, an offer of the Notes in Denmark means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

(i) ***France***: Neither this Offering Circular nor any other offering material relating to the Notes has been submitted to the clearance procedures of the Autorité des Marchés Financiers ("**AMF**") or to the competent authority of another member state of the European Economic Area and subsequently notified to the AMF.

The Placement Agents have represented and agreed with the Issuer that they have offered or sold and will offer or sell, directly or indirectly, Notes to the public in France, and has distributed or caused to be distributed and will distribute or cause to be distributed to the public in France, this Offering Circular, or any other offering material relating to the Notes and that such offers, sales and distributions have been and will be made by it in France, only to qualified investors (*investisseurs qualifiés*) within the meaning of Article 2(e) of Regulation (EU) 2017/1129 (the **Prospectus Regulation**), other than individuals, in accordance with Article L.411-2 of the French Code monétaire et financier, the Règlement général of the AMF and other applicable regulations such as the Prospectus Regulation (in each case as may be amended or superseded from time to time).

The direct or indirect resale of Notes to the public in France may be made only as provided by and in accordance with Articles L.411-1, L.411-2, L.411-2-1 and L.621-8 to L.621-8-2 of the French Code monétaire et financier and Articles 5 and seq. of the Prospectus Regulation (in each case as may be amended or superseded from time to time).

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

(k) ***Hong Kong***: The contents of this Offering Circular have not been reviewed by any regulatory authority in Hong Kong. The Placement Agents have therefore represented and agreed that:

(i) they have not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes(except for Notes which are a 'structured products' as defined in the Securities and Futures Ordinance (cap. 571) of Hong Kong) other than (a) to 'professional investors' as defined in the Securities and Futures Ordinance and any rules made under that ordinance ("professional investors"); or (b) in other circumstances which do not result in the document being a 'prospectus' as defined in the Companies Ordinance (cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that ordinance; and

(ii) they have not issued or had in their possession for the purposes of issue, and will not issue or have in their 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.

(l) ***Ireland***: The Placement Agents have represented and agreed that:

(i) they have not and will not underwrite the issue of, or place the Notes, otherwise than in conformity with the provisions of the European Union (Markets in Financial Instruments) Regulations 2017 (as amended), and any codes of conduct or rules issued in connection therewith and any conditions, requirements or enactments, imposed or approved by the Central Bank of Ireland, and the provisions of the Investor Compensation Act 1998 (as amended);

(ii) they have not and will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the Irish Central Bank Acts 1942 to 2018 (as amended) and any codes of practice made under Section 117(1) of the Irish Central Bank Act 1989 (as amended) or any regulations made pursuant to Part 8 of the Central Bank (Supervision and Enforcement) Act 2013 (as amended);

(iii) they have not and will not underwrite the issue of, or place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 or any delegated or implementing acts relating thereto, the European Union (Prospectus) Regulations 2019 of Ireland, the Companies Act 2014 (as amended) and any rules issued under Section 1363 of the Companies Act 2014 (as amended) by the Central Bank of Ireland;

(iv) they have not and will not underwrite the issue of, or place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the European Union (Market Abuse) Regulations 2016 (as amended), Regulation (EU) No 596/2014 of the European Parliament of the Council of 16 April 2014 on market abuse (as amended) and any rules issued under Section 1370 of the Companies Act 2014 (as amended) by the Central Bank of Ireland; and

(v) they have not and will not underwrite the issue of, or place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Regulation (EU) No. 1286/2014 of the European Parliament and the Council of 26 November 2014 on key information documents for packaged retail and insurance investment products (PRIIPs),

(vi) as each of the foregoing may be amended, restated, varied, supplemented and/or otherwise replaced from time to time.

(m) ***Italy***: The sale of the Notes has not been cleared by CONSOB (the Italian Securities Exchange Commission) and the Bank of Italy pursuant to Italian Securities Legislation and, accordingly, the Placement Agents have represented and agreed that no Notes will be offered, sold or delivered, nor will copies of this Offering Circular or of any other document relating to the Notes be distributed in the Republic of Italy, except:

(i) to qualified investors (*investitori qualificati*) as defined under Article 34, paragraph 1, letter b), of CONSOB Regulation No. 11971 of 14 May 1999, as amended or superseded ("**Regulation 11971/1999**"); or

(ii) in circumstances which are exempted from the rules on offers of notes to be made to the public pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998 ("**Financial Services Act**") and Article 34, first paragraph, of Regulation 11971/1999 (as such regulations may be amended or superseded from time to time).

The Placement Agents acknowledge that any offer, sale or delivery of the Notes in the Republic of Italy or distribution of copies of this Offering Circular or any other document relating to the Notes in the Republic of Italy under paragraphs (i) and (ii) above must be:

(A) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act,

CONSOB Regulation No. 16190 of 29 October 2007 and Legislative Decree No. 385 of 1 September 1993, as amended; and

(B) in compliance with any other applicable laws and regulations.

Investors should also note that in accordance with Article 100–BIS of the Financial Services Act, where no exemption under paragraph (ii) above applies, any subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the rules on offers of notes to be made to the public provided under the Financial Services Act and the regulation 11971/1999. Failure to comply with such rules may result, *inter alia*, in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the Notesfor any damages suffered by the investors.

(n) ***Japan***: The Notes have not been and will not be registered pursuant to Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, the Placement Agents have represented and agreed that none of the Notes nor any interest therein will be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any Japanese person or to others for re–offering or resale, directly or indirectly, in Japan or to any Japanese person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For this purpose, a "**Japanese person**" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

(o) ***Jersey***: The Notes may not be offered to, sold to or purchased or held by persons (other than financial institutions) resident for income tax purposes in Jersey.

The Notes may only be issued or allotted exclusively to:

(i) a person whose ordinary activities involve him in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of his business or who it is reasonable to expect will acquire, hold, arrange or dispose of investments (as principal or agent) for the purposes of his business; or

(ii) a person who has received and acknowledged a warning to the effect that (a) the securities are only suitable for acquisition by a person who (i) has a significantly substantial asset base such as would enable him to sustain any loss that might be incurred as a result of acquiring the securities; and (ii) is sufficiently financially sophisticated to be reasonably expected to know the risks involved in acquiring the securities and (b) neither the issue of the securities nor the activities of any functionary with regard to the issue of the Notes are subject to all the provisions of the Financial Services (Jersey) Law 1998.

Each person who acquires securities will be deemed, by such acquisition, to have represented that he or it is one of the foregoing persons.

(p) ***The Grand Duchy of Luxembourg***: : The Notes may not be offered or sold to the public in Luxembourg, directly or indirectly, and neither this offering memorandum nor any other circular, prospectus, form of application, advertisement, communication or other material may be distributed, or otherwise made available in or from, or published in Luxembourg, except in circumstances where the offer benefits from an exemption to or constitutes a transaction otherwise not subject to the requirement to publish a prospectus for the purpose of the Luxembourg law dated 16 July 2019.

