St. Paul's CLO V DAC

(a designated activity company incorporated under the laws of Ireland, with a registered number of 543452)

€1,000,000 Class X Senior Secured Floating Rate Notes due 2030
€201,000,000 Class A Senior Secured Floating Rate Notes due 2030
€36,000,000 Class B-1 Senior Secured Floating Rate Notes due 2030
€16,000,000 Class B-2 Senior Secured Floating Rate Notes due 2030
€12,500,000 Class C-1 Senior Secured Deferrable Floating Rate Notes due 2030
€7,500,000 Class C-2 Senior Secured Deferrable Floating Rate Notes due 2030
€19,500,000 Class D Senior Secured Deferrable Floating Rate Notes due 2030
€23,500,000 Class E Senior Secured Deferrable Floating Rate Notes due 2030
€10,000,000 Class F Senior Secured Deferrable Floating Rate Notes due 2030
€38,400,000 Subordinated Notes due 2030

The assets securing the Notes (as defined below) will consist of a portfolio of primarily Senior Obligations, Mezzanine Obligations and High Yield Bonds managed by Intermediate Capital Managers Limited (the "**Investment Manager**").

On 10 September 2014 St. Paul's CLO V DAC (the "**Issuer**") issued certain notes (the "**Original Notes**"), which will be redeemed in full on or prior to the Issue Date (as defined below). 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 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**") together with the Subordinated Notes are collectively referred to herein as the "**Notes**". The Notes will be issued and secured pursuant to a trust deed (the "**Trust Deed**") dated on or about 16 August 2017 (the "**Issue Date**"), made between (amongst others) the Issuer and Citibank, N.A., London Branch, in its capacity as trustee (the "**Trustee**").

Interest on the Notes will be payable quarterly in arrear in each year on 20 February, 20 May, 20 August and 20 November prior to the occurrence of a Frequency Switch Event (as defined herein) and semi–annually in arrear in each year on (a) 20 February and 20 August (where the Payment Date (as defined herein) immediately following the occurrence of a Frequency Switch Event falls in either February or August) or (b) 20 May and 20 November (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either May or November), following the occurrence of a Frequency Switch Event, commencing on 20 November 2017 and ending on the Maturity Date (as defined herein) (subject to any earlier redemption of the Notes and in each case subject to adjustment for non–Business Days in accordance with the Conditions). 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 Article 5 of Directive 2003/71/EC (as such directive may be amended from time to time, the "**Prospectus Directive**"). The Issuer is not offering the Notes in any jurisdiction in circumstances that would require a prospectus to be prepared pursuant to the Prospectus Directive. Application has been made to The Irish Stock Exchange plc (the "**Irish Stock Exchange**") for the Notes to be admitted to the official list (the "**Official List**") and trading on the Global Exchange Market of the Irish Stock Exchange (the "**Global Exchange Market**") which is the exchange regulated market of the Irish Stock Exchange. The Global Exchange Market is not a regulated market for the purposes of Directive 2004/39/EC. There can be no assurance that any such listing will be maintained. This Offering Circular constitutes Listing Particulars for the purpose of this application and it has been approved by the Irish Stock Exchange.

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

The Notes have not been registered under the United States Securities Act of 1933, as amended (the "**Securities Act**") and will be offered only: (a) outside the United States to non–U.S. Persons (as defined in Regulation S under the Securities Act

("**Regulation S**")); and (b) within the United States to persons and outside the United States to U.S. Persons (as such term is defined in Regulation S ("**U.S. Persons**")), in each case, who are both qualified institutional buyers (as defined in Rule 144A under the Securities Act ("**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 Investment Manager has informed the Issuer and the Initial Purchaser that it does not intend to retain a risk retention interest contemplated by the U.S. Risk Retention Rules in connection with the transaction described in this Offering Circular, or the Notes, in reliance on the "Safe harbor for certain foreign-related transactions" contained in the U.S. Risk Retention Rules (the "**Foreign Safe Harbor**"). Consequently, the Notes sold in the initial syndication of this Offering may not be purchased by, and will not be sold to any person, and during the U.S. Risk Retention Restricted Period (as defined herein) the Notes may not be transferred to any person, in each case, except for (a) persons that are not "U.S. persons" as defined in the U.S. Risk Retention Rules ("**Risk Retention U.S. Persons**") or (b) persons that have obtained a U.S. Risk Retention Waiver (as defined herein) from the Investment Manager. Any purchase or transfer of the Notes in breach of this requirement will result in the affected Notes becoming subject to forced transfer provisions. Neither Credit Suisse Securities (Europe) Limited nor the Issuer provides any assurances regarding, or assumes any responsibility for compliance with, the U.S. Risk Retention Rules prior to, on or after the Issue Date. Prospective investors should note that the definition of "U.S. person" in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of "U.S. person" in Regulation S. See "*Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence Requirements – U.S. Risk Retention Rules*".

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

Credit Suisse
as Arranger and Initial Purchaser

The date of this Offering Circular is 15 August 2017

*The Issuer accepts responsibility for the information (other than the Third Party 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 Investment 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 the Investment Manager and its Affiliates", "Description of the Investment Manager" and "Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence Requirements – U.S. Risk Retention Rules" (with respect to the first sentence of the second paragraph thereof only) (together, the "**Investment Manager Information**"). To the best of the knowledge and belief of the Investment Manager (which has taken all reasonable care to ensure that such is the case), the Investment Manager Information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Retention Holder accepts responsibility for the information contained in the section of this document headed, "Description of the Retention Holder and its Business" (the "**Retention Holder Information**"). To the best of the knowledge and belief of the Retention Holder (which has taken all reasonable care to ensure that such is the case), the Retention Holder Information is in accordance with the facts and does not omit anything likely to affect the import of such information. The Collateral Administrator (together with the Investment Manager and the Retention Holder, the "**Third Parties**"), accepts responsibility for the information contained in the section of this document headed "Description of the Collateral Administrator" (the "**Collateral Administrator Information**" and, together with the Investment Manager Information and the Retention Holder Information, the "**Third Party Information**"). 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), the Collateral Administrator Information is in accordance with the facts and does not omit anything likely to affect the import of such information. Except for the Investment Manager Information, in the case of the Investment Manager, the Retention Holder Information, in the case of the Retention Holder and the Collateral Administrator Information, in the case of the Collateral Administrator, none of the Investment Manager, the Retention Holder, the Collateral Administrator, the Trustee or the other Agents accept any responsibility for the accuracy and completeness of any information contained in this Offering Circular. The delivery of this Offering Circular at any time does not imply that the information herein is correct at any time subsequent to the date of this Offering Circular.*

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

None of the Arranger, the Initial Purchaser, the Trustee, any Agent, any Hedge Counterparty, or any other party (save for the Issuer, the Investment Manager, the Retention Holder and the Collateral Administrator in each case 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 Arranger, the Initial Purchaser, the Trustee, the Investment Manager, the Retention Holder, any Agent, any Hedge Counterparty or any other party undertakes to review the financial condition or affairs of the Issuer during the life of the arrangements contemplated by this 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 Arranger, the Initial Purchaser, the Trustee, the Investment Manager, the Retention Holder, any Agent, any Hedge Counterparty (in each case other than as specified above) or any other party (save for the Issuer as specified above) accepts any responsibility for the accuracy or completeness of any information contained in this Offering Circular.

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

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

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

*Each of Fitch and Moody's are established in the EU and are registered under Regulation (EC) No 1060/2009 (as amended) ("**CRA3**").*

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 neither the Initial Purchaser nor any Affiliate thereof will be acting as stabilising manager in respect of the Notes.

IRISH REGULATORY POSITION

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

EU RETENTION REQUIREMENTS

Each prospective investor in the Notes is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction are sufficient to comply with the EU Retention Requirements or any other regulatory requirement. None of the Issuer, the Arranger, the Investment Manager, any Investment Manager Related Person, the Initial Purchaser, the Collateral Administrator, the Trustee, 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 and no such Person shall have any liability to any prospective investor or any other Person with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy the EU Retention Requirements or any other applicable legal, regulatory or other requirements. Each prospective investor in the Notes which is subject to the EU Retention Requirements or any other regulatory requirement should consult with its own legal, accounting and other advisors and/or its national regulator to determine whether, and to what extent, such information is sufficient for such purposes and any other requirements of which it is uncertain. Investors are directed to the further descriptions of the EU Retention Requirements in

"*Risk Factors—Regulatory Initiatives—Risk Retention and Due Diligence Requirements—EU Risk Retention and Due Diligence Requirements*", "*Risk Factors—Regulatory Initiatives—Risk Retention and Due Diligence Requirements—U.S. Risk Retention Rules*" and "*The Retention Requirements*"

The Monthly Reports will include a statement as to the receipt by the Issuer and the Collateral Administrator of a confirmation from the Investment Manager as to the holding of the Retention Notes, which confirmation the Investment Manager will undertake, upon request, to provide to the Issuer and the Collateral Administrator on a monthly basis.

U.S. RISK RETENTION RULES

The Investment Manager has informed the Issuer and the Initial Purchaser that it does not intend to retain a risk retention interest contemplated by the U.S. Risk Retention Rules in connection with the transaction described in this Offering Circular, or the Notes, in reliance on the Foreign Safe Harbor.

None of the Issuer, the Arranger, the Initial Purchaser, the Collateral Administrator, the Trustee or any of their respective Affiliates makes any representation, warranty or guaranty or provides any assurances regarding, or assumes any responsibility for, reliance on the Foreign Safe Harbor or the Investment Manager's compliance with the U.S. Risk Retention Rules prior to, on or after the Issue Date.

VOLCKER RULE

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

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.

An "ownership interest" is defined widely 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 or removal of an investment advisor, manager, or general partner, trustee, or member of the board of directors of the covered fund.

If the Issuer is deemed to be a covered fund, then in the absence of regulatory relief, the provisions of the Volcker Rule and its related regulatory provisions, will severely limit the ability of "banking entities" to hold an ownership interest in the Issuer or enter financial transactions with the Issuer. The holders of the Class X Notes and 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 IM Exchangeable Non-Voting Notes or IM Non-Voting Notes are, in each case, disenfranchised in respect of any IM Removal Resolution or IM 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.

Investors should conduct their own analysis to determine whether the Issuer is a "covered fund" for their purposes. See further also "*Risk Factors – Regulatory Initiatives – Volcker Rule*". None of the Issuer, the Arranger, the Initial Purchaser, the Investment Manager, the Trustee nor any of their affiliates makes any representation to any prospective investor or purchaser of the Notes regarding the application of the Volcker Rule to the Issuer, or to such investor's investment in the Notes on the Issue Date or at any time in the future.

INVESTMENT COMPANY ACT

As at the Issue Date, the Issuer has not been registered under the Investment Company Act in reliance on Section 3(c)(7) of the Investment Company Act. Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Arranger, the Initial Purchaser, the Investment Manager, the Investment Manager Related Persons, the Trustee or any of their Affiliates makes any representation, warranty or guarantee to any prospective investor or purchaser of the Notes regarding the application of the Volcker Rule or to such investor's investment in the Notes on the Issue Date or at any time in the future. See "*Risk Factors – Regulatory Initiatives –Volcker Rule*" 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**") may only be sold within the United States to persons and outside the United States to U.S. Persons (as such term is defined in Regulation S), in each case, who are "qualified institutional buyers" (as defined in Rule 144A) ("**QIBs**") that are also "qualified purchasers" for purposes of Section 3(c)(7) of the Investment Company Act ("**QPs**"). Rule 144A Notes of each Class will each be represented on issue by beneficial interests in one or more permanent global certificates of such Class (each, a "**Rule 144A Global Certificate**" and together, the "**Rule 144A Global Certificates**") or, in some cases, definitive certificates (each a "**Rule 144A Definitive Certificate**" and together the "**Rule 144A Definitive Certificates**"), in each case in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee for 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**") or, in some cases, by definitive certificates of such Class (each a "**Regulation S Definitive Certificate**" and together, the "**Regulation S Definitive Certificates**"), in each case in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee for 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 the limited circumstances described herein. The Notes may, in certain circumstances described herein, be issued in definitive, certificated, fully registered form, pursuant to the Trust Deed and will be offered (A) outside the United States to non–U.S. Persons in reliance on Regulation S and (B) within the United States to persons and outside the United States to U.S. Persons, in each case, who are both QIBs and QPs 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*".

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

The Notes sold in the initial syndication of this Offering may not be purchased by, and will not be sold to any person, and during the U.S. Risk Retention Restricted Period the Notes may not be transferred to any person, in each case, 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 Investment Manager. Purchasers and transferees of the Notes, including beneficial interests therein, will be deemed and in certain circumstances will be required to have made certain representations and agreements, including that each purchaser in the initial syndication of this Offering and each transferee during the U.S. Risk Retention Restricted Period (1) either (a) is not a Risk Retention U.S. Person or (b) has received a U.S. Risk Retention Waiver from the Investment Manager, and (2) is not acquiring such Note or a beneficial interest therein as part of a plan or scheme to evade the requirements of section 15G of the Securities Exchange Act of 1934, as added by section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and section 246.20 of the U.S. Risk Retention Rules. 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 "*U.S. Risk Retention Rules*" and "*Forced Transfer*" below.

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

Available Information

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

General Notice

EACH PURCHASER OF THE NOTES MUST COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN FORCE IN EACH JURISDICTION IN WHICH IT PURCHASES, OFFERS OR SELLS SUCH NOTES OR POSSESSES OR DISTRIBUTES THIS OFFERING CIRCULAR AND MUST OBTAIN ANY CONSENT, APPROVAL OR PERMISSION REQUIRED FOR THE PURCHASE, OFFER OR SALE BY IT OF SUCH NOTES UNDER THE LAWS AND REGULATIONS IN FORCE IN ANY JURISDICTIONS TO WHICH IT IS SUBJECT OR IN WHICH IT MAKES SUCH PURCHASES, OFFERS OR SALES, AND NONE OF THE ISSUER, THE ARRANGER, THE INITIAL PURCHASER, THE INVESTMENT 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 BY THE U.S. COMMODITY FUTURES TRADING COMMISSION (THE "**CFTC**"), THE ISSUER IS NOT EXPECTED TO BE TREATED AS A COMMODITY POOL AND AS SUCH, THE ISSUER (OR THE INVESTMENT MANAGER ON THE ISSUER'S BEHALF) MAY ENTER INTO HEDGE AGREEMENTS (OR ANY OTHER AGREEMENT THAT WOULD FALL WITHIN THE DEFINITION OF "SWAP" AS SET OUT IN THE U.S. COMMODITY EXCHANGE ACT OF 1936, AS AMENDED (THE "**CEA**")) SUBJECT TO SATISFACTION OF THE

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

U.S. TAX

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

PRIIPs Regulation

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

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TRANSACTION OVERVIEW

*The following Overview does not purport to be complete and is qualified in its entirety by reference to the detailed information appearing elsewhere in this 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	St. Paul's CLO V DAC, a designated activity company incorporated under the laws of Ireland with registered number 543452 and having its registered office at 32 Molesworth Street, Dublin 2, Ireland
Investment Manager	Intermediate Capital Managers Limited
Trustee	Citibank, N.A., London Branch
Initial Purchaser	Credit Suisse Securities (Europe) Limited
Collateral Administrator	Virtus Group L.P.
Account Bank, Custodian, Calculation Agent and Information Agent	Citibank, N.A., London Branch
Principal Paying Agent and Transfer Agent	Citibank, N.A., London Branch
Registrar	Citigroup Global Markets Deutschland AG
Retention Holder	NP Europe Loan Management I Designated Activity Company

Notes

Class of Notes	Principal Amount	Initial Stated Interest Rate[1]	Alternative Stated Interest Rate[2]	Moody's Ratings of at least[3][4]	Fitch Ratings of at least[3][4]	Maturity Date	Issue Price[5]
X	€1,000,000	3 month EURIBOR + 0.50% per annum	6 month EURIBOR + 0.50% per annum	"Aaa(sf)"	"AAAsf"	2030	100.00%
A	€201,000,000	3 month EURIBOR + 0.90% per annum	6 month EURIBOR + 0.90% per annum	"Aaa(sf)"	"AAAsf"	2030	100.00%
B-1	€36,000,000	3 month EURIBOR + 1.50% per annum	6 month EURIBOR + 1.50% per annum	"Aa2(sf)"	"AAsf"	2030	100.00%
B-2	€16,000,000	3 month EURIBOR + 1.75% per annum during the Non-Call Period; 3 month EURIBOR + 1.50% per annum following the expiry of the Non-Call Period	6 month EURIBOR + 1.75% per annum during the Non-Call Period; 6 month EURIBOR + 1.50% per annum following the expiry of the Non-Call Period	"Aa2(sf)"	"AAsf"	2030	100.00%

Class of Notes	Principal Amount	Initial Stated Interest Rate[1]	Alternative Stated Interest Rate[2]	Moody's Ratings of at least[3][4]	Fitch Ratings of at least[3][4]	Maturity Date	Issue Price[5]
C-1	€12,500,000	3 month EURIBOR + 2.10% per annum	6 month EURIBOR + 2.10% per annum	"A2(sf)"	"Asf"	2030	100.00%
C-2	€7,500,000	3 month EURIBOR +2.35% per annum during the Non-Call Period; 3 month EURIBOR + 2.10% per annum following the expiry of the Non-Call Period	6 month EURIBOR + 2.35% per annum during the Non-Call Period; 6 month EURIBOR + 2.10% per annum following the expiry of the Non-Call Period	"A2(sf)"	"Asf"	2030	100.00%
D	€19,500,000	3 month EURIBOR + 3.00% per annum	6 month EURIBOR +3.00% per annum	"Baa2(sf)"	"BBBsf"	2030	100.00%
E	€23,500,000	3 month EURIBOR + 5.15% per annum	6 month EURIBOR + 5.15% per annum	"Ba2(sf)"	"BBsf"	2030	95.99%
F	€10,000,000	3 month EURIBOR + 6.60% per annum	6 month EURIBOR + 6.60% per annum	"B2(sf)"	"B-sf"	2030	93.21%
Subordinated Notes	€38,400,000	N/A	N/A	Not rated	Not rated	2030	76.00%

1 Applicable to each three month Accrual Period commencing prior to the occurrence of a Frequency Switch Event, provided that the rate of interest of the Floating Rate Notes will be determined (i) for the period from, and including, the Issue Date to, but excluding, the first Payment Date, by reference to a straight line interpolation of 3 month EURIBOR and 6 month EURIBOR and (ii) for 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 November 2029, by reference to 3 month EURIBOR.

2 Applicable at any time in respect of each Accrual Period commencing following the occurrence of a Frequency Switch Event, provided that the rate of interest of the Floating Rate 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 November 2029 be determined by reference to 3 month EURIBOR.

3 The ratings assigned to the Rated Notes by Moody's address the expected loss posed to investors by the legal final maturity date of the Rated Notes. The ratings assigned to the Class X Notes, Class A Notes and 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.

4 As of the date of this Offering Circular, each of the Rating Agencies is established in the European Union (the "**EU**") and is registered under Regulation (EC) No 1060/2009 (as amended) ("**CRA3**"). As such, each Rating Agency is included in the list of credit rating agencies published by the European Securities and Markets Authority on its website in accordance with CRA3.

5 Each of the Issuer and the Initial Purchaser 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) outside of the United States to non–U.S. Persons in "offshore transactions" in reliance on Regulation S; and

(b) within the United States to persons and outside the United States to U.S. Persons, in each case, who are QIB/QPs in reliance on Rule 144A.

The Notes sold pursuant to the initial syndication of this Offering may not be purchased by, and will not be sold to any person, and during the U.S. Risk Retention Restricted Period the Notes may not be transferred to any person, in each case, 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 Investment Manager. Any purchase or transfer of the Notes in breach of this

requirement will result in the affected Notes becoming subject to forced transfer provisions.

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 February and 20 August (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either February or August), or (B) 20 May and 20 November (where the Payment Date immediately following the occurrence of a Frequency Switch Event falls in either May or November); and

(b) 20 February, 20 May, 20 August and 20 November, at all other times,

commencing on 20 November 2017 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).

Stated Interest Rate ..... 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 on 20 November 2017) in accordance with the Interest Priority of Payments.

Interest shall be payable on the Subordinated Notes on each Payment Date to the extent funds are available in accordance with the Priorities of Payment.

Payment of Interest and Deferral ..... 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 an Event of Default unless and until such failure continues for a period of at least five Business Days save in the case of administrative error or omission only, where such failure continues for a period of at least ten Business Days, 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*).

To the extent that interest payments on the Class C Notes, Class D Notes, Class E Notes or Class F Notes are not made on the relevant Payment Date, an amount equal to such unpaid interest will be added to the principal amount of the Class C Notes, Class D Notes, Class E Notes or Class F Notes (as applicable), and from the date such unpaid interest is added to the Principal Amount Outstanding of the relevant Class of Notes, such unpaid amount will accrue interest at the rate of interest applicable to the relevant Notes. See Condition 6(c) (*Deferral of Interest*).

Non–payment of amounts due and payable on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes as a result of the insufficiency of available Interest Proceeds will not constitute an Event of Default even where any such Class of Notes is the Controlling Class.

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) to the extent necessary to cause the applicable Coverage Test to be met as of the related Determination Date in accordance with the Note Payment Sequence out of Interest Proceeds and thereafter out of Principal Proceeds subject to the Priorities of Payment (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 at the sole and absolute discretion of the Investment Manager (acting on behalf of the Issuer), if either (A) at any time during the Reinvestment Period, the Investment Manager (acting on behalf of the Issuer) certifies (upon which 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 Investment 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 Investment Manager (acting on behalf of the Issuer) notifies the Trustee (upon which the Trustee may rely without enquiry or liability) that, as determined by the Investment Manager acting in a commercially reasonable manner, a redemption is required in order to avoid a Rating Event, and on a Special Redemption Date, the Special Redemption Amount will be applied in accordance with paragraph (P) of the Principal Priority of Payments (see Condition 7(d) (*Special Redemption*));

(f) on any Payment Date on and after the Effective Date, at the discretion of the Investment Manager, during the Reinvestment Period to cure a failure of the Reinvestment

Overcollateralisation Test (see Condition 7(k) (*Reinvestment Overcollateralisation Test*));

(g) in whole (with respect to all Classes of Rated Notes) but not in part following the expiry of the Non-Call Period, on any Business Day, from Sale Proceeds or Refinancing Proceeds (or any combination thereof) at the option of the holders of the Subordinated Notes (acting by way of Ordinary Resolution) (at their applicable Redemption Prices, subject to the right of the holders of any Class of Rated Notes, acting by Unanimous Resolution, 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)(A) (*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 following the expiry of the Non-Call Period, on any Business Day, (i) if directed in writing by the Subordinated Noteholders (acting by way of an Ordinary Resolution), or (ii) at the written direction of the Investment Manager, 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 –Subordinated Noteholders*));

(i) the Subordinated Notes may be redeemed in whole but not in part at the direction of (i) the holders of the Subordinated Notes (acting by way of Ordinary Resolution), or (ii) the Investment Manager in writing (see Condition 7(b)(viii) (*Optional Redemption of Subordinated Notes*));

(j) on any Payment Date following the occurrence of a Collateral Tax Event in whole (with respect to all Classes of Rated Notes) at the direction of the Subordinated Noteholders acting by way of Ordinary Resolution, (at their applicable Redemption Prices, subject to the right of any Class of Rated Notes, acting by Unanimous Resolution, 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)(B) (*Optional Redemption in Whole – Subordinated Noteholders*));

(k) in whole (with respect to all Classes of Rated Notes) on any Payment Date at the direction of (i) the Controlling Class or (ii) the Subordinated Noteholders, 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 any Class of Rated Notes, acting by Unanimous Resolution, 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 on the Payment Date thereafter, subject to (x) the Issuer having failed to cure the Note Tax Event 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 an 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 Aggregate Principal Balance is less than 20 per cent. of the Target Par Amount and the Investment Manager so directs in writing (at their applicable Redemption Prices, subject to the right of the holders of any Class of Rated Notes, acting by Unanimous Resolution, 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)(iii) (*Optional Redemption in Whole – Clean–up Call*)); and

(n) with respect to the Class X Notes, on each Payment Date 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 the Class X Notes*)).

Non–Call Period ..... During the period from and including, the Issue Date up to, but excluding, the Payment Date falling in 20 August 2019 (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, provided that, in respect of any Rated Note, the Redemption Price for a Class of Rated Notes may be such lower amount as may be agreed by the Noteholders of such Class acting by way of Unanimous Resolution.

The Redemption Price for each Subordinated Note will be its *pro rata* share (calculated in accordance with paragraph (DD) of the Interest Priority of Payments, paragraph (V) of the Principal Priority of Payments, paragraph (X) of the Post–Acceleration Priority of Payments and paragraph (9) of Condition 3(j)(vi) (*Supplemental Reserve Account*) (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 Enhancement Obligation Proceeds (and other amounts standing to the credit of the Supplemental Reserve Account) will be applied in accordance with the Condition 3(j)(vi) (*Supplemental Reserve Account*) both prior to and following an acceleration of the Notes.
Investment Management Fees	
Senior Management Fee	0.15 per cent. per annum of the Collateral Principal Amount (exclusive of any VAT thereon). See "*Description of the Investment Management and Collateral Administration Agreement — Fees*".
Subordinated Management Fee	0.35 per cent. per annum of the Collateral Principal Amount (exclusive of any VAT thereon). See "*Description of the Investment Management and Collateral Administration Agreement — Fees*".
Incentive Investment Management Fee	The Investment Manager will be entitled to an Incentive Investment Management Fee on each Payment Date on which the Incentive Investment Management Fee IRR Threshold has been met or surpassed, equal to (exclusive of any VAT thereon) 20 per cent. of any Interest Proceeds, Principal Proceeds and amounts standing to the credit of the Supplemental Reserve Account that would otherwise be available to distribute to the Subordinated Noteholders in accordance with the Priorities of Payment or Condition 3(j)(vi)(9) (*Supplemental Reserve Account*), as applicable. See "*Description of the Investment Management and Collateral Administration Agreement — Fees*".
Investment 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 Investment Manager determines on behalf of the Issuer should be purchased or exercised, the Investment Manager may, at its discretion, pay amounts required in order to fund such purchase or exercise (such amount, a "**Investment Manager Advance**") to such account pursuant to the terms of the Investment Management and Collateral Administration Agreement. Each Investment Manager Advance may bear interest at such rate agreed between the Investment Manager and the Issuer from time to time (and notified to the Collateral Administrator) provided that such rate of interest shall not exceed a rate of EURIBOR plus 2.0 per cent. per annum. All such Investment Manager Advances shall be repaid either (i) out of Interest Proceeds and Principal Proceeds on each Payment Date pursuant to the Priorities of Payment, or (ii) at any time (at the discretion of the Investment Manager) from amounts standing to the credit of the Supplemental Reserve Account.

Security for the Notes

General	The Notes will be secured in favour of the Trustee for the benefit of the Secured Parties by security over a portfolio of Collateral Obligations. The Notes will also be secured by an assignment by way of security of various of the Issuer's other rights, including its rights under certain of the agreements described herein but excluding its rights in respect of the Irish Excluded Assets. See Condition 4 (*Security*).
Hedge Arrangements	Subject to the Eligibility Criteria, the Issuer or the Investment Manager on its behalf may purchase Collateral Obligations that are denominated in a Qualifying Currency provided that: (a) a Currency Hedge Transaction is entered into in respect of each such Collateral Obligation with a Hedge Counterparty satisfying the applicable Rating Requirement under which the currency risk is reduced or eliminated (i) if such Collateral Obligation is purchased in the Primary Market and denominated in a Qualifying Unhedged Obligation Currency, within 180 calendar days of the settlement of the purchase by the Issuer of such Collateral Obligation, and (ii) in all other cases, no later than the settlement of the purchase by the Issuer of such Collateral Obligation; and (b) the Aggregate Principal Balance of all Unhedged Collateral Obligations shall not exceed 2.5 per cent. of the Collateral Principal Amount at any time. For the avoidance of doubt, the ability of the Issuer to enter into Currency Hedge Transactions is subject to satisfaction of the Hedging Condition. The Investment 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.
Interest Rate Hedging	On or around the Issue Date, the Issuer may enter into Interest Rate Hedge Transactions which are interest rate caps ("**Issue Date Interest Rate Hedge Transactions**") with one or more Interest Rate Hedge Counterparties in order to mitigate its exposure to increases in EURIBOR–based payments of interest payable by the Issuer on the Rated Notes. Should the Issuer enter into such transactions on the Issue Date, the Issuer will pay a premium to any such Interest Rate Hedge Counterparty. The Issuer (or the Investment Manager on its behalf) would be required to exercise such Issue Date Interest Rate Hedge Transactions if at any time EURIBOR was greater than the strike price set out in the applicable Issue Date Interest Rate Hedge Transaction. The Issuer (or the Investment Manager on its behalf) may be permitted to novate any Issue Date Interest Rate Hedge Transaction in certain circumstances. The Issuer will obtain Rating Agency Confirmation prior to entering into any hedging arrangements after the Issue Date unless it is a Form Approved Hedge. See "*Hedging Arrangements*".
Investment Manager	Pursuant to the Investment Management and Collateral Administration Agreement, the Investment Manager is required to act as the Issuer's investment manager with respect to the Portfolio,

to act in specific circumstances in relation to the Portfolio on behalf of the Issuer and to carry out the duties and functions described therein. Pursuant to the Investment Management and Collateral Administration Agreement, the Issuer delegates authority to the Investment Manager to carry out certain functions in relation to the Portfolio and any Hedge Transactions. See "*Description of the Investment Management and Collateral Administration Agreement*" and "*The Portfolio*".

The Investment Manager has selected the Collateral Obligations purchased by the Issuer on or prior to the Issue Date (including, for the avoidance of doubt, those Originated Collateral Obligations acquired on or prior to the Issue Date) and has independently reviewed and assessed each such Collateral Obligation. The Investment Manager will acknowledge pursuant to the Investment Management and Collateral Administration Agreement that such Collateral Obligations purchased on or prior to the Issue Date shall, subject to any limitations or restrictions set out in the Investment Management and Collateral Administration Agreement, fall within the Investment Manager's duties and obligations pursuant to the terms of the Investment Management and Collateral Administration Agreement.

Purchase and Sale of Collateral Obligations

Initial Portfolio ..... The Investment Manager (on behalf of the Issuer) has purchased a portfolio of Collateral Obligations prior to the Issue Date.

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 Investment Manager, subject to the Effective Date Determination Requirements having been satisfied; and

(b) 20 October 2017 (or if such day is not a Business Day, the next following Business Day),

(such earlier date, the "**Effective Date**" and such period, the "**Initial Investment Period**"), the Investment 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.

Target Par Amount ..... It is intended that the Aggregate Principal Balance of the Collateral Obligations in the Portfolio on the Effective Date will be €352,750,000.

Sale of Collateral Obligations..... Subject to the limits described in the Investment Management and Collateral Administration Agreement, the Investment 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 – Terms and Conditions applicable to the Sale of Exchanged Securities*".

Reinvestment in Collateral Obligations.....	Subject to the limits described in the Investment Management and Collateral Administration Agreement and Principal Proceeds being available for such purpose, the Investment 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 Risk Obligations and Credit Improved Obligations and Unscheduled Principal Proceeds received after the Reinvestment Period may, but are not required to, be reinvested by the Issuer or the Investment Manager acting on behalf of the Issuer, in Substitute Collateral Obligations meeting the Eligibility Criteria and the Reinvestment Criteria and subject to certain other restrictions. See "*The Portfolio — Management of the Portfolio – Reinvestment of Collateral Obligations*".
Eligibility Criteria.....	In order to qualify as a Collateral Obligation, an obligation must satisfy the Eligibility Criteria. Each obligation shall only be required to satisfy the Eligibility Criteria at the time the Issuer (or the Investment 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 – Restructured Obligations*".
Collateral Quality Tests.....	The Collateral Quality Tests will comprise the following: For so long as any of the Rated Notes are rated by Moody's and are Outstanding: (a) the Moody's Minimum Diversity Test; (b) the Moody's Maximum Weighted Average Rating Factor Test; and (c) the Moody's Minimum Weighted Average Recovery Rate Test. For so long as any of the Rated Notes are rated by Fitch and are Outstanding: (a) the Fitch Maximum Weighted Average Rating Factor Test; and (b) the Fitch Minimum Weighted Average Recovery Rate Test. For so long as any of the Rated Notes are Outstanding: (a) the Minimum Weighted Average Spread Test; and (b) the Weighted Average Life Test. Each of the Collateral Quality Tests are defined in the Investment Management and Collateral Administration Agreement and described in "*The Portfolio*" below.