(q) ***Netherlands***: The Notes may only be offered, sold or delivered in The Netherlands to qualified investors (as defined in the Dutch FSA) that do not qualify as "public" (within the meaning of the article 4(1) of the CRR, and the rules promulgated thereunder, as amended or any subsequent legislation replacing that regulation).

(r) ***New Zealand***: This offer of Notes does not constitute an 'offer of securities to the public' for the purposes of the Securities Act 1978 and, accordingly, there is neither a registered prospectus nor an investment statement available in respect of the offer. The Placement Agents have therefore represented and agreed that the Notes will only be offered to persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money in accordance with the Securities Act 1978 and the Securities Regulations 2009.

(s) ***Norway***: The Placement Agents have represented and agreed that they have not made and will not make an offer of Notes to the public in Norway except that it may make an offer of the Notes to the public in Norway at any time:

(i) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in notes;

(ii) to professional investors as defined in Section 1 of Annex II to Directive 2004/29/EC (as implemented in Norway); or

(iii) in any other circumstances which do not require the publication by the Issuer or any other entity of a document pursuant to Article 1(4) of the Prospectus Regulation.

For the purposes of the provision above, the expression an 'offer of notes to the public' in relation to any Notes in Norway means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

(t) ***Portugal***: The Placement Agents have represented and agreed with the Issuer that: (i) they have not advertised, offered or sold and will not, directly or indirectly, advertise, offer or sell the Notes in circumstances which could qualify as a public offer of Notes pursuant to the Portuguese Securities Code (*Código dos Valores Mobiliário*s, the "**CVM**") which would require the publication by the Issuer of a prospectus under the Prospectus Regulation or in circumstances which would qualify as an issue or public placement of Notes in the Portuguese market; (ii) they have not distributed or caused to be distributed to the public in the Republic of Portugal this Offering Circular or any other offering material relating to the Notes; (iii) all applicable provisions of the CVM, any applicable *Comissão do Mercado de Valores Mobiliários* (Portuguese Securities Market Commission, the "**CMVM**") Regulations and all applicable provisions of Regulation (EU) 2017/1129 (as may be amended or superseded from time to time, the **Prospectus Regulation**) have been complied with regarding the Notes, in any matters involving the Republic of Portugal.

(u) ***Singapore***: This Offering Circular has not been and will not be 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 for the purposes of the Securities and Futures Act, Chapter 289 of Singapore ("**SFA**"), been approved or registered with the AMS as an authorised or recognised CIS under the SFA (whether as a restricted scheme or otherwise). Accordingly, the Placement Agents have represented and agreed that the Notes will not be offered or sold or made the subject of an invitation for subscription or purchase, nor will this Offering Circular or any other offering document or material in connection with the offer or sale, or invitation for subscription or purchase of such Notes be circulated or distributed, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1) of the SFA or any person pursuant to Section 275(1a) of the SFA, and in each case in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 by a relevant person which is:

(i) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

'securities' (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(A) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA or to any person where the transfer arises from an offer referred to in Section 275(1a) or Section 276(4)(i)(b) of the SFA;

(B) where no consideration is or will be given for the transfer;

(C) where the transfer is by operation of law; or

(D) as specified in Section 276(7) of the SFA.

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

(w) ***Spain***: Neither the Notes nor this Offering Circular have been approved or registered with the Spanish Notes Markets Commission (*Comisión Nacional del Mercado de Valores*). Accordingly, the Placement Agents have represented and agreed that the Notes will not be offered or sold in Spain except in circumstances which do not constitute a public offering of notes within the meaning of Article 30–BIS of the Spanish Notes Market Law of 28 July 1988 (*LEY 24/1988, de 28 de julio, del Mercado de Valores*), as amended and restated, and supplemental rules enacted thereunder.

(x) ***Sweden***. The Placement Agents have confirmed and agreed that they will not, directly or indirectly, offer for subscription or purchase or issue invitations to subscribe for or buy Notes or distribute any draft or final document in relation to any such offer, invitation or sale except in circumstances that will result in a requirement to prepare a prospectus pursuant to the provisions of the Swedish Financial Instruments Trading Act (lag (1991:980) om handel med finansiella instrument) or in a requirement for a key information document pursuant to PRIIPs Regulation.

The Placement Agents have represented and agreed that they have not made and will not make an offer of Notes to the public in Sweden except that it may make an offer of such Notes to the public in Sweden at any time:

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

(ii) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Regulation); or

(iii) in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of Notesreferred to in (i) to (ii) above shall require the Issuer, the Arranger or the Placement Agents to publish a prospectus pursuant to Article 3 of the Prospectus Regulation, or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an offer of Notes to the public in relation to any Notes in Sweden means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe the Notes.

(y) ***Taiwan***: The Notes may be made available outside Taiwan for purchase by investors residing in Taiwan (either directly or through properly licensed Taiwan intermediaries acting on behalf of such investors) but may not be offered or sold in Taiwan.

(z) ***Turkey***: The offered Notes have not been and will not be registered with the Turkish Capital Market Board (the "**CMB**") under the provisions of the Capital Market Law (Law No. 2499). Accordingly neither this Offering Circular nor any other offering material related to the offering may be utilised in connection with any offering to the public within the Republic of Turkey without the prior approval of the CMB. However, according to Article 15(d)(ii) of the Decree No. 32 there is no restriction on the purchase or sale of the offered Notes by residents of the Republic of Turkey, *provided that*: they

purchase or sell such offered Notes in the financial markets outside of the Republic of Turkey; and such sale and purchase is made through banks and/or licensed brokerage institutions in the Republic of Turkey.

(aa) ***United Arab Emirates***. The Placement Agents have represented and agreed that the Notes have not been and will not be offered, sold or publicly promoted or advertised by them in the United Arab Emirates other than in compliance with any laws applicable in the United Arab Emirates governing the issue, offering and sale of securities.

TRANSFER RESTRICTIONS

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

Rule 144A Notes

Each prospective purchaser of Rule 144A Notes, by accepting delivery of this 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 Rule 144A 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, (i) in the case of each Class of Notes (other than the Class X Notes), in a principal amount of not less than €250,000 for the purchaser and for each such account, and (ii) in the case of the Class X Notes, in a principal amount of not less than €100,000 for the purchaser and for each such account, and (d) will provide notice of the transfer restrictions described herein 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) will be of no force and effect, will be void *ab initio* and the Issuer will have the right to direct the purchaser to transfer its Rule 144A Notes to a Person who meets the foregoing criteria.

3. The purchaser is not purchasing such Rule 144A Notes with a view toward the resale, distribution or other disposition thereof in violation of the Securities Act. The purchaser understands that an investment in the Rule 144A Notes involves certain risks, including the risk of loss of its entire investment in the Rule 144A Notes under certain circumstances. The purchaser has had access to such financial and other information concerning the Issuer and the Notes as it deemed necessary or appropriate in order to make an informed investment decision with respect to its purchase of the Rule 144A Notes, including an opportunity to ask questions of, and request information from, the Issuer.