Portfolio Profile Tests..... In summary, the Portfolio Profile Tests will consist of each of the following (the percentage requirements applicable to different types of Collateral Obligations shall be determined by reference to the Aggregate Principal Balance of such type of Collateral Obligations, where for such purposes the Principal Balance of each Defaulted Obligation shall be multiplied by its Market Value) specified in the Portfolio Profile Tests and summarily displayed in the table below and where the applicable limits shall be determined by reference to the Collateral Principal Amount (for the purposes of which the Principal Balance of each Defaulted Obligation shall be multiplied by its Market Value in accordance with the definition of 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 and Eligible Investments acquired with such Balances (excluding accrued interest))	90.0%	N/A
(b)	Secured Senior Loans (which shall include the Balances standing to the credit of the Principal Account and the Unused Proceeds Account and Eligible Investments acquired with such Balances (excluding accrued interest thereon))	70.0%	N/A
(c)	Senior Secured Bonds	N/A	30.0%
(d)	Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and/or High Yield Bonds in aggregate	N/A	10.0%
(e)	Collateral Obligations of a single Obligor (in the case of Collateral Obligations which are not Secured Senior Obligations)	N/A	1.5%
(f)	Collateral Obligations of a single Obligor (in the case of Corporate Rescue Loans)	N/A	2.0%
(g)	Collateral Obligations of a single Obligor	N/A	2.5% provided that up to three Obligors may represent up to 3.0% each
(h)	Non–Euro Obligations	N/A	30.0%
(i)	Participations	N/A	5.0%
(j)	Current Pay Obligations	N/A	5.0%
(k)	Unfunded Amounts/Funded Amounts under Revolving Obligations/Delayed Drawdown Collateral Obligations	N/A	5.0%

		Minimum	Maximum
(l)	CCC Obligations	N/A	7.5%
(m)	Caa Obligations	N/A	7.5%
(n)	Bridge Loans	N/A	5.0%
(o)	Corporate Rescue Loans	N/A	5.0%
(p)	PIK Securities	N/A	5.0%
(q)	Fixed Rate Collateral Obligations	N/A	10.0%
(r)	Fitch industry classification	N/A	10.0 % provided that (i) the three largest Fitch industry classifications may not comprise in aggregate more than 40% (ii) one Fitch industry may comprise up to 17.5 %, (iii) two Fitch industries may each comprise up to 15.0 % and (iv) three Fitch industries may each comprise up to 12.0 %
(s)	Moody's Rating derived from S&P rating	N/A	10.0%
(t)	Domicile of Obligors 1	N/A	10.0% Domiciled in countries with a currency ceiling below "AAA" by Fitch
(u)	Domicile of Obligors 2	N/A	10.0% Domiciled in countries or jurisdictions with a Moody's local currency country risk ceiling of between "A1" and "A3" unless Rating Agency Confirmation from Moody's is obtained
(v)	Bivariate Risk Table	N/A	See limits set out in "*The Portfolio – Management of the Portfolio – Bivariate Risk Table*"
(w)	Cov–Lite Loans	N/A	30.0%
(x)	Unhedged Collateral Obligations	N/A	2.5%
(y)	Obligations in respect of which the initial total potential indebtedness at issuance (including (i) to the extent that a Collateral Obligation is part of a security or credit facility, indebtedness of the entire security or credit facility of which such Collateral Obligation is par, and (ii) the maximum available amount or total commitment under any revolving or delayed funding loans) of the relevant Obligor and/or its Affiliates under all respective loan agreements and other Underlying Instruments governing such Obligor's and/or its Affiliates' indebtedness has	N/A	5.0%

		Minimum	Maximum
	an aggregate principal amount (whether drawn or undrawn) of equal to or more than €100,000,000 and less than €200,000,000 (or its equivalent in any currency)		
(z)	Loans originated by the Investment Manager or its Affiliates	N/A	5.0%, provided that (i) loans that are syndicated to an initial lender group of greater than five and (ii) senior tranches of loans not originated by the Investment Manager or an Affiliate of the Investment Manager where mezzanine tranches of the loans were originated by the Investment Manager or an Affiliate of the Investment Manager, shall in either case not be counted as originated by the Investment Manager, provided that for the purposes of (i) above where the Investment Manager or an Affiliate thereof manages funds holding 40 per cent. or more of such loan, such loan will be deemed as originated by the Investment Manager
(aa)	Collateral Obligations of the ten Obligors with the highest Aggregate Principal Balance	N/A	20.0%
(bb)	Step-Up Coupon Securities	N/A	5.0%
(cc)	Obligations of Portfolio Companies		15.0%

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 (other than the Class F Par Value Test), on and after the Effective Date, (ii) in the case of the Class F Par Value Test, on and after the expiry of the Reinvestment Period; and (iii) the Interest Coverage Tests, on and after the Determination Date immediately preceding the second Payment Date, if the corresponding Par Value Ratio or Interest Coverage Ratio (as the case may be) is at least equal to the percentage specified in the table below in relation to that Coverage Test.

Class	Required Par Value Ratio
A/B	129.4%
C	120.7%
D	114.1%
E	106.6%
F	103.7%

Class	Required Interest Coverage Ratio
A/B	120.0%
C	110.0%
D	105.0%
E	102.0%

Reinvestment Overcollateralisation Test..... On and after the Effective Date and during the Reinvestment Period only, if the Reinvestment Overcollateralisation Test is failing 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 per cent. of all remaining Interest Proceeds available for payment pursuant to paragraph (W) of the Interest Priority of Payments and (2) the amount which, after giving effect to 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 Investment Manager (acting on behalf of the Issuer), (i) to the payment into the Principal Account to purchase additional Collateral Obligations as Principal Proceeds (provided that to do so would not cause a Retention Deficiency) or (ii) to payment of the Rated Notes in accordance with the Note Payment Sequence.

Obligations in respect of which the Issuer or the Investment 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 Investment 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.

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 will be issued in minimum denominations of €250,000 and integral multiples of €1,000 in excess thereof.

Form, Registration and Transfer of the Notes..... The Regulation S Notes of each Class sold outside of the United States to non–U.S. Persons in reliance on Regulation S will be represented on issue by beneficial interests in one or more Regulation S Global Certificates in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee for a common depositary for Euroclear Bank S.A./N.V., 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 Notes sold pursuant to the initial syndication of this Offering may not be purchased by any person and will not be sold to any person, and during the U.S. Risk Retention Restricted Period the Notes may not be transferred to any person, except, in each case, for (a) Eligible Risk Retention Persons or (b) persons that have obtained a U.S. Risk Retention Waiver from the Investment Manager. 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*".

The Rule 144A Notes of each Class sold in reliance on Rule 144A within the United States to persons and outside the United States to U.S. Persons, in each case, who are both QIBs and QPs, will be represented on issue by one or more Rule 144A Global Certificates in fully registered form, without interest coupons or principal receipts deposited with, and registered in the name of, a nominee for 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 both a QIB and a QP. In addition, interests in any of the Regulation S Notes may not at any time be held by any U.S. Person or U.S. Resident. See "*Form of the Notes*" and "*Book Entry Clearance Procedures*".

Except in the limited circumstances described herein, definitive certificates in 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*".

A transferee of a Class E Note, Class F Note or Subordinated Note will be deemed to represent (among other things) that it is not and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of) a Benefit Plan Investor or a Controlling Person. If a transferee is unable to make such deemed representation, such transferee may not acquire such Class E Note, Class F Note or Subordinated Note unless such transferee: (i) obtains the written consent of the Issuer (which consent may be subject to such transferee making applicable tax declarations); (ii) provides an ERISA certificate to the Issuer as to its status as a Benefit Plan Investor or Controlling Person (substantially in the form of Annex B (*Form of ERISA Certificate*) and as set out in the Trust Deed); and (iii) unless the written consent of the Issuer to the contrary is obtained, holds such Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate.

Each purchaser and transferee understands and agrees that no transfer of an interest in Class E Notes, Class F Notes or Subordinated Notes will be permitted or recognised if it would cause the 25 per cent. Limitation to be exceeded with respect to the Class E Notes, Class F Notes or the Subordinated Notes (determined separately by Class).

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

Each person who becomes an owner of a beneficial interest in a Regulation S Global Certificate will be deemed to have represented and agreed to the representations set forth in this Offering Circular relating to such Notes under the heading "*Transfer Restrictions*".

If a holder of Class E Notes, Class F Notes or Subordinated Notes represented by a Definitive Certificate wishes at any time to transfer its interest in such Notes to a person who wishes to take delivery thereof in the form of a beneficial interest in a Rule 144A Global Certificate, such holder may effect such transfer only upon receipt by the Registrar of: (i) notification from the common depositary for Euroclear and Clearstream, Luxembourg of the Rule 144A Global Certificate that the appropriate credit entry has been made in the accounts of the relevant participants of Euroclear and Clearstream, Luxembourg (but in no case for less than the minimum authorised denomination applicable to Notes of such Class); and (ii) a certificate in the form of part 6 (*Form of Definitive Certificate to Rule 144A Global Certificate Transfer*

Certificate) of schedule 4 (*Transfer, Exchange and Registration Documentation*) of the Trust Deed or in such other form as the Issuer, relying upon the advice of counsel, may deem substantially similar in legal effect (in each case, copies of which are provided to the Registrar as applicable) given by the proposed transferee.

Each person who becomes an owner of a beneficial interest in a Rule 144A Global Certificate will be deemed to have represented and agreed to the representations set forth in this Offering Circular relating to such Notes under the heading "*Transfer Restrictions*".

Transfers of interests in the Notes are subject to certain restrictions and must be made in accordance with the procedures set forth in the Trust Deed. See "*Form of the Notes*", "*Book Entry Clearance Procedures*" and "*Transfer Restrictions*". Each purchaser of Notes in making its purchase will be required to make, or will be deemed to have made, certain acknowledgements, representations and agreements. See "*Transfer Restrictions*". The transfer of Notes in breach of certain of such representations and agreements will result in affected Notes becoming subject to certain forced transfer provisions. See Condition 2(h) (*Forced Transfer of Rule 144A Notes*), Condition 2(i) (*Forced Transfer pursuant to ERISA*), Condition 2(j) (*Forced Transfer pursuant to FATCA*) and Condition 2(k) (*Forced transfer following breach of U.S. Risk Retention Rules U.S. Person requirements*).

IM Voting Notes, IM Non-Voting Notes and IM Exchangeable Non-Voting Notes..... The Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes may, in each case, be in the form of IM Voting Notes, IM Exchangeable Non-Voting Notes or IM Non-Voting Notes.

IM 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 in respect of any IM Replacement Resolutions and any IM Removal Resolutions. IM Non-Voting Notes and IM Exchangeable Non-Voting Notes shall not carry any rights in respect of, or be counted for the purposes of determining a quorum and the result of voting in respect of any IM Removal Resolutions or any IM Replacement Resolutions but shall carry a right to vote on and be counted in respect of all other matters in respect of which the IM Voting Notes have a right to vote and be counted.

IM Voting Notes shall be exchangeable at any time upon request by the relevant Noteholder into IM Exchangeable Non-Voting Notes or IM Non-Voting Notes. IM Exchangeable Non-Voting Notes shall be exchangeable for (a) upon request by the relevant Noteholder, IM Non-Voting Notes at any time; or (b) only in connection with the transfer of such Notes to an entity that is not an Affiliate of the transferor and upon request of the relevant transferee or transferor, IM Voting Notes. IM Non-Voting Notes shall not be exchangeable at any time into IM Voting Notes or IM Exchangeable Non-Voting Notes.

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 IM Removal Resolutions or any IM Replacement Resolutions but shall carry a right to vote on and be counted in respect of all other matters in respect of which the Class A Notes have a right to vote and be counted.

Governing Law	The Notes, the Trust Deed, the Investment Management and Collateral Administration Agreement, the Agency and Account Bank Agreement, the Retention Undertaking Letter and all other Transaction Documents (save for the Administration Agreement, which is governed by the laws of Ireland) will be governed by English law.
Listing.....	Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List of the Irish Stock Exchange and trading on its Global Exchange Market which is the exchange regulated market of the Irish Stock Exchange. The Global Exchange Market is not a regulated market for the purposes of Directive 2004/39/EC. See "*General Information*".
Tax Status	See "*Tax Considerations*".
Certain ERISA Considerations	See "*Certain ERISA Considerations*".
Withholding Tax.....	The Issuer will not gross–up any payments to the Noteholders in respect of amounts deducted from or withheld for or on account of tax in relation to the Notes. See Condition 9 (*Taxation*).
Additional Issuances.....	Subject to certain conditions being met, additional Notes of all existing Classes (other than the Class X Notes), of the Subordinated Notes or of new classes of Notes, may be issued and sold. See Condition 17 (*Additional Issuances*).
EU Retention Requirements	The Retention Notes will be acquired by the Retention Holder on the Issue Date pursuant to the Retention Note Purchase Agreement and, pursuant to the Retention Undertaking Letter, the Retention Holder will undertake to retain the Retention Notes with the intention of complying with the EU Retention Requirements. See "*The Retention Requirements*", "*Description of the Retention Holder and its Business*" and "*Risk Factors—Regulatory Initiatives—Risk Retention and Due Diligence Requirements*".
U.S. Risk Retention Rules	The Investment Manager has informed the Issuer and the Initial Purchaser that it does not intend to retain a risk retention interest contemplated by the U.S. Risk Retention Rules in connection with the transaction described in this Offering Circular, or the Notes, in reliance on the "Safe harbor for certain foreign-related transactions" contained in the U.S. Risk Retention Rules. The Issuer does not provide any assurances regarding, or assume any responsibility for compliance with, the U.S. Risk Retention Rules prior to, on or after the Issue Date. See "*Risk Factors – Regulatory Initiatives - Risk Retention and Due Diligence Requirements – U.S. Risk Retention Rules*".

RISK FACTORS

An investment in the Notes of any Class involves certain risks, including risks relating to the Collateral securing such Notes and risks relating to the structure and rights of such Notes and the related arrangements. There can be no assurance that the Issuer will not incur losses or that investors will receive a return on their investments. Prospective investors should carefully consider the following factors, in addition to the matters set forth elsewhere in this 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".

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 Priorities of Payment. See Condition 3(c) (*Priorities of Payment*). In particular, (i) 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; (ii) payments in respect of the Class B Notes are generally higher in the Priorities of Payment than those of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes; (iii) payments in respect of the Class C Notes are generally higher in the Priorities of Payment than those of the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes; (iv) payments in respect of the Class D Notes are generally higher in the Priorities of Payment than those of the Class E Notes, the Class F Notes and the Subordinated Notes; (v) payments in respect of the Class E Notes are generally higher in the Priorities of Payment than those of the Class F Notes and the Subordinated Notes; and (vi) payments in respect of the Class F Notes are generally higher in the Priorities of Payment than those of the Subordinated Notes. None of the Arranger, the Initial Purchaser or the Trustee undertakes to review the financial condition or affairs of the Issuer or the Investment 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 Arranger, the Initial Purchaser or the Trustee which is not included in this Offering Circular.

1.2 **Prior activities of the Issuer**

The Issuer was incorporated on 6 May 2014 under the name of St. Paul's CLO V Limited (now known as St. Paul's CLO V DAC). On 10 September 2014, the Issuer issued the Original Notes secured by various assets owned by the Issuer. The Original Notes will be redeemed in full by the Issuer on the Issue Date.

The only operations that an issuer of structured rated notes similar to the Notes is ordinarily permitted to perform prior to the issue date thereof is the entry into the warehouse arrangements in respect of the acquisition of certain assets on which such notes are to be secured on or prior to such issued date. This is to mitigate the risk that creditors of the issuer may exist as a result of the activities of such issuer who may be able to take action against the issuer should it not perform its obligations to the extent that such creditors have not entered into limited recourse and non-petition provisions similar to those to which the Secured Parties are subject pursuant to the Trust Deed. This risk is potentially increased in the case of the Issuer, as a result of it having issued the Original Notes. In order to mitigate this increased risk, all of the Original Notes will be redeemed in full and the documentation relating thereto (other than certain documentation in relation to existing Hedge Agreements) will be terminated. In addition, all Classes of the Notes will, on the Issue Date, be subject to the same Conditions and Transaction Documents.

1.3 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.

1.4 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.

1.5 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.

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

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

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

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

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

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

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

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

1.7 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.

1.8 Euro 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, Ireland, Italy, Portugal and Spain, together with the risk that some countries could leave the Euro zone (either voluntarily or involuntarily including as a result of an electoral decision to leave the European Union), and that the impact of these events on Europe and the global financial system could be severe which could have a negative impact on the Collateral.

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

1.9 Referendum on the UK's EU Membership

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

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

The UK government gave notice of the UK's intention to withdraw from the EU pursuant to Article 50 on 29 March 2017, 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.

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 (such date being 29 March 2017), unless the European Council, in agreement with the UK, unanimously decides to extend this period. At this time it is not possible to state with any certainty what might be the terms and effective date of any withdrawal agreement or the date when such a two year period (or any extension thereof) would expire. Until such date, EU law will remain in force in the UK.

Upon any withdrawal from the EU by the UK, and subject to agreement on (and the terms of) any future UK-EU relationship, EU law will cease to apply in the UK. However, many EU laws have been transposed into English law and these transposed laws will continue to apply until such time that they are repealed, replaced or amended. Over the years, English law has been devised to function in conjunction with EU law (in particular, laws relating to financial markets, financial services, prudential and conduct regulation of financial institutions,

financial collateral, settlement finality and market infrastructure). As a result, depending on the terms of the UK's exit from the EU, substantial amendments to English law may occur. Consequently, English law may change and it is impossible at this time to predict the consequences on the Portfolio or the Issuer's business, financial condition, results of operations or prospects. Such changes could be materially detrimental to Noteholders.

Regulatory Risk

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

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

Regulatory Risk – UK Investment Manager

In particular, if the UK were, as a consequence of leaving the EU, no longer within the scope of the Markets in Financial Instruments Directive ("**MiFID**") and a passporting regime or third country recognition of the UK is not in place, then a UK manager such as the Investment 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.

However, in Ireland under Regulation 8(1) of the European Communities (Markets in Financial Instruments) Regulations 2007, if the Investment Manager has no head or registered office or branch in Ireland, it would not generally need to be an authorised investment firm in order to provide CLO services in Ireland to bodies corporate (such as the Issuer) and therefore the Investment Manager should be able to continue to provide collateral management services to the Issuer.

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

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

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

Market Risk

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

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

Exposure to Counterparties

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

Ratings actions

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

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

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

1.10 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 bought against it or that the Issuer might otherwise bring to protect its interests.

2. REGULATORY INITIATIVES

2.1 General

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

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

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

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

2.2 Basel III

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

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

2.3 Risk Retention and Due Diligence Requirements

EU Risk Retention and Due Diligence Requirements

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

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

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

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

On 30 September 2015, the European Commission (the "**Commission**") published a proposal to amend the CRR (the "**CRR Amendment Regulation**") and a proposed regulation relating to a European framework for simple, transparent and standardised securitisation (the "**STS Securitisation Regulation**") which would, amongst other things, re-cast the EU risk retention rules as part of wider changes to establish a "Capital Markets Union" in Europe (together with the CRR Amendment Regulation, the "**Securitisation Regulations**"). The Presidency of the Council of Ministers of the European Union (the "**Council**") and the European Parliament have proposed amendments to the Securitisation Regulations. The subsequent trilogue discussions between representatives of the Commission, the Council and the European Parliament, have resulted in a compromise agreement being reached on the contents of the Securitisation Regulations. The Council published the compromise text of the STS Securitisation Regulation in a communication dated 26 June 2017. However, the final forms of the Securitisation Regulations have not yet been published and so their final contents are not yet known. The current intention is that the Securitisation Regulations will only apply from 1 January 2019. Investors should be aware that there are likely to be material differences between the current EU Risk Retention and Due Diligence Requirements and those in the Securitisation Regulations. If any changes to the Conditions or the Transaction Documents are required as a result of the implementation of the Securitisation Regulations, the Issuer shall be required to bear the costs of making such changes. It should be noted that any refinancing of the Notes or additional issuance of Notes in accordance with Condition 17 (*Additional Issuances*) may, if undertaken after the date of application of the Securitisation Regulations, bring the transaction described herein within the scope of the Securitisation Regulations.

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

U.S. Risk Retention Rules

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

The Investment Manager intends to use the "Safe harbor for certain foreign-related transactions" contained in the U.S. Risk Retention Rules (the "**Foreign Safe Harbor**"). There are a number of requirements which must be satisfied in order to rely on the Foreign Safe Harbor including:

(a) no more than 10 per cent. of the Euro fair value of all Notes may be sold or transferred to "U.S. persons" (as defined in the U.S. Risk Retention Rules) or for the account or benefit of "U.S. persons" (as defined in the U.S. Risk Retention Rules); and

(b) no more than 25 per cent. (as determined based on the unpaid principal balance) of the Portfolio may be acquired by the Investment Manager or the Issuer, directly or indirectly, from: (i) a majority-owned affiliate of the Investment Manager or the Issuer that is chartered, incorporated, or organised under the laws of the United States or any State; or (ii) an unincorporated branch or office of the Investment Manager or the Issuer that is located in the United States or any State.

Prospective investors and any transferee during the U.S. Risk Retention Restricted Period should note that the definition of "U.S. person" in the U.S. Risk Retention Rules is substantially similar to, but not identical to, the definition of "U.S. person" in Regulation S. The definition of "U.S. person" in the U.S. Risk Retention Rules is excerpted below (a "**Risk Retention U.S. Person**" and any Person that is not a Risk Retention U.S. Person, an "**Eligible Risk Retention Person**"). Particular attention should be paid to clauses (ii) and (viii)(B), which are different than comparable provisions from Regulation S as set out in the footnote below.[1]

"U.S. person" means any of the following:

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

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

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

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

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

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

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

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

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[1] (ii) Any partnership or corporation organised or incorporated under the laws of the United States;

(viii)(B) Formed by a U.S. person principally for the purpose of investing in securities not registered under the Act, unless it is organised or incorporated, and owned, by accredited investors (as defined in § 230.501(a)) who are not natural persons, estates or trusts.

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

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

The U.S. Risk Retention Rules may have a material and adverse effect on the market value and/or liquidity of the Notes as well as on the business, condition (financial or otherwise), assets, operations or prospects of the Issuer and/or the Investment Manager. The U.S. Risk Retention Rules would apply to any additional Notes issued after the Issue Date or any Refinancing. In addition, the SEC has indicated in contexts separate from the U.S. Risk Retention Rules that an "offer" and "sale" of securities may arise when amendments to securities are so material as to require holders to make an "investment decision" with respect to such securities. Thus, if the SEC were to take a similar position with respect to the U.S. Risk Retention Rules, they could apply to material amendments to the Trust Deed and the Notes, to the extent such amendments require investors to make a new investment decision with respect to the Notes, including a re-pricing. It is expected that the Investment Manager will seek to avail itself of the Foreign Safe Harbor in connection with any such additional issuance, Refinancing or other material amendment. If there is not sufficient interest from Eligible Risk Retention Persons, no assurance can be made that any such additional issuance, Refinancing or other material amendment will occur. In no case will the Investment Manager be required to acquire Notes to comply with the U.S. Risk Retention Rules. As a result, the U.S. Risk Retention Rules may adversely affect the Issuer (and the performance and market value of the Notes) if the Issuer is unable to undertake any such additional issuance or Refinancing or other material amendment and may affect the liquidity of the Notes.

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

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

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

The aim behind the EU Risk Retention and Due Diligence Requirements described in "*Risk Retention and Due Diligence Requirements - EU Risk Retention and Due Diligence 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 in this transaction, calculated based on the Collateral Principal Amount. The Retention Holder has agreed to retain such an interest in the transaction by holding Subordinated Notes having an original Principal Amount Outstanding (such original Principal Amount Outstanding calculated as of the date of issuance of such Subordinated Notes) in an amount equal to no less than 5 per cent. of the Collateral Principal Amount.

If, at any time, the deposit of Trading Gains into the Principal Account would, in the sole discretion of the Investment 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 Supplemental Reserve Account. Such Trading Gains may, at the direction of the Issuer (or the Investment Manager acting on its behalf), be applied to one or more Permitted Uses, which include being credited to the Interest Account for distribution as Interest Proceeds in accordance with the Priorities of Payment and being applied towards the purchase of Substitute Collateral Obligations or Collateral Enhancement Obligations, in each case, provided such acquisition does not cause a Retention Deficiency. In addition, the Investment Manager is not permitted to reinvest in Substitute Collateral Obligations where such reinvestment would cause a Retention Deficiency. As a result, the Investment Manager may be prevented from reinvesting available proceeds in Collateral Obligations in circumstances where such reinvestment would cause a Retention Deficiency and therefore the Collateral Principal Amount 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 subscribing for sufficient Subordinated Notes such that its holding of such Notes equals at least 5 per cent. of the Collateral Principal Amount.

As a result of such restrictions, the Issuer, or the Investment 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.

See also "*Retention Holder's discretion*" below.

2.5 Retention Holder's discretion

Notwithstanding the undertakings set out in the Retention Undertaking Letter, the Retention Holder is not obliged to sell any Originator Assets to the Issuer. The Issuer and the Investment Manager will therefore be reliant on the Retention Holder's discretion in the sale of Originator Assets in order to maintain compliance with the Originator Requirement. In exercising such discretion, the Retention Holder will not be obliged to consider the interests of the Noteholders or the Issuer.

2.6 Retention Financing

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

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

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

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

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

Clearing obligation

The regulatory technical standards governing the mandatory clearing obligation for certain classes of OTC derivative contracts, which entered into force on 21 December 2015 specify that the clearing obligation in respect of interest rate OTC derivative contracts that are (i) basis swaps and fixed-to-floating swaps denominated in euro, GBP, USD and Japanese Yen and (ii) forward rate agreements and overnight swaps denominated in euro, GBP and USD, in each case, 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 the ability of the Issuer to hedge interest rate and currency risk, the amounts payable to Noteholders may be negatively affected as the Investment 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 Investment 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 "**Proposal**"). While the Proposal has to be approved by the Council and the Parliament, and its effective date is not yet certain, it contains several features which, if not modified, may impact the Issuer's ability to hedge the Notes. Under the Proposal, securitisation special purpose entities such as the Issuer will be classified as financial counterparties ("**FCs**"). FCs, (to be subject to a newly introduced clearing threshold per asset class for FCs), are subject to the clearing obligation under EMIR. While the clearing threshold is unlikely to be exceeded by the Issuer, an FC is subject to the margin rules for uncleared swaps as summarised under "*Margin requirements*" above. A requirement on the Issuer to post margin, as highlighted above, will adversely affect its ability to enter currency hedge swaps and its ability to acquire Non-Euro Obligations and/or manage interest rate risk.

2.8 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 Investment Manager is not authorised under AIFMD but is authorised under EU Directive 2004/39/EC on Markets in Financial Instruments ("**MiFID**"). As the Investment Manager is not permitted to be authorised under both AIFMD and also to conduct certain regulated activities under MiFID, it will not be able to apply for an authorisation under AIFMD unless it gives up its authorisation under MiFID. If considered to be an AIF managed by an authorised 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 Proposal, all AIFs will be FCs whether or not managed by an authorised AIFM). See also 2.7 "*European Market Infrastructure Regulation* (*EMIR*)" above.

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

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

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

2.9 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 Investment 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 businesses of the Investment Manager and its subsidiaries and affiliates and the Issuer, will be affected by the Dodd-Frank Act as implementing regulations are finalised over time and come into effect. In addition, the joint final rule implementing the U.S. Risk Retention Rules was adopted on 21 October and 22 October 2014. See "*Risk Retention and Due Diligence Requirements – U.S. Retention Requirements*" above.

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 Investment Manager, the Arranger or the Initial Purchaser 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.

2.10 CFTC Regulations

Pursuant to the Dodd–Frank Act regulators in the United States have promulgated and continue to promulgate a range of new regulatory requirements that may affect the pricing, terms and compliance costs associated with the entry into any Hedge Transaction by the Issuer and the availability of such Hedge Transactions. Some or all of the Hedge Transactions that the Issuer may enter into may be affected by (i) the requirement that certain swaps be centrally cleared and 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 Investment 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 Investment Manager or (z) have other material adverse effects on the Issuer or the Noteholders.

Furthermore, regulations requiring the collection and posting of variation margin on uncleared swaps entered into by entities such as the Issuer (the "**VM Requirements**") entered into effect in the United States on March 1, 2017. However, pursuant to published guidance from the CFTC staff dated February 13, 2017 and from the Board of Governors of the Federal Reserve System and the Office of the Comptroller of the Currency dated February 23, 2017, the relevant U.S. regulators have adopted a conditional "no-action" position, in effect until September 1, 2017, with respect to the VM Requirements as they apply to certain counterparties that do not present significant credit and market risk to regulated swap dealers. While transactions existing prior to March 1, 2017 are not subject to the VM Requirements, new Hedge Transactions would be subject to the VM Requirements, as might existing Hedge Transactions that undergo a material amendment, based on previous guidance provided and positions taken by U.S. regulators.

The Trust Deed does not permit the Issuer to post variation margin. Accordingly, the application of the VM Requirements 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.

2.11 Commodity Pool Regulation

The Issuer's ability to enter into Hedge Transactions may cause the Issuer to be a "commodity pool" as defined in the United States Commodity Exchange Act of 1936, as amended (the "**CEA**") and the Investment 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 Investment 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) if either (i) the Hedging Agreement Eligibility Criteria have been satisfied, or (ii) in respect of which, prior to entering into such Hedge Agreement, receipt by the Investment 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 Investment Manager or its directors, officers or employees to register with the CFTC as a CPO or a CTA pursuant to the CEA (the "**Hedging Condition**"). No assurance can be given that a Hedge Agreement which complies with the Hedging Agreement Eligibility Criteria will not cause the Issuer, its directors or officers or the Investment Manager or its Affiliates to be required to register as a CPO and/or a CTA with the CFTC and/or the United States National Futures Association with respect to the Issuer. Furthermore, once the final rules and regulations under the Dodd-Frank Act have been enacted or if there is any change in the rules and regulations in the future, the Hedging Agreement Eligibility Criteria may need to be reviewed and revised by reputable legal counsel at such time.

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 Investment Manager may cause the Issuer to be operated in compliance with the exemption set forth in CFTC Rule 4.13(a)(3) for CPOs to pools whose interests are sold to qualifying investors pursuant to an exemption from registration under the Securities Act, and that limit transactions in commodity interests to the trading thresholds set forth in the Rule. Specifically, under CFTC Rule 4.13(a)(3), the Issuer would be required to limit transactions in commodity interests so that either (i) no more than 5% of the liquidation value of the Issuer's assets is used as margin, premiums and required minimum security deposits to establish such positions, or (ii) the aggregate net notional value of the Issuer's positions in commodity interests does not exceed 100% of the Issuer's liquidation value. If the Investment Manager elects to file for a registration exemption under CFTC Rule 4.13(a)(3), then unlike a CFTC-registered CPO, the Investment 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 Investment Manager and the Issuer and may significantly limit the Investment Manager's ability to engage in hedging activities on behalf of the Issuer.