4. In connection with the purchase of the Rule 144A Notes: (a) none of the Issuer, the Placement Agents, the Trustee, the Collateral Manager or the Collateral Administrator is acting as a fiduciary or financial adviser for the purchaser; (b) the purchaser is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuer, the Placement Agents, 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 Agents, 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 Agents, 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 (other than the Class X Notes) in a principal amount of not less than €250,000. In the case of the Class X Notes, the purchaser is acquiring the Rule 144A Notes in a principal amount of not less than €100,000. The purchaser and each such account is acquiring the Rule 144A Notes as principal for its own account for investment and not for sale in connection with any distribution thereof. The purchaser and each such account: (a) was not formed for the specific purpose of investing in the Rule 144A Notes (except when each beneficial owner of the purchaser and each such account is a QP); (b) to the extent the purchaser is a private investment company formed before April 30, 1996, the purchaser has received the necessary consent from its beneficial owners; (c) is not a pension, profit sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants, as applicable, may designate the particular investments to be made; and (d) is not a broker dealer that owns and invests on a discretionary basis less than U.S.$25,000,000 in securities of unaffiliated issuers. Further, the purchaser agrees with respect to itself and each such account: (x) that it shall not hold such Rule 144A Notes for the benefit of any other person and shall be the sole beneficial owner thereof for all purposes; (y) that it shall not sell participation interests in the Rule 144A Notes or enter into any other arrangement pursuant to which any other person shall be entitled to a beneficial interest in the distributions on the Rule 144A Notes; and (z) that the Rule 144A Notes purchased directly or indirectly by it constitute an investment of no more than 40 per cent. of the purchaser's and each such account's assets (except when each beneficial owner of the purchaser and each such account is a QP). The purchaser understands and agrees that any purported transfer of the Rule 144A Notes to a purchaser that does not comply with the requirements of this paragraph (5) will be of no force and effect, will be void *ab initio* and the Issuer will have the right to direct the purchaser to transfer its Rule 144A Notes to a Person who meets the foregoing criteria.

6. (a) (i) With respect to the purchase, holding and disposition of any Class X Note, Class A Note, Class B Note, Class C Note or Class D Note or any interest in such Note (i) either (A) it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or a governmental, church, non-U.S. or other plan which is subject to any 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 non-exempt violation of any Other Plan Law, and (ii) it will not sell or transfer such Note (or interest therein) to an acquiror acquiring such Note (or interest therein) unless the acquiror makes the foregoing representations, warranties and agreements described in clause (i) hereof. Any purported transfer of the Notes in violation of the requirements set forth in this paragraph shall be null and void *ab initio* and the acquiror understands that the Issuer will have the right to cause the sale of such Notes to another acquiror that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

(ii) With respect to each purchaser or transferee of a Class E Note, Class F Note or Subordinated Note in the form of a Rule 144A Global Certificate, (1) it is not, and is not acting on behalf of (and for so long as it holds such Note or interest therein will not be and will not be acting on behalf of), a Benefit Plan Investor or Controlling Person unless such purchaser or transferee receives the written consent of the Issuer

(other than in the case of the Notes purchased by the Collateral Manager), provides an ERISA certificate (substantially in the form of Annex B (*Form of ERISA Certificate*) to this Offering Circular) to the Issuer as to its status as a Benefit Plan Investor or Controlling Person and unless the written consent of the Issuer to the contrary is obtained and other than in the case of the Notes purchased by the Collateral Manager, holds such Note in the form of a Definitive Certificate, and (2)(a) if it is, or is acting on behalf of, a Benefit Plan Investor, 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, (i) it is not, and for so long as it holds such Note or an interest therein it will not be, subject to any Similar Law, and (ii) its acquisition, holding and disposition of such Note will not constitute or result in a non-exempt violation of any Other Plan Law. Any purported purchase or transfer of the Class E Notes, Class F Notes or Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void ab initio and the acquiror understands that the Issuer will have the right to cause the sale of a Class E Note, Class F Note or Subordinated Note to another acquiror that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

(iii) With respect to acquiring or holding a Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate (i) (A) whether or not, for so long as it holds such Class E Note, Class F Note or Subordinated Note or interest therein, it is, or is acting on behalf of, a Benefit Plan Investor, (B) whether or not, for so long as it holds such Class E Note, Class F Note or Subordinated Note or interest therein, it is or is acting on behalf of a Controlling Person and (C) that (1) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Class E Note, Class F Note or Subordinated Note will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code and (2) if it is a governmental, church, non-U.S. or other plan, (x) it is not, and for so long as it holds such Class E Note, Class F Note or Subordinated Note or interest therein will not be, subject to any Similar Law and (y) its acquisition, holding and disposition of such Class E Note, Class F Note or Subordinated Note will not constitute or result in a non-exempt violation of any Other Plan Law, and (ii) that it will agree to certain transfer restrictions regarding its interest in such Class E Note, Class F Note or Subordinated Note. Any purported purchase or transfer of the Class E Notes, Class F Notes or Subordinated Notes in violation of the requirements set forth in this paragraph shall be null and void ab initio and the acquiror understands that the Issuer will have the right to cause the sale of a Class E Note, Class F Note or Subordinated Note to another acquiror that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

(iv) If the purchaser or transferee of any Notes 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 Arrangers, the Collateral Manager, the Placement Agents, the Trustee or any of their affiliates, has provided any investment advice within the meaning of Section 3(21) of ERISA to the Benefit Plan Investor, or to any fiduciary or other person investing the assets of the Benefit Plan Investor ("**Fiduciary**"), in connection with its acquisition of Notes, and (ii) the Fiduciary is exercising its own independent judgment in evaluating the investment in the Notes.

(v) No proposed transfer of Class E Notes, Class F Notes or Subordinated Notes (or interests therein) will be permitted or recognised if a transfer to a transferee will cause 25 per cent. or more of the total value of the Class E Notes, Class F Notes or Subordinated Notes (determined separately by Class) to be held by Benefit Plan Investors, disregarding Class E Notes, Class F Notes or Subordinated Notes (or interests therein) held by Controlling Persons.