Notwithstanding the above, in the event that the recent CFTC guidance referred to above changes or the Issuer engages in one or more activities that might cause it to fall within the definition of a "commodity pool" under the CEA and no exemption from registration is available, registration of the Investment Manager as a CPO or a CTA may be required before the Issuer (or the Investment Manager on the Issuer's behalf) may enter into any Hedge Agreement. Registration of the Investment Manager as a CPO and/or a CTA could cause the Investment Manager to be subject to extensive compliance and reporting requirements that may involve material costs which would be passed on to the Issuer. The scope of such compliance costs is uncertain but could adversely affect the amount of funds available to make payments on the Notes.

Further, if the Investment 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 Investment 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 Investment 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 Investment 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 Investment 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 Prospectus or any related subscription agreement.

2.12 Volcker Rule

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

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.

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".

It should be noted that a commodity pool as defined in the CEA (see "*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.

If the Issuer is deemed to be a "covered fund", then in the absence of regulatory relief, the provisions of the Volcker Rule and its related regulatory provisions, will severely limit the ability of "banking entities" to hold an "ownership interest" in the Issuer or enter into certain credit related financial transactions with the Issuer.

The holders of the Class X Notes and 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 IM Exchangeable Non-Voting Notes or IM Non-Voting Notes are, in each case, disenfranchised in respect of any IM Removal Resolution or IM 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. Any entity that is a "banking entity" as defined under the Volcker Rule and is considering an investment in "ownership interests" of the Issuer should consult its own

legal advisors and consider the potential impact of the Volcker Rule in respect of such investment. If investment by "banking entities" in the Notes of any Class is prohibited or restricted by the Volcker Rule, this could impair the marketability and liquidity of such Notes, particularly given the lack of interpretive guidance on the Volcker Rule. None of the Issuer, the Arranger, the Initial Purchaser, the Investment Manager, the Trustee nor any of their affiliates makes any representation to any prospective investor or purchaser of the Notes regarding the application of the Volcker Rule to the Issuer, or to such investor's investment in the Notes on the Issue Date or at any time in the future.

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.

2.13 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.

2.14 Flip Clauses

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

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

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

On 28 June 2016, the U.S. Bankruptcy Court issued a decision in Lehman Brothers Special Financing Inc. v. Bank of America National Association, et al. Case No. 10-3547 (In re Lehman Brothers Holdings Inc.), No. 10-03547 (Bankr S.D.N.Y. June 208, 2016). In this decision, the court held that not all priority of payment provisions would be unenforceable ipso facto clauses under the U.S. Bankruptcy Code. Instead, the court identified two materially distinct approaches to such provisions. Where a counterparty's automatic right to payment priority ahead of the noteholders is "flipped" or modified upon, for example, such counterparty's default under the swap document, the court confirmed that such priority provisions were unenforceable ipso facto clauses. Conversely, the court held that priority provisions where no right of priority is established until

after a termination event under the swap documents has occurred were not ipso facto clauses, and, therefore, fully enforceable. Moreover, even where the provisions at issue were ipso facto clauses, the Court found that they were nonetheless enforceable under the Code's safe harbour provisions. Specifically, the Court concluded that priority of distribution was a necessary part of liquidation, which the safe harbour provisions expressly protect. The Court effectively limited the analysis in the BNY case to instances where the flip provisions are only in an indenture, and do not constitute part of the swap agreement. This judgment highlights the difference in approach taken between U.S. and English law on this subject, although it significantly reduces the practical differences in outcome. Lehman filed a notice of appeal with regards to this decision on 6 February 2017. In addition there remain several actions in the U.S. commenced by debtors of Lehman Brothers concerning the enforceability of flip clauses and this is likely to be an area of continued judicial focus particularly in respect of multi-jurisdictional insolvencies.

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

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

2.15 LIBOR and EURIBOR Reform

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

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

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

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

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

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

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

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

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

If LIBOR does not survive in its current form or at all, this could adversely affect the value of, and amounts payable under, any Collateral Obligations which pay interest calculated with reference to LIBOR and therefore

reduce amounts which may be available to the Issuer to pay Noteholders. Furthermore, the uncertainty as to whether LIBOR will survive in its current form or at all may lead to adverse market conditions, which may have an adverse effect on the amounts available to the Issuer to pay to Noteholders.

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

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

The Benchmark Regulation applies principally to "administrators" and also, in some respects, to "contributors" and certain "users" of "benchmarks", and will, among other things, (i) require benchmark administrators to be authorised (or, if non-EU-based, to be subject to an equivalent regulatory regime) and make significant changes to the way in which benchmarks falling within scope of the Benchmark Regulation are governed (including reforms of governance and control arrangements, obligations in relation to input data, certain transparency and record-keeping requirements and detailed codes of conduct for contributors) and (ii) prevent certain uses of "benchmarks" provided by unauthorised administrators by supervised entities in the EU. The scope of the Benchmark Regulation is wide and, in addition to so-called "critical benchmark" indices, could also potentially apply to many interest rate and foreign exchange rate indices, equity indices and other indices (including "proprietary" indices or strategies) where used to determine the amount payable under or the value or performance of certain financial instruments traded on a trading venue, financial contracts and investment funds. By way of a European Commission Implementing Regulation published on 12 August 2016, EURIBOR was identified as a "critical benchmark" for the purposes of the Benchmark Regulation

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

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

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

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

Investors should be aware that:

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

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

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

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

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

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

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

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

2.16 Financial Transaction Tax ("**FTT**")

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

In its current form, the proposed FTT would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State, or the financial instrument in which the parties are dealing is issued in a Participating Member State. The FTT will apply to both transaction parties where one of these circumstances applies. The FTT may 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 FT might have on the business of the Issuer, and there will be no gross-up by any party to the transaction and amounts due to Noteholders may be adversely affected.

At this stage, it is too early to say whether the proposed FTT will be adopted and in what form. Certain aspects of the current proposal are controversial and, if the FTT is progressed, may be altered prior to implementation. While the proposal for a Council Directive in February 2013 identified the date of introduction of the FTT across the Participating Member States as being 1 January 2014, this anticipated introduction date has been extended on several occasions due to disagreement. The meeting of the European Union Economic and Financial Affairs Council on 7 November 2014 confirmed the aim 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 that negotiations between Participating Member States on the Commission's proposal are continuing with a number of key areas still open for discussion, although the Commission's intention was to assist Participating Member States 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.

2.17 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 Arranger, the Initial Purchaser, the Investment Manager, the Trustee or the Agents could be requested or

required to obtain certain assurances from prospective investors intending to purchase Notes and to retain such information or to disclose information pertaining to them to governmental, regulatory or other authorities or to financial intermediaries or engage in due diligence or take other related actions in the future. It is expected that the Issuer, the Arranger, the Initial Purchaser, the Investment 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. Failure to honour any request by the Issuer, the Arranger, the Initial Purchaser, the Investment Manager or the Trustee to provide requested information or take such other actions as may be necessary or advisable for the Issuer, the Arranger, the Initial Purchaser, the Investment Manager or the Trustee to comply with any AML Requirements, related legal process or appropriate requests (whether formal or informal) may result in, among other things, a forced sale to another investor of such investor's Notes. In addition, it is expected that each of the Issuer, the Arranger, the Initial Purchaser, the Investment 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's AML Requirements.

2.18 CRA Regulation in Europe

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

Additionally, Article 8(c) of CRA3 has introduced a requirement that where an issuer or a related third party intends to solicit a credit rating of 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.

2.19 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.

2.20 Action Plan on Base Erosion and Profit Shifting

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

Action 4

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

The OECD recommends that, as a minimum, countries would apply this restriction to companies that form part of domestic and multinational groups only, or to companies that form part of multinational groups. However, the

OECD acknowledges that countries may also apply such restriction more broadly to include companies in a domestic group and standalone companies which are not part of a domestic group.

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

Action 6

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

The PPT rule could deny a treaty benefit (such as a reduced rate of withholding tax) if it is reasonable to conclude, having regard to all facts and circumstances, that obtaining that benefit was one of the principal purposes of any arrangement or transaction that resulted directly or indirectly in that benefit, unless it is established that granting that benefit in those circumstances would be in accordance with the object and purpose of the relevant provisions of the treaty. It is unclear how a PPT, if adopted, would be applied by the tax authorities of those jurisdictions from which payments are made to the Issuer.

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

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

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

Action 7

The focus of another action point (Action 7) was to develop changes to the treaty definition of a permanent establishment and the scope of the exemption for an "agent of independent status" to prevent the artificial avoidance of having a permanent establishment in a particular jurisdiction. The Final Report on Action 7 sets

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

As noted below, whether the Issuer will be subject to UK corporation tax may depend on, among other things, whether the Investment Manager is regarded as an agent of independent status acting in the ordinary course of its business for the purpose of Article 5(6) of the UK/Ireland double tax treaty. As at the date of this Offering Circular, it is expected that, taking into account the nature of the Investment Manager's business and the terms of its appointment and its role under the Investment Management and Collateral Administration Agreement, the Investment Manager will be regarded as an agent of independent status, acting in the ordinary course of its business, or be able to rely on the UK's investment manager exemption for these purposes. However, it is not clear what impact the Final Report relating to Action 7 will have on the UK/Ireland double tax treaty and the above analysis, principally because it is not clear to what extent (and on what timeframe) particular jurisdictions (such as the UK and Ireland) will decide to adopt any of the Final Report's recommendations. The recommendations of the Final Report on Action 7 described above do not represent a BEPs "minimum standard" and, accordingly, even where countries do sign the Multilateral Instrument (see further below), they will not be required, but may opt, to amend their existing tax treaties to include the recommendations of the Final Report.

Implementation of the recommendations in the Final Report

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

Subsequently, therefore, on 24 November 2016, the OECD published the text and explanatory statement of the "Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting", developed by an ad hoc group of 99 countries which included Ireland and the UK (the "**Multilateral Instrument**"). The Multilateral Instrument is to be applied alongside existing tax treaties (rather than amending them directly), modifying the application of those existing treaties in order to implement BEPS measures. The first high-level signing ceremony for the Multilateral Instrument took place on 7 June 2017. The United Kingdom and Ireland signed the Multilateral Instrument with both countries indicating that the double tax treaty entered into between the United Kingdom and Ireland 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 and Ireland have submitted their preliminary lists of reservations and notifications. However, the definitive positions of the United Kingdom and Ireland will be provided upon the deposit of its instrument of ratification, acceptance or approval of the Multilateral Instrument. The OECD Frequently Asked Question on the Multilateral Instrument dated June 2017 notes that the PPT is expected to apply to all treaties covered by the Multilateral Instrument.

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

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

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

2.22 Irish Value Added Tax on Investment Management Fees

The Issuer has been advised that under current Irish law, the Investment Management Fees should be exempt from value added tax in Ireland as these should be treated as consideration paid for collective portfolio management services provided to a "qualifying company" for the purposes of section 110 of the TCA. This exemption is based upon Article 135(1)(g) of Council Directive 2006/112/EC on the Common System of Value Added Tax (the "**Directive**"), which provides that EU member states shall exempt the management of "special investment funds" as defined by EU member states. The Value-Added Tax Consolidation Act 2010 of Ireland, in the provisions implementing Article 135(1)(g) of the Directive, specifically lists, in the categories of undertakings to whom supplies of management services are exempt from VAT, undertakings which are "qualifying companies" for the purposes of section 110 of the TCA. The Issuer has been advised that it will be such a "qualifying company", therefore management services supplied to it are exempt from value added tax in Ireland under current law. On 9 December 2015 the European Court of Justice handed down its judgment in the case of S*taatssecretaris van Financiën v Fiscale Eenheid* X NV cs Case C-595/13 which concerned Dutch law on value added tax, in particular the Dutch interpretation of the term "special investment fund" under the Directive, and could suggest that the exemption had been enacted by some EU member states more broadly than is permitted by the Directive.

The Court decided that the power accorded to Member States to define the meaning of "special investment funds" must be exercised consistently with the objectives pursued by the Directive and with the principle of "fiscal neutrality", and accordingly that the following are "special investment funds": (i) funds which constitute undertakings for collective investment in transferable securities within the meaning of the UCITS Directive and (ii) funds which, without being collective investment undertakings within the meaning of that Directive, display features that are sufficiently comparable for them to be in competition with such undertakings - in particular that they are subject to specific State supervision under national law (as opposed to under the UCITS Directive). The Court did not answer the question of whether the fund the subject of its decision constituted a "special investment fund", including the question of whether the fund was subject to "specific State supervision", leaving this to the national court to determine.

It is not clear whether the Issuer would be regarded as being subject to "specific State supervision" under Irish law, as the Court did not elaborate on the meaning of that phrase in its judgment. There is, as a result, some

doubt as to whether the Issuer would qualify as a "special investment fund" under Article 135(1)(g) of the Directive, if a court were to be called upon to consider such a question.

The VAT treatment of the Issuer should only be different if there were a change in Irish domestic law whether made either unilaterally by Ireland, or following action taken at EU level. The Issuer is not, however, aware of any proposal to amend Irish domestic law to remove the exemption from value added tax on Investment Management Fees for entities such as the Issuer. If Irish VAT were imposed on the Investment Management Fees, the amount of tax would likely be significant but this will not constitute a Note Tax Event in accordance with the Conditions.

2.23 The Common Reporting Standard

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

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

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

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

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

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

2.24 Changes to Section 110 of the Taxes Consolidation Act, 1997

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

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

2.25 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.

3. RELATING TO THE NOTES

3.1 Limited Liquidity and Restrictions on Transfer

Neither the Arranger nor the Initial Purchaser (or any of their Affiliates) are under any obligation to make a market for the Notes. The Notes are illiquid investments. There can be no assurance that any secondary market for any of the Notes will develop or, if a secondary market does develop, that it will provide the Noteholders with liquidity of investment or that it will continue for the life of such Notes. Consequently, a purchaser must be prepared to hold such Notes for an indefinite period of time or until the Maturity Date. Where a market does exist, to the extent that an investor wants to sell Notes, the price may, or may not, be at a discount from the outstanding principal amount thereof. In addition, no sale, assignment, participation, pledge or transfer of the Notes may be effected if, among other things, it would require any of the Issuer or any of their officers or directors to register under, or otherwise be subject to the provisions of, the Investment Company Act or any other similar legislation or regulatory action. Furthermore, the Notes will not be registered under the Securities Act or any U.S. state securities laws, and the Issuer has no plans, and is under no obligation, to register the Notes under the Securities Act. The Notes are subject to certain transfer restrictions and can be transferred only to certain transferees. See "*Plan of Distribution*" and "*Transfer Restrictions*" sections of this Offering Circular. Such restrictions on the transfer of the Notes may further limit their liquidity.

In addition, Class A Notes, Class B Notes, Class C Notes and Class D Notes held in the form of IM Non-Voting Notes are not exchangeable at any time for Notes held in the form of IM Voting Notes or IM Exchangeable Non-Voting Notes and there are restrictions as to the circumstances in which Notes held in the form of IM Exchangeable Non-Voting Notes may be exchanged for Notes held in the form of IM Voting Notes. Such restrictions on exchange may limit their liquidity.

3.2 Optional Redemption and Market Volatility

The market value of the Collateral Obligations may fluctuate, with, among other things, changes in prevailing interest rates, foreign exchange rates, general economic conditions, the conditions of financial markets (particularly the markets for senior and mezzanine loans and bonds and high yield bonds), European and international political events, events in the home countries of the Obligors 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 Obligors. 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 following the expiry of the Non-Call Period in whole from Sale Proceeds and/or Refinancing Proceeds (i) on any Business Day at the option of the holders of the Subordinated Notes acting by way of Ordinary Resolution; (ii) on any Payment Date following the occurrence of a Collateral Tax Event at the direction of the Subordinated Noteholders acting by Ordinary Resolution; or (iii) on any Payment Date following the occurrence of a Note Tax Event at the direction of either (a) the Controlling Class, or (b) the Subordinated Noteholders, in each case, acting by way of Ordinary Resolution.