(b) The purchaser acknowledges that the Issuer, the Placement Agents, 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 Notes or Rule 144A Definitive Certificates, as applicable. The Rule 144A Notes may not at any time be held by or on behalf of U.S. Persons that are not QIB/QPs. Before any interest in a Rule 144A Global Certificate may be offered, resold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate, the transferor will be required to provide the Transfer Agent with a written certification (in the form provided in the Trust Deed) as to compliance with the transfer restrictions.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, 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), (I) IN THE CASE OF EACH CLASS OF NOTES (OTHER THAN THE CLASS X NOTES), IN A PRINCIPAL AMOUNT OF NOT LESS THAN €250,000 FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING AND (II) IN THE CASE OF THE CLASS X NOTES, IN A PRINCIPAL AMOUNT OF NOT LESS THAN €100,000 FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING, IN EACH CASE, TO A PURCHASER THAT (V) IS A QUALIFIED PURCHASER FOR THE PURPOSE OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT, (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER-DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR IN THE CASE OF CLAUSE (2), IN A PRINCIPAL AMOUNT OF NOT LESS THAN €100,000 AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE UNITED STATES AND ANY APPLICABLE STATE IN WHICH AN OFFERING HAS BEEN MADE. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID *AB INITIO* AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE TRANSFER AGENT OR ANY INTERMEDIARY. IN ADDITION TO THE FOREGOING, IN THE EVENT OF A VIOLATION OF (V) THROUGH (Z), THE ISSUER MAINTAINS THE RIGHT TO DIRECT THE RESALE OF ANY NOTES PREVIOUSLY TRANSFERRED TO NON-PERMITTED NOTEHOLDERS (AS DEFINED IN THE TRUST DEED) IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE TRUST DEED. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE TRUST DEED TO ITS TRANSFEREE.

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

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS X NOTES, CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS 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 NON-EXEMPT VIOLATION OF ANY OTHER PLAN LAW, AND (II) IT WILL NOT SELL OR TRANSFER SUCH NOTES (OR INTERESTS THEREIN) TO AN ACQUIROR ACQUIRING SUCH NOTES (OR INTERESTS THEREIN) UNLESS THE ACQUIROR MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THE NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTES TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, THE CLASS F NOTES AND THE SUBORDINATED NOTES IN THE FORM OF RULE 144A GLOBAL CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE WILL BE REQUIRED OR DEEMED TO REPRESENT, 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 THEREIN WILL NOT BE AND WILL NOT BE ACTING ON BEHALF OF), A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER (OTHER THAN IN THE CASE OF THE NOTES PURCHASED BY THE COLLATERAL MANAGER), PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON AND (UNLESS THE WRITTEN CONSENT OF THE ISSUER TO THE CONTRARY IS OBTAINED AND OTHER THAN IN THE CASE OF THE NOTES PURCHASED BY THE COLLATERAL MANAGER) 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 WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER OR THE COLLATERAL MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S

ASSETS) TO LAWS OR REGULATIONS THAT ARE 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 WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT 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 ("**OTHER PLAN LAW**"). "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF TITLE I OF ERISA, (B) A PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THE CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A CLASS E NOTE, A CLASS F NOTE OR A SUBORDINATED NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE ISSUER WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, THE CLASS F NOTES OR THE SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS ("**25 PER CENT. LIMITATION**").

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

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, THE CLASS F NOTES AND SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER (A) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (B) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS OR IS ACTING ON BEHALF OF A CONTROLLING PERSON AND (C) THAT (1) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") AND (2) IF

IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (a) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER OR THE COLLATERAL MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (b) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY FEDERAL, STATE, LOCAL OR NON-U.S. 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**"). EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, OF CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES IN DEFINITIVE CERTIFICATED FORM WILL BE REQUIRED TO COMPLETE AN ERISA CERTIFICATE IDENTIFYING ITS STATUS AS A BENEFIT PLAN INVESTOR OR A CONTROLLING PERSON. "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF TITLE I OF ERISA, (B) A PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THE CLASS E NOTES, THE CLASS F NOTES OR THE SUBORDINATED NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A CLASS E NOTE, A CLASS F NOTE OR A SUBORDINATED NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE ISSUER WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, THE CLASS F NOTES OR THE SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS ("**25 PER CENT. LIMITATION**").

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

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS C NOTES, THE CLASS D NOTES, THE CLASS E NOTES AND THE CLASS F NOTES ONLY*] [THIS NOTE HAS BEEN ISSUED WITH

ORIGINAL ISSUE DISCOUNT ("**OID**") FOR UNITED STATES FEDERAL INCOME TAX PURPOSES. THE ISSUE PRICE, AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY OF THIS NOTE MAY BE OBTAINED BY CONTACTING THE ISSUER AT HERIKERBERGWEG 238, 1101 CM AMSTERDAM, THE NETHERLANDS.]

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

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, THE CLASS B NOTES, THE CLASS C NOTES AND THE 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.]

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

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

10. Each holder of a Note (or any interest therein) will be deemed to have represented and agreed to treat the Issuer and the Notes as described in the "*Tax Considerations — Certain U.S. Federal Income Tax Considerations*" section of this Offering Circular for all U.S. federal, state and local income tax purposes and to take no action inconsistent with such treatment unless required by law.

11. The purchaser will timely furnish the Issuer or its agents with any tax forms or certifications (including, without limitation, IRS Form W-9, an applicable IRS Form W-8, or any successors to such IRS forms) that the Issuer or its agents may reasonably request (A) to permit the Issuer or its agents to make payments to the purchaser without, or at a reduced rate of, deduction or withholding, (B) to enable the Issuer or its agents to qualify for a reduced rate of withholding or deduction in any jurisdiction from or through which the Issuer or its agents receive payments, and (C) to enable the Issuer or its agents to satisfy reporting and other obligations under the Code and Treasury Regulations or under any other applicable law, and will update or replace any tax forms or certifications as appropriate or in accordance with their terms or subsequent amendments thereto. Each purchaser acknowledges that the failure to provide, update or replace any such tax forms or certifications may result in the imposition of withholding or back up withholding upon payments to such purchaser, or to the Issuer. Amounts withheld from payments to the purchaser by the Issuer or its agents that are, in their sole judgment, required to be withheld pursuant to applicable tax laws will be treated as having been paid to the purchaser by the Issuer.

12. The purchaser will provide the Issuer or its agents with any correct, complete and accurate information and documentation that may be required for the Issuer to comply with FATCA and CRS and to prevent the imposition of tax under FATCA on payments to or for the benefit of the Issuer. In the event the purchaser fails to provide such information or documentation required to comply with 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 such purchaser does not sell its Notes within 10 Business Days after

notice from the Issuer or its agents, the Issuer will have the right to sell such Notes at a public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account any taxes incurred by the Issuer in connection with such sale) to such person as payment in full for such Notes. The Issuer may also assign each such Note a separate ISIN in the Issuer's sole discretion. Each purchaser agrees that the Issuer, the Trustee or their agents or representatives may (1) provide any information and documentation concerning its investment in its Notes to The Netherlands Tax and Customs Administration, the U.S. Internal Revenue Service and any other relevant tax authority and (2) take such other steps as they deem necessary or helpful to ensure that the Issuer complies with FATCA and CRS.