In addition, the Rated Notes may be redeemed in part by Class from Refinancing Proceeds following the expiry of the Non-Call Period at the applicable Redemption Prices on any Business Day, (i) at the direction of the Subordinated Noteholders acting by Ordinary Resolution or (ii) at the written direction of the Investment Manager, in each case at least 30 days prior to the Redemption Date to redeem such Class of Rated Notes. Any such redemption shall be of an entire Class or Classes of Notes subject to a number of conditions. See Condition 7(b) (*Optional Redemption*).

As described in Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) Refinancing Proceeds may be used in connection with either a redemption in whole of the Rated Notes or a redemption in part of the Rated Notes by Class. In the case of a Refinancing upon a redemption of the Rated Notes in whole but not in part, such Refinancing will only be effective if (among other things) the Refinancing Proceeds, all Sale Proceeds from the sale of Collateral Obligations and Eligible Investments received in accordance with the procedures set forth in the Trust Deed, and all other available funds will be at least sufficient to pay any Refinancing Costs (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 (including without limitation Deferred Interest on any Class of Notes entitled thereto) save for the Subordinated Notes and all amounts payable in priority thereto pursuant to the Priorities of Payment (subject to any election by the holders of a Class of Rated Notes, acting by Unanimous Resolution, to receive less than 100 per cent. of Redemption Price) on such Redemption Date when applied in accordance with the Post–Acceleration Priority of Payments.

In the case of a Refinancing upon a redemption of the Rated Notes in part by Class, such Refinancing will only be effective if certain conditions are satisfied, including but not limited to: (i) any redemption of a Class of Notes is a redemption of the entire Class which is subject to the redemption and (ii) the sum of (A) the Refinancing Proceeds and (B) the amount of Interest Proceeds standing to the credit of the Interest Account in excess of the aggregate amount of Interest Proceeds which would be applied in accordance with the Interest Priority of Payments prior to paying any amount in respect of the Subordinated Notes will be at least sufficient to pay in full (x) the aggregate Redemption Prices of the entire Class or Classes of Rated Notes subject to the Optional Redemption and (y) all accrued and unpaid Trustee Fees and Expenses and Administrative Expenses in connection with such Refinancing in full. See Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

Following the expiry of the Non–Call Period, the Issuer shall redeem the Rated Notes in whole from Sale Proceeds on any Business Day, if the Aggregate Principal Balance is less than 20 per cent. of the Target Par Amount and the Investment Manager so directs in writing. See Condition 7(b)(iii) (*Optional Redemption in Whole – Clean–up Call*).

The Trust Deed provides that the holders of the Subordinated Notes will not have any cause of action against any of the Issuer, the Investment Manager, the Collateral Administrator, the Arranger, the Initial Purchaser or the Trustee for any failure to obtain a Refinancing. If a Refinancing is obtained meeting the requirements of the Trust Deed, the Issuer and, at the direction of the Investment Manager, the Trustee shall amend the Trust Deed to the extent necessary to reflect the terms of the Refinancing and no further consent for such amendments shall be required from the holders of the 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 be redeemed, in whole but not in part at their Redemption Price, on any Payment Date on or after the redemption or repayment in full of the Rated Notes (subject, in the case of an Optional Redemption of the Rated Notes in whole, to the right of holders of any Class of Rated Notes, acting by Unanimous Resolution, 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), at the direction of (i) the Subordinated Noteholders (acting by Ordinary Resolution), or (ii) the Investment Manager in writing. See Condition 7(b)(viii) (*Optional Redemption of Subordinated Notes*).

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 Investment Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the realised value of the Collateral Obligations sold.

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

The Notes will be subject to redemption in part at the sole and absolute discretion of the Investment Manager (acting on behalf of the Issuer) on any Payment Date if either (A) during the Reinvestment Period, the Investment Manager (acting on behalf of the Issuer) certifies to the Trustee that, using commercially reasonable endeavours, it has been unable, for a period of 20 consecutive Business Days, to identify additional Collateral Obligations or Substitute Collateral Obligations that are deemed appropriate by the Investment 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 Investment Manager (acting on behalf of the Issuer) notifies the Trustee that, as determined by the Investment Manager acting in a commercially reasonable manner, a redemption is required in order to avoid a Rating Event. 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. See Condition 7(d) (*Special Redemption*).

3.5 Mandatory Redemption 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 and the Class F 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 and the Class D Noteholders, the Class E Noteholders and the Class F Noteholders or the level of the returns to the Subordinated Noteholders, including in relation to the breach of any of the Coverage Tests. See Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*).

If (i) the Class A/B Par Value Test is not met on any Determination Date on and after the Effective Date or (ii) 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 and the Class B Notes in accordance with the Note Payment Sequence on the related Payment Date in accordance with and subject to the Priorities of

Payment (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated following such redemption.

If (i) the Class C Par Value Test is not met on any Determination Date on and after the Effective Date or (ii) 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 Notes and the Class C Notes in accordance with the Note Payment Sequence on the related Payment Date in accordance with and subject to the Priorities of Payment (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated following such redemption.

If (i) the Class D Par Value Test is not met on any Determination Date on and after the Effective Date, or (ii) 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 Notes, the Class C Notes and the Class D Notes in accordance with the Note Payment Sequence on the related Payment Date in accordance with and subject to the Priorities of Payment (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated following such redemption.

If (i) the Class E Par Value Test is not met on any Determination Date on and after the Effective Date, or (ii) the Class E 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 Notes, the Class C Notes, the Class D Notes and the Class E Notes in accordance with the Note Payment Sequence on the related Payment Date in accordance with and subject to the Priorities of Payment (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated following such redemption.

If the Class F Par Value Test is not met on any Determination Date on and after the expiry of the Reinvestment Period, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption 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 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 Payment (including payment of all prior ranking amounts) until such Coverage Test is satisfied if recalculated following such redemption.

3.6 The Reinvestment Period may Terminate Early

The Reinvestment Period may terminate early if any of the following occur: (a) acceleration of the Notes following an Event of Default or (b) the Investment 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. 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 Investment Manager May Reinvest After the End of the Reinvestment Period

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

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

Investors should note that, pursuant to the Transaction Documents:

(a) at any time, subject to certain conditions, including among others, (with the prior written approval of the Investment Manager), the Issuer may issue additional Notes or new classes of Notes (provided that such new class or classes of Note(s) are subordinated to the Rated Notes) and apply 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 a further issuance of additional Subordinated Notes only) apply such net proceeds for Permitted Uses (see Condition 17 (*Additional Issuances*));

(b) the Investment Manager may, pursuant to the Priorities of Payment, redirect funds (including by deferring or designating for reinvestment in Collateral Obligations or for the purchase of Rated Notes in accordance with Condition 7(l) (*Purchase*), or irrevocably waiving payment of some or all or a portion of the Investment Management Fees that would otherwise have been payable to it;

(c) a Noteholder may in certain circumstances designate Reinvestment Amounts to be applied toward the acquisition of additional Collateral Obligations or other Permitted Uses;

(d) the Investment Manager may make Investment Manager Advances pursuant to Condition 3(k) (*Investment 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 Investment Manager determines on behalf of the Issuer should be purchased or exercised. The Investment Manager may accrue at a rate of interest based on EURIBOR plus 2.0 per cent. per annum on such Investment Manager Advances; and/or

(e) a Noteholder 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 (where such Noteholder is a Subordinated Noteholder) 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 Investment Manager will decide (in consultation with the relevant Subordinated Noteholder but at the discretion of the Investment Manager) whether such Reinvestment Amount is accepted and, if so accepted, the Permitted Use to which such Reinvestment Amount would be applied.

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

3.9 Limited Recourse Obligations

The Notes are limited recourse obligations of the Issuer and are payable solely from amounts received in respect of the Collateral securing the Notes. Payments on the Notes both prior to and following enforcement of the security over the Collateral are subordinated to the prior payment of certain fees and expenses of, or payable by, the Issuer and to payment of principal and interest on prior ranking Classes of Notes. See Condition 4(c) (*Limited Recourse and Non–Petition*). None of the Investment Manager, any Investment Manager Related Person, the Noteholders of any Class, the Arranger, the Initial Purchaser, the Trustee, the Collateral Administrator, the Custodian, any Agent, any Hedge Counterparty or any Affiliates of any of the foregoing or the Issuer's Affiliates or any other person or entity (other than the Issuer) will be obliged to make payments on the Notes of any Class. Consequently, Noteholders must rely solely on distributions on the Collateral Obligations and other Collateral securing the Notes for the payment of principal, discount, interest and premium, if any, thereon. There can be no assurance that the distributions on the Collateral Obligations and other Collateral securing the Notes will be sufficient to make payments on any Class of Notes after making payments on more senior Classes of Notes and certain other required amounts to other creditors ranking senior to or *pari passu* with such Class pursuant to the Priorities of Payment. If distributions on the Collateral are insufficient to make payments on the Notes, no other assets (and, in particular, no assets of the Investment Manager, any Investment Manager Related Person, the Noteholders, the Arranger, the Initial Purchaser, the Trustee, the Collateral Administrator, the Custodian, any Agent, any Hedge Counterparty or any Affiliates of any of the foregoing) will be available for payment of the deficiency and following realisation of the Collateral and the application of the proceeds thereof in accordance with the Priorities of 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 (f) sixthly, the Class B Noteholders; and (g) lastly, the Class X Noteholders and the Class A Noteholders, in each case in accordance with the Priorities of Payment.

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

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

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

3.11 Subordination of the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes

Except as described below, the Class B Notes are fully subordinated to the Class X Notes and the Class A Notes, 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.

Except as described below, 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 Investment Manager on behalf of the Issuer to transfer amounts which would have been payable on the Subordinated Notes to the Supplemental Reserve Account to be applied in the acquisition of Substitute Collateral Obligations or in the acquisition or exercise of rights under Collateral Enhancement Obligations and the requirement to transfer amounts to the Principal Account if the Reinvestment Overcollateralisation Test is not met during the Reinvestment Period (provided that to do so would not cause a Retention Deficiency). Notwithstanding the above, amounts standing to the credit of the Supplemental Reserve Account (which may include Collateral Enhancement Obligation Proceeds) may be distributed to the Subordinated Noteholders pursuant to Condition 3(j)(vi) (*Supplemental Reserve Account*) at the discretion of the Investment Manager.

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 an Event of Default (where such non–payment continues for a period of at least five Business Days or ten Business Days in the case of an administrative error or omission after the Collateral Administrator or Paying Agent receives notice of or has actual knowledge of such error or omission). Failure to pay Interest Amounts on any other Class of Notes shall not at any time constitute an Event of Default. In such circumstances, the Controlling Class, which in these circumstances will be the Class A Noteholders (or following redemption in full of the Class A Notes, the Class B Notes), acting by Ordinary Resolution, may request the Trustee to accelerate the Notes pursuant to Condition 10 (*Events of Default*).

In the event of any redemption in whole pursuant to the Conditions (other than pursuant to a Refinancing) or upon acceleration of the Notes and enforcement of the Security) 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 Subordinated Noteholders, then by the Class F Noteholders, then by the Class E Noteholders, then by the Class D Noteholders, then by the Class C Noteholders, then by the Class B Noteholders and, finally by the Class A Noteholders and the Class X 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 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 and the Subordinated Noteholders, the interests of the Controlling Class will prevail. If the holders of the Controlling Class do not have an interest in the outcome of the conflict, the Trustee shall give priority to the interests of: (i) the Class 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 shall receive conflicting or inconsistent requests from two or more groups of holders of the Controlling Class (or another Class is given priority as described in this paragraph), the Trustee shall give priority to the group which holds the greater amount of Notes Outstanding of such Class. The Trust Deed provides further that the Trustee will act upon the directions of the holders of the Controlling Class (or other Class given priority as described in this paragraph) in such circumstances, and shall not be obliged to consider the interests of the holders of any other Class of Notes, provided that such action is consistent with the applicable law and with all other provisions of the Trust Deed. See Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*).

3.12 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, the Class D Notes, the Class E Notes or 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 an Event of Default. Payments of interest and principal on the Subordinated Notes will only be made to the extent that there are Interest Proceeds and Principal Proceeds available for such purpose in accordance with the Priorities of Payment. No interest or principal may therefore be payable on the Subordinated Notes for an unlimited period of time, to maturity or at all.

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

As described above, failure to pay scheduled interest on the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes or to pay interest and principal on the Subordinated Notes at any time, even where such Class of Notes is the Controlling Class, will not be an Event of Default. Holders of such Classes of Notes will

consequently have no right to accelerate their Notes or to direct that the Trustee take enforcement action with respect to the Collateral to recover the principal amount of their Notes outstanding in such circumstances.

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 Issuer 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 Issuer is unable to select Reference Banks to provide quotations in the manner described in Condition 6(e)(i)(2) (*Floating Rate of Interest*), the relevant Rate of Interest in respect of such Payment Date shall be determined, pursuant to Condition 6(e)(i)(C) (*Floating Rate of Interest*), shall be determined by reference to the last available offered rate for three or six month Euro deposits (as applicable) as determined by the Calculation Agent (in consultation with the Investment Manager) or as otherwise provided pursuant to Condition 6(e)(i) (*Floating Rate of Interest*). To the extent interest amounts in respect of the Notes are determined by reference to a previously calculated rate, Noteholders may be adversely affected. In such circumstances, neither the Calculation Agent nor the Trustee shall have any obligation to determine the Rate of Interest on any other basis.

3.14 Reports Provided by the Collateral Administrator Will Not Be Audited

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

3.15 Ratings of the Notes Not Assured and Limited in Scope

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

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

The Rating Agencies may change their published ratings criteria or methodologies for securities such as the Rated Notes at any time in the future. Further, the Rating Agencies may retroactively apply any new standards to the ratings of the Rated Notes. Any such action could result in a substantial lowering (or even withdrawal) of any rating assigned to any Rated Note, despite the fact that such Rated Note might still be performing fully to the specifications set forth for such Rated Note in this 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 Investment Manager or the Issuer that confirmation from such Rating Agency is not required for a certain action or that its practice is to not give such confirmations for certain types of actions, the requirement for confirmation from such Rating Agency will not apply. Further, in connection with the Effective Date, if either Rating Agency has not yet confirmed its initial ratings of the applicable Rated Notes or, in the case of Moody's, it has not been deemed to have provided such confirmation, the applicable Rated Notes will be subject to redemption in part in an amount and in the manner described under Condition 7(e) (*Redemption upon Effective Date Rating Event*). There can be no assurance that a Rating Agency will provide such rating confirmations upon request, regardless of the terms agreed to among transaction participants, or not subsequently withdraw or downgrade its ratings on one or more Classes of Rated Notes, which could materially adversely affect the value or liquidity of the Notes.

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

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

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

Under Rule 17g–5, rating agencies providing the requisite certifications described above may issue unsolicited ratings of the Rated Notes ("**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 (an "**NRSRO**") for purposes of the federal securities laws and that determination may also have an adverse effect on the market prices, 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 17g-10 to the Exchange Act on 27 August 2014. Rule 17g-10 applies in connection with the performance of "due diligence services" for rated asset-backed securities on or after 15 June 2015. Under Rule 17g-10, a provider of third-party due diligence services must provide to each nationally recognised statistical rating organisation that is rating the applicable transaction, a written certification in a prescribed form (which obligation may be satisfied if the Issuer posts such certification in the required form to the Rule 17g-5 website referred to above, maintained in connection with the transaction). It is presently 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 given by the Issuer or any applicable third party service provider to the Rating Agencies in circumstances where such certification is deemed to have been required. If the Issuer or any third party that provides due diligence services to the Issuer does not comply with its obligations under Rule 17g-10, the Rating Agencies may withdraw (or fail to confirm) their ratings of the Notes. In such case, the price or transferability of the Notes (and any beneficial owner of Notes that relies on ratings of securities for regulatory or other compliance purposes) may be adversely affected.