13. Each purchaser of Class E Notes, Class F Notes, or Subordinated Notes, if it is not a "United States person" (as defined in Section 7701(a)(30) of the Code), represents that either:

(i) either:

(a) it is not a bank (within the meaning of Section 881(c)(3)(A) of the Code) or an affiliate of a bank;

(b) after giving effect to its purchase of Notes, it will not directly or indirectly own more than 33-1/3 per cent., by value, of the aggregate of the Notes within such Class and any other Notes that are ranked *pari passu* with or are subordinated to such Notes, and will not otherwise be related to the Issuer (within the meaning of Treasury regulations section 1.881-3); or

(c) 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; 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).

14. Each purchaser of Subordinated Notes, if it owns more than 50% of the Subordinated Notes by value or if such purchaser, its beneficial owner, or a direct or indirect owner of the foregoing, 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) use commercially reasonable efforts to 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 it becomes aware (having used commercially reasonable efforts) 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 only to the extent necessary to ensure that the Issuer complies with FATCA (where required) and save where the Issuer or its agents have provided the purchaser with an express waiver of this requirement.

15. No purchaser of Subordinated Notes will treat any income with respect to its Subordinated Notes as derived in connection with the Issuer's active conduct of a banking, financing, insurance, or other similar business for purposes of Section 954(h)(2) of Code.

16. No purchase or transfer of a Class E Note, Class F Note or Subordinated Note will be recorded or otherwise recognised unless the purchaser or transferee has provided the Issuer with a certificate substantially in the form of Annex B hereto.

17. The purchaser understands and acknowledges that the Issuer has the right under the Trust Deed to compel any Non-Permitted Noteholder or Non-Permitted ERISA Noteholder to sell its interest in the

Notes or may sell such interest in its Notes on behalf of such Non-Permitted Noteholder or Non-Permitted ERISA Noteholder.

18. With respect to the Class X Notes and the Subordinated Notes, each holder of such Notes will agree that the Class X Notes and the Subordinated Notes (as applicable) may not be offered, sold, resold, delivered or transferred other than to "professional market parties" (*professionele marktpartijen*) within the meaning of the Dutch Financial Supervision Act (*Wet op het financieel toezicht)* that do not qualify as "public" (within the meaning of article 4(1) of the CRR and the rules promulgated thereunder or any subsequent legislation replacing that regulation) and, if resident or domiciled in The Netherlands, other than to qualified investors within the meaning of the Dutch Financial Supervision Act (*Wet op het financieel toezicht*).

Regulation S Notes

Each purchaser of Regulation S Notes will be deemed to have made the representations set forth in clauses (4), (6) and (8) through (17) (inclusive) above (except that references to Rule 144A Notes shall be deemed to be references to Regulation S Notes and references to Rule 144A shall be deemed to be references to Regulation S) 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 Agents 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 (1) in the case of each Class of Notes (other than the Class X Notes), in a nominal amount of not less than €250,000 for it and each such account and (2) in the case of the Class X Notes, in a nominal amount of not less than €100,000 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) of Regulation S.

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

   THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, 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), (I) IN THE CASE OF EACH CLASS OF NOTES (OTHER THAN THE CLASS X NOTES), IN A PRINCIPAL AMOUNT OF NOT LESS THAN €250,000 FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING AND (II) IN THE CASE OF THE CLASS X NOTES, IN A PRINCIPAL AMOUNT OF NOT LESS THAN €100,000 FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING, IN EACH CASE, TO A PURCHASER THAT (V) IS A QUALIFIED PURCHASER FOR THE PURPOSE OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT, (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE

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

TRANSFERS OF THIS NOTE OR OF PORTIONS OF THIS NOTE SHOULD BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE TRUST DEED REFERRED TO HEREIN.

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

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS X NOTES, CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS 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 SUCH 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 NON-EXEMPT VIOLATION OF ANY OTHER PLAN LAW, AND (II) IT WILL NOT SELL OR TRANSFER THIS NOTE (OR INTEREST HEREIN) TO AN ACQUIROR ACQUIRING SUCH NOTES (OR INTERESTS THEREIN) UNLESS THE ACQUIROR MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THE NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIROR UNDERSTANDS

THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTES TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, THE CLASS F NOTES AND SUBORDINATED NOTES IN THE FORM OF REGULATION S GLOBAL CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE WILL BE REQUIRED OR DEEMED TO REPRESENT, 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 SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER (OTHER THAN IN THE CASE OF THE NOTES PURCHASED BY THE COLLATERAL MANAGER), PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON AND (UNLESS THE WRITTEN CONSENT OF THE ISSUER TO THE CONTRARY IS OBTAINED AND OTHER THAN IN THE CASE OF THE NOTES PURCHASED BY THE COLLATERAL MANAGER) 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 WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER OR THE COLLATERAL MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO LAWS OR REGULATIONS THAT ARE 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 WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT 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 ("**OTHER PLAN LAW**"). "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF TITLE I OF ERISA, (B) A PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THE CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A CLASS E NOTE, A CLASS F NOTE OR A SUBORDINATED NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE ISSUER WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, THE CLASS F NOTES OR THE SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS ("**25 PER CENT. LIMITATION**").

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

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, THE CLASS F NOTES AND SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER (A) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (B) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS OR IS ACTING ON BEHALF OF, A CONTROLLING PERSON AND (C) THAT (1) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") AND (2) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (a) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER OR THE COLLATERAL MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (b) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY FEDERAL, STATE, LOCAL OR NON-U.S. 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**"). EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, OF CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES IN DEFINITIVE CERTIFICATED FORM WILL BE REQUIRED TO COMPLETE AN ERISA CERTIFICATE IDENTIFYING ITS STATUS AS A BENEFIT PLAN INVESTOR OR A CONTROLLING PERSON. "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF TITLE I OF ERISA, (B) A PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON,

DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THE CLASS E NOTES, THE CLASS F NOTES OR THE SUBORDINATED NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A CLASS E NOTE, A CLASS F NOTE OR A SUBORDINATED NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE ISSUER WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, THE CLASS F NOTES OR THE SUBORDINATED NOTES (DETERMINED SEPARATELY BY CLASS) TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS ("**25 PER CENT. LIMITATION**").

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

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS C NOTES, THE CLASS D NOTES, THE CLASS E NOTES AND THE CLASS F NOTES ONLY*] [THIS NOTE HAS BEEN ISSUED WITH ORIGINAL ISSUE DISCOUNT ("**OID**") FOR UNITED STATES FEDERAL INCOME TAX PURPOSES. THE ISSUE PRICE, AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY OF THIS NOTE MAY BE OBTAINED BY CONTACTING THE ISSUER AT HERIKERBERGWEG 238, 1101 CM AMSTERDAM, THE NETHERLANDS.]

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

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, THE CLASS B NOTES, THE CLASS C NOTES AND THE 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.]