3.16 Average Life and Prepayment Considerations

The Maturity Date of the Notes is the Payment Date falling on or about 20 February 2030 (subject to adjustment for non–Business Days); however, the principal of the Notes of each Class is expected to be repaid in full prior to the Maturity Date. Average life refers to the average amount of time that will elapse from the date of delivery of a Note until each Euro of the principal of such Note will be paid to the investor. The average lives of the Notes will be determined by the amount and frequency of principal payments, which are dependent upon, among other things, the amount of payments received at or in advance of the scheduled maturity of the Collateral Obligations (whether through sale, maturity, redemption, default or other liquidation or disposition). The actual average lives and actual maturities of the Notes will be affected by the financial condition of the issuers of the underlying Collateral Obligations and the characteristics of such loans, including the existence and frequency of exercise of any optional or mandatory redemption features, the prevailing level of interest rates, the redemption price, the actual default rate, the actual level of recoveries on any Defaulted Obligations and the timing of defaults and recoveries, and the frequency of tender or exchange offers for such Collateral Obligations. Collateral Obligations may be subject to optional prepayment by the Obligor of such loans. Any disposition of a Collateral Obligation may change the composition and characteristics of the Collateral Obligations and the rate of payment thereon and, accordingly, may affect the actual average lives of the Notes. The rate of and timing of future defaults and the amount and timing of any cash realisation from Defaulted Obligations also will affect the maturity and average lives of the Notes.

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

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 Investment Manager, any Investment Manager Related Person, the Trustee, the Arranger, the Initial Purchaser, the Collateral Administrator or any other party to this transaction or any of their respective Affiliates has any obligation to update or otherwise revise any projections, forecasts or estimates, including any revisions to reflect changes in economic conditions or other circumstances arising after the date of this Offering Circular or to reflect the occurrence of unanticipated events.

3.17 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 "*Mandatory Redemption 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 and the Class F Notes*" above.

Issuer expenses (including Investment Management Fees) are generally based on a percentage of the total asset portfolio of the Issuer, including the assets obtained through the use of leverage. Given the leveraged capital structure of the Issuer, expenses attributable to any particular Class of Notes will be higher because such expenses will be based on total assets of the Issuer.

3.18 A decrease in EURIBOR will lower the interest payable on the Floating Rate Notes and an increase in EURIBOR may indirectly reduce the credit support to the Floating Rate Notes

The Floating Rate Notes accrue interest at EURIBOR (i) in the case of the initial Accrual Period, pursuant to a straight line interpolation of three month and six month EURIBOR, (ii) in the case of each six month Accrual Period, six month EURIBOR and (iii) at all other times, three month EURIBOR.

During the Non-Call Period, neither the Class B-2 Notes nor the Class C-2 Notes will benefit from a zero floor for the purposes of the determination of EURIBOR in respect thereof. This may result in the Class B-2 Notes and the Class C-2 Notes receiving a lower rate of interest than the Class B-1 Notes and the Class C-2 Notes respectively during such period.

The interest rate may fluctuate from one Accrual Period to another in response to changes in EURIBOR. The Subordinated Notes do not bear a stated rate of interest. EURIBOR has, in the past, experienced high volatility and significant fluctuations. It is possible that EURIBOR will continue to fluctuate and none of the Issuer, the Collateral Administrator, the Investment Manager, the Arranger, the Initial Purchaser or any of their respective Affiliates make any representation as to the level of EURIBOR in the future. Because the Floating Rate Notes bear interest based upon three month EURIBOR, or following a Frequency Switch Event, six month EURIBOR, as described in Condition 6(e) (*Interest on the Rated Notes*), there may be a basis mismatch between the Floating Rate Notes and the underlying Collateral with interest rates based on an index other than EURIBOR, interest rates based on EURIBOR for a different period of time or even six month EURIBOR for a different accrual period. In addition, not more than 10 per cent. of the Collateral Principal Amount shall consist of obligations which are Fixed Rate Collateral Obligations. It is possible that EURIBOR payable on the Floating Rate Notes may rise (or fall) during periods in which EURIBOR (or another applicable index) with respect to the various Collateral is stable or falling (or rising but capped at a level lower than EURIBOR for the Floating Rate Notes). No assurance can be made that the portion of Floating Rate Collateral Obligations of the Issuer that bear interest based on indices other than EURIBOR will not increase in the future. Some Collateral Obligations, however, may have EURIBOR floor arrangements that may help mitigate this risk, but there is no requirement for any Collateral Obligation to have a EURIBOR floor and there is no guarantee that any such EURIBOR floor will fully mitigate the risk of falling EURIBOR. If EURIBOR payable on the Floating Rate Notes rises during periods in which EURIBOR (or another applicable index) relating to the various Collateral Obligations and Eligible Investments is stable or during periods in which the Issuer owns assets forming part of the Collateral bearing interest at a fixed rate, is falling or is rising but is capped at a lower level, "excess spread" (i.e., the difference between the interest collected on the Collateral and the sum of the interest payable on the Floating

Rate Notes and certain transaction fees payable by the Issuer) that otherwise would be available as credit support may instead be used to pay interest on the Floating Rate Notes.

There may also be a timing mismatch between the Floating Rate Notes and the underlying Collateral Obligations as EURIBOR (or other applicable index) on such Collateral Obligations may adjust more frequently or less frequently, on different dates than EURIBOR on the Floating Rate Notes. Such a mismatch could result in the Issuer not collecting sufficient Interest Proceeds to make interest payments on the Floating Rate Notes. Although it is intended that the Issuer enters into Interest Smoothing, as further described herein, the Issuer may or may not enter into interest rate swap transactions to hedge any interest rate or timing mismatch. Please see "*CFTC Regulations*", "*Commodity Pool Regulation*", "*European Market Infrastructure Regulation (EMIR)*" above and "*Hedging Arrangements*".

Even if the Issuer were to enter into one or more Hedge Agreements, there can be no assurance that the Collateral Obligations and the Eligible Investments will in all circumstances generate sufficient Interest Proceeds to make timely payments of interest on the Floating Rate Notes and to make distributions to the holders of the Subordinated Notes, nor that the Hedge Agreements will ensure any particular return on any such Notes.

3.19 Interest Rate Mismatch

Some Collateral Obligations may 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 require (including following a re-set) 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 such timing mismatch, the Issuer will hold back a portion of the interest received on Collateral Obligations which pay interest less than quarterly in order to make quarterly payments of interest on the Notes ("**Interest Smoothing**") (on each Determination Date prior to the occurrence of a Frequency Switch Event).

In addition, to mitigate reset risk, a Frequency Switch Event shall occur if (amongst other things) sufficient Collateral Obligations reset 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 will be sufficient to mitigate any timing mismatch.

There can be no assurance that the Collateral 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.

3.20 Net Proceeds less than Aggregate Amount of the Notes

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

3.21 Withholding Tax on the Notes

Although no withholding tax is currently imposed on payments of principal or interest on the Notes (provided the Notes remain listed on a recognised stock exchange for the purposes of section 64 of the TCA and for the purposes of section 1005 of the Income Tax Act 2007 of the United Kingdom), there can be no assurance that the law will not change. In the event that any withholding tax or deduction for tax is imposed on payments of principal or of interest on the Notes, the holders of the Notes will not be entitled to receive grossed up amounts to compensate for such withholding tax and no Event of Default shall occur as a result of any such withholding or deduction.

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

3.22 Security

Clearing Systems: Collateral Obligations or other assets forming part of the Collateral which are in the form of securities (if any) will be held by the Custodian on behalf of the Issuer pursuant to the Agency and Account Bank Agreement. The Custodian will hold such assets which can be cleared through Euroclear in an account with Euroclear (the "**Euroclear Account**") unless the Trustee otherwise consents and the Custodian 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 and the Accounts opened with the Account Bank and Custodian, take effect as a security interest over (i) the beneficial interest of the Issuer in its share of the pool of securities fungible with the relevant Collateral Obligations held in the accounts of the Custodian on account 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 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 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 Arranger, the Initial Purchaser, the Trustee, the Investment Manager, the Collateral Administrator, the Custodian, the Hedge Counterparties or any other party.

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

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

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

If a meeting of Noteholders is called to consider a Resolution, determination as to whether the requisite number of Notes has been voted in favour of such Resolution will be determined by reference to the percentage which

the Notes voted in favour represent of the total amount of Notes voted in respect of such Resolution and not the aggregate Principal Amount Outstanding of all such Notes held or represented by any person or persons entitled to vote at such meeting. This means that a lower percentage of Noteholders may pass a Resolution (other than a Unanimous Resolution) which is put to a meeting of Noteholders than would be required for a Written Resolution in respect of the same matter. There are however quorum provisions which provide that a minimum number of Noteholders representing a minimum amount of the aggregate Principal Amount Outstanding of the applicable Class or Classes of Notes be present at any meeting to consider an Extraordinary Resolution or an 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 the Notes (or of 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 the Rated Notes (or of the relevant Class or Classes of the Rated Notes only, if applicable, and in the case of a Unanimous Resolution this is one or more persons holding or representing 100 per cent. of the aggregate Principal Amount Outstanding of each Class of Notes (or of the relevant Class or Classes only),. Such quorum provisions (other than for a Unanimous Resolution), still, however, require considerably lower thresholds than would be required for a Written Resolution. In addition, if a quorum requirement is not satisfied at any meeting (other than in the case of a meeting convened for the purposes of passing a Unanimous Resolution), lower quorum thresholds (which will be one or more persons holding or representing not less than 25 per cent. of the Principal Amount Outstanding of the Notes (or of the Notes of the relevant Class or Classes only, if applicable)) 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. Any such Resolution may be adverse to any Class of Noteholders or to any group of Noteholders or individual Noteholders within any Class.

Certain decisions, including the removal of the Investment Manager by the Subordinated Noteholders and instructing the Trustee to sell the Collateral following the acceleration of the Notes require authorisation by the Noteholders of a Class or Classes (acting by Extraordinary Resolution).

Notes constituting the Controlling Class that are in the form of IM Non-Voting Notes or IM Exchangeable Non-Voting Notes will have no right to vote in connection with and will not be counted for the purposes of determining a quorum or the result of voting in respect of any IM Removal Resolution or any IM Replacement Resolution. As a result, for so long as any of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes constitute the Controlling Class, only Notes that are in the form of IM Voting Notes may vote and be counted in respect of an IM Removal Resolution or an IM Replacement Resolution.

Notes in the form of IM Voting Notes may form a small percentage of the Controlling Class and/or be held by a concentrated group of Noteholders. Investors should be aware that such IM Voting Notes will be entitled to vote to pass an IM Removal Resolution or an IM Replacement Resolution and the remaining percentage of the Controlling Class (in the form of IM Non-Voting Notes and/or IM Exchangeable Non-Voting Notes) will be bound by such Resolution.

The Controlling Class for the purposes of an IM Removal Resolution or an IM Replacement Resolution shall be determined in accordance with the Principal Amount Outstanding of the relevant Class of Notes.

Investors in the Class A Notes should be aware that for so long as the Class A Notes have not been redeemed and paid in full, if no Class A Notes are held in the form of IM Voting Notes, the Class A Notes will not be entitled to vote in respect of such IM Removal Resolution or IM 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 an IM Removal Resolution or an IM Replacement Resolution, such Class of Notes will not be entitled to vote in respect of such IM Removal Resolution or IM Replacement Resolution and 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 IM Removal Resolutions or any IM Replacement Resolutions but shall carry a right to vote on and be counted in respect of all other matters in respect of which the Class A Notes have a right to vote and be counted.

Certain amendments and modifications may be made without the consent of Noteholders. See Condition 14(c) (*Modification and Waiver*). Such amendment or modification could be adverse to certain Noteholders. Without limitation to the foregoing, potential investors should note that the Issuer may (if required, as determined by the

Investment Manager acting in accordance with the standard of care specified in the Investment Management and Collateral Administration Agreement and on the basis of material published by the applicable Rating Agency) amend the Transaction Documents to modify or amend the components of (A) 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), (B) the definitions of "Credit Improved Obligation", "Credit Risk Obligation", "Defaulted Obligation" and "Exchanged Security", (C) any defined term in the Conditions or the other Transaction Documents that begins with or includes the word "Moody's" or "Fitch", (D) the restrictions on the sale of Collateral Obligations as set out in clause 4 (*Actions in respect of the Portfolio*) of the Investment Management and Collateral Administration Agreement (other than the calculation of the Portfolio Profile Tests and the Collateral Quality Tests) and (E) the restrictions on and modifications of Collateral Obligations as set out in clause 4.12 (*Amendments to Collateral Obligations*) of the Investment Management and Collateral Administration Agreement, provided that Rating Agency Confirmation has been obtained and (to the extent provided in Condition 14(c) (*Modification and Waiver*) the Controlling Class has consented by way of Ordinary Resolution.

Certain entrenched rights relating to the Conditions of the Notes including the currency thereof, Payment Dates applicable thereto, the Priorities of Payment, the provisions relating to quorums and the percentages of votes required for the passing of a Resolution (other than a Unanimous Resolution), cannot be amended or waived by Ordinary Resolution but require an Extraordinary Resolution. The reduction of the Redemption Price of any Class of Rated Notes (as do provisions relating to, among other things, the quorums and percentages of votes required for the passing of a Unanimous Resolution) requires a Unanimous Resolution of the holders of such Class of Rated Notes. 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 of the Notes and the provisions of the Trust Deed will be binding on all such dissenting Noteholders.

Each Hedge Counterparty may also need to be notified and its prior consent required to the extent provided for in the applicable Hedge Agreement in respect of a modification, amendment or supplement to any provision of a Transaction Document. 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. Further, any such consent, if withheld in accordance with the terms of the applicable Hedge Agreement, may prevent the Transaction Documents from being modified, amended or supplemented in a manner which may be beneficial to Noteholders.

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

3.24 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 Investment Manager for cause and appointment of a successor investment manager involve the direction of holders of specified percentages of Subordinated Notes and/or the Controlling Class (as applicable).

3.25 Enforcement Rights Following an Event of Default

If an Event of Default occurs and is continuing, the Trustee may, at its discretion, and shall, at the request of the Controlling Class acting by way of Ordinary Resolution (subject, in each case, to being indemnified and/or secured and/or prefunded to its satisfaction), give notice to the Issuer, the Investment Manager and each Hedge Counterparty that all the Notes are immediately due and repayable, provided that following the occurrence of an Event of Default described in Condition 10(a)(vi) (*Insolvency Proceedings*), such notice shall be deemed to have been given and all the Notes shall automatically become immediately due and payable.

At any time after the Notes become due and repayable and the security under the Trust Deed becomes enforceable, the Trustee may, at its discretion, and shall, if so directed by the Controlling Class acting by

Ordinary Resolution (subject, in each case, to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction), take Enforcement Action in respect of the security over the Collateral provided that no such Enforcement Action may be taken by the Trustee unless: (A) the Trustee (or any appointee or agent on its behalf) determines that the anticipated proceeds realised from such Enforcement Action (after deducting any expenses properly incurred in connection therewith) would be sufficient to discharge in full all amounts due and payable in respect of all Classes of Notes (including, without limitation, Deferred Interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes) other than the Subordinated Notes and all amounts payable in priority thereto pursuant to the Priorities of Payment; or (B) if the Enforcement Threshold will not have been met then, in the case of an Event of Default specified in sub–paragraphs (i) (*Non–payment of Interest*), (ii) (*Non–payment of Principal*) or (iv) (*Collateral Obligations*) of Condition 10(a) (*Events of Default*) the Controlling Class directs the Trustee by Ordinary Resolution to take Enforcement Action without regard to any other Event of Default which has occurred prior to, contemporaneously or subsequent to such Event of Default.

A failure to pay interest on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes or the Subordinated Notes as a result of the insufficiency of available Interest Proceeds or, with respect to the Subordinated Notes, Interest Proceeds or Principal Proceeds shall at no time constitute an Event of Default even if such Class is the Controlling Class.

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

3.26 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 the Class E Notes, the Class F Notes or the Subordinated Notes, the assets of the Issuer could be considered to be assets of such Plans and certain of the transactions contemplated by the Issuer could be considered "prohibited transactions" under Section 406 of ERISA or Section 4975 of the Code. See the section of this Offering Circular entitled "*Certain ERISA Considerations*" below.