4. That neither the Issuer, its Affiliates (as defined in Rule 405 under the Securities Act) nor any persons (other than the Collateral Manager, as to whom no representation or warranty is made) acting on its or their behalf have engaged or will engage in any "directed selling efforts" (as defined in Regulation S under the Securities Act) in respect of the Notes.

5. The Issuer, its Affiliates and any person (other than the Placement Agents, as to whom no representation or warranty is made) acting on its or their behalf have complied with and will comply with the offering restrictions requirement of Regulation S under the Securities Act.

6. The purchaser understands that the Regulation S Notes may not, at any time, be held by, or on behalf of, U.S. Persons.

7. The purchaser acknowledges that the Issuer, the Placement Agents, the Trustee, the Collateral Manager or the Collateral Administrator, the Agents and their Affiliates, and others, will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

A transferor who transfers an interest in a Regulation S Note to a transferee who will hold the interest in the same form is not required to make any additional representation or certification.

GENERAL INFORMATION

Clearing Systems

The Notes of each Class have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The Common Code and International Securities Identification Number ("**ISIN**") for the Notes of each Class are:

	Regulation S Notes		**Rule 144A Notes**	
	ISIN	**Common Code**	**ISIN**	**Common Code**
Class X Notes	XS2084071633	208407163	XS2084071716	208407171
Class A CM Voting Notes	XS2084071807	208407180	XS2084072011	208407201
Class A CM Non-Voting Notes	XS2084071989	208407198	XS2084072102	208407210
Class A CM Non-Voting Exchangeable Notes	XS2084072284	208407228	XS2084072524	208407252
Class B-1 CM Voting Notes	XS2084072367	208407236	XS2084072797	208407279
Class B-1 CM Non-Voting Notes	XS2084072441	208407244	XS2084072870	208407287
Class B-1 CM Non-Voting Exchangeable Notes	XS2084072953	208407295	XS2084073175	208407317
Class B-2 CM Voting Notes	XS2084073092	208407309	XS2084073332	208407333
Class B-2 CM Non-Voting Notes	XS2084073258	208407325	XS2084073415	208407341
Class B-2 CM Non-Voting Exchangeable Notes	XS2084073506	208407350	XS2084073761	208407376
Class C-1 CM Voting Notes	XS2084073688	208407368	XS2084073928	208407392
Class C-1 CM Non-Voting Notes	XS2084073845	208407384	XS2084074066	208407406
Class C-1 CM Non-Voting Exchangeable Notes	XS2084074223	208407422	XS2084074579	208407457
Class C-2 CM Voting Notes	XS2084074140	208407414	XS2084074652	208407465
Class C-2 CM Non-Voting Notes	XS2084074496	208407449	XS2084074736	208407473
Class C-2 CM Non-Voting Exchangeable Notes	XS2084074819	208407481	XS2084075113	208407511
Class D CM Voting Notes	XS2084074900	208407490	XS2084075204	208407520
Class D CM Non-Voting Notes	XS2084075030	208407503	XS2084075386	208407538
Class D CM Non-Voting	XS2084075469	208407546	XS2084075899	208407589

Exchangeable Notes				
Class E Notes	XS2084075626	208407562	XS2084075543	208407554
Class F Notes	XS2084076194	208407619	XS2084076277	208407627
Subordinated Notes	XS2084075972	208407597	XS2084076350	208407635

Legal Entity Identification

The Issuer's Legal Entity Identification is 54930007LX65I38Z7P02.

Listing

Application has been made to Euronext Dublin for the Notes to be admitted to the Official List and trading on its Global Exchange Market. There can be no assurance that any such listing will be maintained. The Global Exchange Market is not a regulated market for the purposes of MiFID II. This document constitutes "listing particulars" for the purposes of such application. Application has been made to Euronext Dublin for the approval of this document as listing particulars.

Consents and Authorisations

The Issuer has obtained all necessary consents, approvals and authorisations in The Netherlands (if any) in connection with the issue and performance of the Notes. The issue of the Notes was authorised by resolutions of the board of Directors of the Issuer passed on or about 15 January 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 12 December 2018 and there has been no material adverse change in the financial position or prospects of the Issuer since its incorporation on 12 December 2018.

No Litigation

The Issuer is not involved, and has not been involved, in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have or have had since the date of its incorporation a significant effect on the Issuer's financial position.

Accounts

Since the date of its incorporation, other than entering into the Warehouse Arrangements and acquiring certain Collateral Obligations pursuant to it, the Issuer has not commenced operations.

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 of incorporation to 31 December 2019. The Issuer intends to publish the financial statements in respect of the period ending on 31 December 2019 in the course of 2020 within the legal time frame. The Issuer will not prepare interim financial statements. The financial year of the Issuer ends on 31 December each year.

The Trust Deed requires the Issuer to provide written confirmation to the Trustee on an annual basis and otherwise promptly on request that no Note Event of Default or Potential Note Event of Default (as defined in the Trust Deed) or other matter which is required to be brought to the Trustee's attention has occurred.

Listing Agent

Arthur Cox Listing Services Limited is acting solely in its capacity as listing agent for the Issuer in relation to the Notes and is not itself seeking admission of the Notes to the Official List of Euronext Dublin or to trading on the Global Exchange Market of Euronext Dublin.

Documents Available

Copies of the following documents may be inspected in electronic format (and, in the case of each of (f) and (g) below, will be available for collection free of charge) at the registered offices of the Issuer during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for so long as the Notes are listed on the Official List of Euronext Dublin and admitted to trading on the Global Exchange Market.

(a) the Articles;

(b) the Trust Deed (which includes the form of each Note of each Class);

(c) the Irish Security Agreement;

(d) the Agency and Account Bank Agreement;

(e) the Collateral Management and Administration Agreement;

(f) the Hedge Agreements (to the extent these are required to be disclosed pursuant to Article 7 of the Securitisation Regulation);

(g) this Offering Circular;

(h) the deeds of charge relating to the Hedge Agreements;

(i) the Issuer Management Agreement;

(j) each Monthly Report; and

(k) each Payment Date Report.

Drafts of the documents set out above at paragraphs (b) to (h) in substantially agreed form (which may be subject to change following pricing) (as provided by the Issuer or the Collateral Manager to the Collateral Administrator and acting on the instructions of the Issuer (or the Collateral Manager on its behalf)) have been made available on the website https://pivot.usbank.com maintained by the Collateral Administrator (or such other website as may be notified in writing by the Collateral Administrator or the Issuer to the Collateral Manager and the Trustee) prior to the pricing date for the transaction described herein. Copies of the final form of such documents shall be available on such website within five Business Days of the Issue Date).

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
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:

Recovery Indicator	Initial Rated Note Rating					
	"AAA"	**"AA"**	**"A"**	**"BBB"**	**"BB"**	**"B" and below**
1+(100)	75.00 per cent	85.00 per cent	88.00 per cent	90.00 per cent	92.00 per cent	95.00 per cent
1(95)	70.00 per cent	80.00 per cent	84.00 per cent	87.50 per cent	91.00 per cent	95.00 per cent
1(90)	65.00 per cent	75.00 per cent	80.00 per cent	85.00 per cent	90.00 per cent	95.00 per cent
2(85)	62.50 per cent	72.50 per cent	77.50 per cent	83.00 per cent	88.00 per cent	92.00 per cent
2(80)	60.00 per cent	70.00 per cent	75.00 per cent	81.00 per cent	86.00 per cent	89.00 per cent
2(75)	55.00 per cent	65.00 per cent	70.50 per cent	77.00 per cent	82.50 per cent	84.00 per cent
2(70)	50.00 per cent	60.00 per cent	66.00 per cent	73.00 per cent	79.00 per cent	79.00 per cent
3(65)	45.00 per cent	55.00 per cent	61.00 per cent	68.00 per cent	73.00 per cent	74.00 per cent
3(60)	40.00 per cent	50.00 per cent	56.00 per cent	63.00 per cent	67.00 per cent	69.00 per cent
3(55)	35.00 per cent	45.00 per cent	51.00 per cent	58.00 per cent	63.00 per cent	64.00 per cent
3(50)	30.00 per cent	40.00 per cent	46.00 per cent	53.00 per cent	59.00 per cent	59.00 per cent
4(45)	28.50 per cent	37.50 per cent	44.00 per cent	49.50 per cent	53.50 per cent	54.00 per cent
4(40)	27.00 per cent	35.00 per cent	42.00 per cent	46.00 per cent	48.00 per cent	49.00 per cent
4(35)	23.50 per cent	30.50 per cent	37.50 per cent	42.50 per cent	43.50 per cent	44.00 per cent
4(30)	20.00 per cent	26.00 per cent	33.00 per cent	39.00 per cent	39.00 per cent	39.00 per cent
5(25)	17.50 per cent	23.00 per cent	28.50 per cent	32.50 per cent	33.50 per cent	34.00 per cent
5(20)	15.00 per cent	20.00 per cent	24.00 per cent	26.00 per cent	28.00 per cent	29.00 per cent
5(15)	10.00 per cent	15.00 per cent	19.50 per cent	22.50 per cent	23.50 per cent	24.00 per cent
5(10)	5.00 per cent	10.00 per cent	15.00 per cent	19.00 per cent	19.00 per cent	19.00 per cent
6(5)	3.50 per cent	7.00 per cent	10.50 per cent	13.50 per cent	14.00 per cent	14.00 per cent
6(0)	2.00 per cent	4.00 per cent	6.00 per cent	8.00 per cent	9.00 per cent	9.00 per cent

* 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.

(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 Senior Secured Loan or Senior Secured Bond (a "**Senior Secured Debt Instrument**") that has an S&P Recovery Rating, the S&P Recovery Rate for such Collateral Obligation shall be determined as follows:

For 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	Initial Liability Rating

S&P Recovery Rating of the Senior Secured Debt	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"**
Senior Secured 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.
Senior Secured Loans that are S&P Cov-Lite Loans and Senior Secured 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) Senior Secured Loans, (ii) S&P Cov-Lite Loans that are Senior Secured Loans, (iii) Senior Secured 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, Belgium, Canada, Denmark, Finland, France, Germany, Hong Kong, Ireland, Israel, Japan, Luxembourg, The Netherlands, Norway, Poland, Portugal, Singapore, Spain, Sweden, Switzerland, UK, U.S.

Group B: Brazil, Dubai International Finance Centre, Greece, Italy, Mexico, South Africa, Turkey, United Arab Emirates.

Group C: Kazakhstan, Russian Federation, Ukraine, others.

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 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).

ANNEX B
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

ANNEX C
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, the Class F Notes and the Subordinated Notes (determined separately by class) issued by Ares European CLO XIII B.V. (the "**Issuer**") is held by (a) an employee benefit plan that is subject to the fiduciary responsibility provisions of Title I of the Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), (b) a plan that is subject to Section 4975 of the Internal Revenue Code of 1986, as amended (the "**Code**") or (c) any entity whose underlying assets include "plan assets" by reason of any such employee benefit plan's or plan's investment in the entity (collectively, "**Benefit Plan Investors**"), (ii) obtain from you certain representations and agreements and (iii) provide you with certain related information with respect to your acquisition, holding and disposition of the Class E Notes, the Class F Notes and the Subordinated Notes. By signing this Certificate, you agree to be bound by its terms.

Please be aware that the information contained in this Certificate is not intended to constitute advice and the examples given below are not intended to be, and are not, comprehensive. You should contact your own counsel if you have any questions in completing this Certificate. Capitalised terms not defined in this Certificate shall have the meanings ascribed to them in the Trust Deed.

If a box is not checked, you are representing, warranting and agreeing that the applicable Section does not, and will not, apply to you.

1. ☐ Employee Benefit Plans Subject to ERISA or the Code. We, or the entity on whose behalf we are acting, are an "employee benefit plan" within the meaning of Section 3(3) of ERISA that is subject to the fiduciary responsibility provisions of Title I of ERISA or a "plan" within the meaning of Section 4975(e)(1) of the Code that is subject to Section 4975 of the Code.

   Examples: (i) tax qualified retirement plans such as pension, profit sharing and section 401(k) plans, (ii) welfare benefit plans such as accident, life and medical plans, (iii) individual retirement accounts or "IRAs" and "Keogh" plans and (iv) certain tax-qualified educational and savings trusts.

2. ☐ Entity Holding Plan Assets. We, or the entity on whose behalf we are acting, are an entity or fund whose underlying assets include "plan assets" by reason of a Benefit Plan Investor's investment in such entity.

   Examples: (i) an insurance company separate account, (ii) a bank collective trust fund and (iii) a hedge fund or other private investment vehicle where 25 per cent. or more of the total value of any class of its equity is held by Benefit Plan Investors.

If you check Box 2, please indicate the maximum percentage of the entity or fund that will constitute "plan assets" for purposes of Title I of ERISA or Section 4975 of the Code: _____per cent.

AN ENTITY OR FUND THAT CANNOT PROVIDE THE FOREGOING PERCENTAGE HEREBY ACKNOWLEDGES THAT FOR PURPOSES OF DETERMINING WHETHER BENEFIT PLAN INVESTORS OWN LESS THAN 25 PER CENT. OF THE TOTAL VALUE OF THE CLASS E NOTES, THE CLASS F NOTES AND THE SUBORDINATED NOTES, 100 PER CENT. OF THE ASSETS OF THE ENTITY OR FUND WILL BE TREATED AS "PLAN ASSETS."

ERISA and the regulations promulgated thereunder are technical. Accordingly, if you have any questions regarding whether you may be an entity described in this Section 2, you should consult with your counsel.

3. ☐ Insurance Company General Account. We, or the entity on whose behalf we are acting, are an insurance company purchasing the Class E Notes, the Class F Notes or the Subordinated Notes with funds from our or their general account (i.e., the insurance company's corporate investment portfolio), whose assets, in whole or in part, constitute "plan assets" for purposes of 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA (the "**Plan Asset Regulations**").

If you check Box 3, please indicate the maximum percentage of the insurance company general account that will constitute "plan assets" for purposes of conducting the 25 per cent. test under the Plan Asset Regulations: ____per cent. IF YOU DO NOT INCLUDE ANY PERCENTAGE IN THE BLANK SPACE, YOU WILL BE COUNTED AS IF YOU FILLED IN 100 PER CENT. IN THE BLANK SPACE.

4. ☐None of Sections (1) Through (3) Above Apply. We, or the entity on whose behalf we are acting, are a person that does not fall into any of the categories described in Sections (1) through (3) above. If, after the date hereof, any of the categories described in Sections (1) through (3) above would apply, we will promptly notify the Issuer of such change.

5. No Prohibited Transaction. If we checked any of the boxes in Sections (1) through (3) above, we represent, warrant and agree that our acquisition, holding and disposition of the Class E Notes, the Class F Notes or the Subordinated Notes do not and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

6. Not Subject to Similar Law and No Violation of Other Plan Law. If we are a governmental, church, non-U.S. or other plan, we represent, warrant and agree that (a) we are not subject to any federal, state, local, non-U.S. or other law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or interest therein) by virtue of its interest and thereby subject the Issuer or the Collateral Manager (or other persons responsible for the investment and operation of the Issuer's assets) to laws or regulations that are 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, the Class F Notes or the Subordinated Notes do not and will not constitute or result in a non-exempt violation of any law or regulation that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code.

7. ☐Controlling Person. We are, or we are acting on behalf of any of: (i) the Collateral Manager, (ii) any person that has discretionary authority or control with respect to the assets of the Issuer, (iii) any person who provides investment advice for a fee (direct or indirect) with respect to such assets or (iv) any "affiliate" of any of the above persons. "Affiliate" shall have the meaning set forth in the Plan Asset Regulations. Any of the persons described in the first sentence of this Section 7 is referred to in this Certificate as a "Controlling Person."

   Note: We understand that, for purposes of determining whether Benefit Plan Investors hold less than 25 per cent. of the total value of the Class E Notes, the Class F Notes or the Subordinated Notes (determined separately by class), the Class E Notes, the Class F Notes or the Subordinated Notes held by Controlling Persons (other than Benefit Plan Investors) are required to be disregarded.

8. Compelled Disposition. We acknowledge and agree that:

   (a) if any representation that we made hereunder is subsequently shown to be false or misleading or our beneficial ownership otherwise causes a violation of the 25 per cent. Limitation, the Issuer may, promptly after such discovery, send notice to us demanding that we transfer our interest to a person that is not a Non-Permitted ERISA Noteholder within 10 days after the date of such notice;

   (b) if we fail to transfer our Class E Notes, Class F Notes or Subordinated Notes, the Issuer shall have the right, without further notice to us, to sell our Class E Notes, Class F Notes or Subordinated Notes or our interest in the Class E Notes, Class F Notes or Subordinated Notes to a purchaser selected by the Issuer that is not a Non-Permitted ERISA Noteholder on such terms as the Issuer may choose;

   (c) the Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the Class E Notes, Class F Notes or Subordinated Notes and selling such securities to the highest such bidder. However, the Issuer may select a purchaser by any other means determined by it in its sole discretion;

   (d) by our acceptance of an interest in the Class E Notes, Class F Notes or Subordinated Notes, we agree to cooperate with the Issuer to effect such transfers;

   (e) the proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale, shall be remitted to us; and

(f) the terms and conditions of any sale under this sub-section shall be determined in the sole discretion of the Issuer, and the Issuer shall not be liable to us as a result of any such sale or the exercise of such discretion.

9. Required Notification and Agreement. We hereby agree that we (a) will inform the Issuer of any proposed transfer by us of all or a specified portion of the Class E Notes, the Class F Notes or the Subordinated Notes and (b) will not initiate any such transfer after we have been informed by the Issuer in writing that such transfer would cause the 25 per cent. Limitation to be exceeded. We hereby agree and acknowledge that after the Issuer effects any permitted transfer of Class E Notes, Class F Notes or Subordinated Notes owned by us to a Benefit Plan Investor or a Controlling Person or receives notice of any such permitted change of status, the Issuer shall include such Class E Notes, Class F Notes or Subordinated Notes in future calculations of the 25 per cent. Limitation made pursuant hereto unless subsequently notified that such Class E Notes, Class F Notes or Subordinated Notes (or such portion), as applicable, would no longer be deemed to be held by Benefit Plan Investors or Controlling Persons.

10. Continuing Representation; Reliance. We acknowledge and agree that the representations, warranties and agreements contained in this Certificate shall be deemed made on each day from the date we make such representations, warranties and agreements through and including the date on which we dispose of our interests in the Class E Notes, Class F Notes or Subordinated Notes. We understand and agree that the information supplied in this Certificate will be used and relied upon by the Issuer to determine that Benefit Plan Investors own or hold less than 25 per cent. of the total value of the Class E Notes, the Class F Notes or the Subordinated Notes (determined separately by class) upon any subsequent transfer of the Class E Notes, Class F Notes or Subordinated Notes in accordance with the Trust Deed.

11. Further Acknowledgement and Agreement. We acknowledge and agree that (i) all of the representations, warranties, agreements and assurances contained in this Certificate are for the benefit of the Issuer, the Trustee, Citigroup Global Markets Limited 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, Citigroup Global Markets Limited, the Collateral Manager, any Collateral Manager Related Person, Affiliates of any of the foregoing parties and to each of the foregoing parties' respective counsel for purposes of making the determinations described above and (iii) any acquisition or transfer of the Class E Notes, the Class F Notes or the Subordinated Notes by us that is not in accordance with the provisions of this Certificate shall be null and void from the beginning, and of no legal effect.

12. Future Transfer Requirements.

Transferee Letter and its Delivery. We acknowledge and agree that we may not transfer any of the Class E Notes, the Class F Notes or the Subordinated Notes in the form of Definitive Certificates 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.

Note: Unless you are notified otherwise, the name and address of the Issuer is as follows:

Ares European CLO XIII B.V., Herikerbergweg 238, 1101 CM Amsterdam, The Netherlands

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Certificate.

[Insert Purchaser's Name]

By:

Name:

Title:

Dated:

This Certificate relates to €_____ of [Class E Notes]/[Class F Notes]/[Subordinated Notes]

[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 € _____ of [Class E Notes]/[Class F Notes]/[Subordinated Notes].

ARES EUROPEAN CLO XIII B.V.

By:

Name:

Title:

Dated:

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