3.27 Forced Transfer

Each initial purchaser of an interest in a Rule 144A Note and each transferee of an interest in a Rule l44A Note will be deemed to represent at the time of purchase that, amongst other things, the purchaser is 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 l44A Note (any such person, a "**Non–Permitted Noteholder**") or a Noteholder is a Non–Permitted ERISA Noteholder, the Issuer shall, promptly after determination that such person is a Non–Permitted Noteholder or Non–Permitted ERISA Noteholder by the Issuer, send notice to such Non–Permitted Noteholder or Non–Permitted ERISA Noteholder (as applicable) demanding that such holder transfer its interest to (i) a person or entity who is not a U.S. Person or is a QIB and a QP (ii) a person or entity who is not a Non–Permitted ERISA Noteholder (as applicable), within 30 days (or 10 days in the case of a Non–Permitted ERISA Noteholder) of the date of such notice. If such holder fails to effect the transfer required within such 30 day period (or 10 day period in the case of a Non-Permitted ERISA Noteholder), (a) the Issuer or the Investment Manager on its behalf shall cause such beneficial interest to be transferred in a commercially reasonable sale to a person or entity that certifies to the Issuer, in connection with such transfer, that such person or entity either is not a U.S. Person or is a QIB and a QP and is not a Non–Permitted ERISA Noteholder and (b) pending such transfer, no further payments will be made in respect of such beneficial interest.

See also "*U.S. Tax Risks – FATCA*" below.

In addition, the Trust Deed generally provides that if (x) any purchaser in the initial offering of the Notes on or about the Issue Date of an interest in a Note (i) (a) is a Risk Retention U.S. Person and (b) has not received a U.S. Risk Retention Waiver from the Investment Manager, (ii) acquired such Notes or a beneficial interest therein as part of a plan or scheme to evade the requirements of section 15G of the Securities Exchange Act of 1934, as added by section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and section 246.20 of the U.S. Risk Retention Rules or (y) a transfer of an interest in a Regulation S Note is to a Risk Retention U.S. Person or to a transferee which otherwise requires such interest to be exchanged for an interest in a Rule 144A Note at any time during the period commencing on the Issue Date and ending 40 calendar days thereafter (the "**U.S. Risk Retention Restricted Period**") (each such a person under (x) or (y) above, a "**Non-Permitted U.S. Risk Retention Holder**"), the Issuer shall send notice to such Non-Permitted U.S. Risk Retention Holder demanding that such Noteholder immediately transfer its interest to a person that is not a Non-Permitted U.S. Risk Retention Holder. If such Noteholder fails to effect the transfer required, (a) the Issuer or the Investment Manager on its behalf, shall cause such beneficial interest to be transferred to a person or entity that certifies to the Issuer, in connection with such transfer, that such person or entity is not a Non-Permitted U.S. Risk Retention Holder at a price to be agreed between the Issuer (exercising its sole discretion) and such person at the time of sale and (b) pending such transfer, no further payments will be made in respect of such beneficial interest.

3.28 U.S. Tax Risks

(a) Changes in tax law; imposition of tax on Non–U.S. Holders

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

(b) 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 within the United States), including upon a foreclosure, or breach certain of its other covenants, the Issuer could be treated as engaged in a U.S. trade or business for U.S. federal income tax purposes. Moreover, a breach of certain of these covenants may not give rise to an Event of Default and may not give rise to a claim against the Issuer or the Investment Manager. A change in law or its interpretation also could result in the Issuer being treated as engaged in a trade or business within the United States for U.S. federal income tax purposes, or otherwise subject to U.S. federal income tax on a net income basis. If it is determined that the Issuer is treated as engaged in a trade or business within the United States for U.S. federal income tax purposes, and the Issuer has taxable income that is effectively connected with such U.S. trade or business, the Issuer 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 liability could materially adversely affect the Issuer's ability to make payments on the Notes.

(c) FATCA

Under FATCA, the Issuer may be subject to a 30 per cent. withholding tax on certain income, and, after 31 December 2018, on the gross proceeds from the sale, maturity, or other disposition of certain of its assets. Under an intergovernmental agreement entered into

between the United States and Ireland, the Issuer will not be subject to withholding under FATCA if it complies with Irish implementing regulations that require the Issuer to provide the name, address and taxpayer identification number of, and certain other information with respect to, certain holders of Notes to the Office of the Revenue Commissioners of Ireland, which would then provide this information to the IRS. The Issuer shall use commercially reasonable efforts to comply with the intergovernmental agreement and these regulations. However, there can be no assurance that the Issuer will be able to comply with these regulations. Moreover, after 31 December 2018, FATCA may 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 or to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer, or if the Noteholder's ownership of any Notes would otherwise cause the Issuer to fail to comply with FATCA or 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 (other than the Investment Manager with respect to the Retention 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.

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

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

(e) 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 Investment Manager), on the Eligibility Criteria (and Reinvestment Criteria, when applicable) which each Collateral Obligation is required to satisfy, as disclosed in this Offering Circular, and on the Portfolio Profile Tests, Collateral Quality Tests, Coverage Tests and Target Par Amount that the Portfolio is required to satisfy as at the Effective Date (other than in respect of the Interest Coverage Tests, which are required to be satisfied as at the Determination Date preceding the second Payment Date) and in each case (save as described herein) thereafter. This Offering Circular does not contain any information regarding the individual Collateral Obligations on which the Notes will be secured from time to time. Purchasers of any of the Notes will not have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding the investments to be made by the Issuer and, accordingly, will be dependent upon the judgement and ability of the Investment 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 or the Initial Purchaser has made any investigation into the Obligors of the Collateral Obligations. The value of the Portfolio may fluctuate from time to time (as a result of substitution or otherwise) and none of the Issuer, the Trustee, the Arranger, the Initial Purchaser, the Custodian, the Investment Manager, any Investment 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 Investment Manager, any Investment Manager Related Person, the Collateral Administrator, any Hedge Counterparty, the Agents, the Arranger, the Initial Purchaser or any of their Affiliates has any liability to the Noteholders as to the amount or value of, or any decrease in the value of, the Collateral Obligations from time to time.

Furthermore, pursuant to the Investment Management and Collateral Administration Agreement, the Investment Manager is required to carry out due diligence as it considers reasonably necessary in accordance with the standard of care specified in the Investment Management and Collateral Administration Agreement, to ensure the Eligibility Criteria will be satisfied and that the Issuer will, upon the settlement of such purchase, become the legal and beneficial holder (other than in relation to Participations where the Issuer will be the beneficial owner only) of such Collateral Obligations in accordance with the terms of the relevant Underlying Instrument and all applicable laws. Noteholders are reliant on the Investment Manager conducting such due diligence in a manner which ensures that the Collateral Obligations are properly and effectively transferred and satisfy each of the Eligibility Criteria.

4.2 Nature of Collateral; Defaults

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

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

Due to the fact that the Subordinated Notes represent a leveraged investment in the underlying Collateral Obligations, it is anticipated that changes in the market value of the Subordinated Notes will be greater than changes in the market value of the underlying Collateral Obligations.

The offering of the Notes has been structured so that the Notes are assumed to be able to withstand certain assumed losses relating to defaults on the underlying Collateral Obligations. See the "*Ratings of the Notes*" section of this Offering Circular. There is no assurance that actual losses will not exceed such assumed losses. If any losses exceed such assumed levels, payments on the Notes could be adversely affected by such defaults. To the extent that a default occurs with respect to any Collateral Obligation securing the Notes and the Issuer sells or otherwise disposes of such Collateral Obligation, it is likely that the proceeds of such sale or disposition will be less than the unpaid principal and interest thereon.

The financial markets periodically experience substantial fluctuations in prices for obligations of the types that may be Collateral Obligations and limited liquidity for such obligations. No assurance can be made that the conditions giving rise to such price fluctuations and limited liquidity will not occur, subsist or become more acute following the Issue Date. During periods of limited liquidity and higher price volatility, the ability of the Investment Manager (on behalf of the Issuer) to acquire or dispose of Collateral Obligations at a price and time that the Investment Manager deems advantageous may be impaired. As a result, in periods of rising market prices, the Issuer may be unable to participate in price increases fully to the extent that it is either unable to dispose of Collateral Obligations whose prices have risen or to acquire Collateral Obligations whose prices are on the increase; the Investment Manager's inability to dispose fully and promptly of positions in declining markets will conversely cause the value of the Portfolio to decline as the value of unsold positions is marked to lower prices. A decrease in the Market Value of the Collateral Obligations would also adversely affect the proceeds of sale that could be obtained upon the sale of the Collateral Obligations and could ultimately affect

the ability of the Issuer to pay in full or redeem the Notes. Accordingly, no assurance can be given as to the amount of proceeds of any sale or disposition of such Collateral Obligations at any time, or that the proceeds of any such sale or disposition would be sufficient to repay a corresponding par amount of principal of and interest on the Notes after, in each case, paying all amounts payable prior thereto pursuant to the Priorities of Payment. Moreover, there can be no assurance as to the amount or timing of any recoveries received in respect of Defaulted Obligations.

The composition of the Portfolio may be influenced by discussions that the Investment Manager and/or, prior to the Issue Date or the Initial Purchaser may have with investors, and there is no assurance that (i) any investor would have agreed with any views regarding the initial proposed portfolio that are expressed by another investor in such discussions, (ii) the composition of the Portfolio was not at the Issue Date, and will not be, influenced more heavily by the views of certain investors, particularly if that investor's participation in the transaction is necessary for the transaction to occur, in which case the Investment Manager or the Initial Purchaser would not receive the benefits of its role in the transaction, and in order to preserve the possibility of future business opportunities between the Investment Manager or the Initial Purchaser and such investors, (iii) those views, and any modifications made to the Portfolio as a result of those discussions, will not adversely affect the performance of a holder's Notes, or (iv) the views of any particular investors that are expressed in such discussions will influence the composition of the collateral pool. For the avoidance of doubt, the Investment Manager will have the ultimate sole authority to select, and sole responsibility for selecting, the Collateral Obligations within the parameters of the Investment Management and Collateral Administration Agreement and in accordance with the Eligibility Criteria and subject to the overall discretion and control of the Issuer and is under no obligation to follow any preferences of the investors or the Initial Purchaser. The Initial Purchaser has not and will not determine the composition of the collateral pool.

4.3 Acquisition of Collateral Obligations Prior to the Issue Date

On behalf of the Issuer, the Investment Manager has acquired, and will continue to enter into binding commitments to acquire, Collateral Obligations prior to the Issue Date pursuant to the transaction documents relating to the Original Notes. A significant portion of the Collateral Obligations in the Portfolio as of the Issue Date will have been acquired from the Retention Holder pursuant to certain forward sale agreements entered into between the Issuer and the Retention Holder not less than 30 calendar days prior to the Issue Date.

The Issuer will use the proceeds of the issuance of the Notes to pay the purchase price in respect of such Originated Collateral Obligations on the Issue Date.

The prices paid for such Collateral Obligations will be the market value thereof on the date the Issuer entered into the commitment to purchase, which may be greater or less than the market value thereof on the Issue Date. Events occurring between the date of the Issuer first acquiring a Collateral 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.

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 as at the Issue Date or which do not satisfy the Eligibility Criteria as at the Issue Date shall be borne by the Retention Holder.

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

The requirement that the Eligibility Criteria be satisfied applies only (i) other than in respect of any Issue Date Collateral Obligation, at the time that any commitment to purchase a Collateral Obligation is entered into and (ii) in respect of Issue Date Collateral Obligations, on the Issue Date and, in each case in respect of certain of the Eligibility Criteria that comprise the Restructured Obligation Criteria, in relation to any Restructured Obligation,

on the applicable Restructuring Date. Any failure by such Collateral Obligation to satisfy the relevant Eligibility Criteria at a later stage will not result in any requirement to sell it or take any other action.

4.4 Considerations Relating to the Initial Investment Period

During the Initial Investment Period, the Investment 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 the Interest Coverage Tests, which are required to be satisfied as of the Determination Date immediately preceding the second Payment Date), the Collateral Quality Tests and Portfolio Profile Tests. See "*The Portfolio*" section of this Offering Circular. The ability to satisfy such tests and requirement will depend on a number of factors beyond the control of the Issuer and the Investment 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 Investment 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 Investment 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 Investment Manager may apply some or all amounts standing to the credit of the First Period Reserve Account 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 Underlying Portfolio

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

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

The subordination levels of each of the Classes of Notes will be established to withstand certain assumed deficiencies in payment caused by defaults on the related Collateral Obligations. If, however, actual payment deficiencies exceed such assumed levels, payments on the Notes could be adversely affected. Whether and by

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

To the extent that a default occurs with respect to any Collateral Obligation and the Issuer or Trustee sells or otherwise disposes of such Collateral Obligation, the proceeds of such sale or disposition are likely to be less than the unpaid principal and interest thereon. Even in the absence of a default with respect to any of the Collateral Obligations, the potential volatility and illiquidity of the sub–investment grade high yield bond, secured senior bond 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.

Characteristics of Senior Obligations, Mezzanine Obligations and Second Lien Loans

The Portfolio Profile Tests provide that as of the Effective Date, at least 90.0 per cent. of the Collateral Principal Amount must consist of Secured Senior Obligations in aggregate (which shall comprise for this purpose the aggregate of the Aggregate Principal Balance of the Secured Senior Obligations and the balances standing to the credit of the Principal Account and the Unused Proceeds Account and Eligible Investments acquired with such Balances (excluding accrued interest), in each case as at the relevant Measurement Date). Investors should note that Secured Senior Obligations may consist of Secured Senior Loans and/or Secured Senior Bonds but there is no restriction under the Portfolio Profile Tests on the proportion of Secured Senior Bonds and Secured Senior Loans constituting such Secured Senior Obligations. Senior Obligations, Mezzanine Obligations and Second Lien Loans 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 Loans and Senior Bonds are typically at the most senior level of the capital structure with Second Lien Loans being subordinated thereto and Mezzanine Obligations being subordinated to any Senior 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. Mezzanine Obligations and Second Lien Loans 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.

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 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 Investment Management and Collateral Administration Agreement from voting on certain matters, particularly extensions of maturity, which may be considered at a bondholder meeting. Consequently, material terms of a 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 "*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 Loan 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 or bonds. Such covenants may include restrictions on dividend payments, specific mandatory minimum financial ratios, limits on total debt and other financial tests. A breach of covenant (after giving effect to any cure period) under a Senior Obligation or Mezzanine Obligation which is not waived by the lending syndicate or bondholders normally is an event of acceleration which allows the syndicate to demand immediate repayment in full of the outstanding loan or bonds. However, although any particular Senior Obligation or Mezzanine 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 Mezzanine Obligations and Second Lien Loans

In order to induce banks and institutional investors to invest in a Senior Obligation, Mezzanine Obligation or a Second Lien Loan, 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 including such Senior Loan, Mezzanine Obligation or Second Lien Loan, and the private syndication of the Senior Obligations, Mezzanine Obligations and Second Lien Loans are not as easily purchased or sold as a publicly traded security, and historically the trading volume in the loan market has been small relative to, for example, the high yield bond market. Historically, investors in or lenders under European Senior Obligations, Mezzanine Obligations and Second Lien Loans 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 investment managers of trusts or special purpose companies issuing collateralised bond and loan obligations. As secondary market trading volumes increase, new loans are frequently adopting more standardised documentation to facilitate loan trading which should improve market liquidity. There can be no assurance, however, that future levels of supply and demand in loan trading will provide the degree of liquidity which currently exists in the market. This means that such assets will be subject to greater disposal risk 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.

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 Loans. Additionally, as a consequence of the disclosure and transparency requirements associated with such listing, the information supplied by the Obligors to its debtholders may typically be less than would be provided on a Senior Loan.

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

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.

4.6 Prepayment Risk

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

4.7 Defaults and Recoveries

There is limited historical data available as to the levels of defaults and/or recoveries that may be experienced on Senior Obligations, Mezzanine Obligations and Second Lien Loans and no assurance can be given as to the levels of default and/or recoveries that may apply to any Senior Obligations, Mezzanine Obligations and Second Lien Loans purchased by the Issuer. As referred to above, although any particular Senior Obligations, Mezzanine Obligation or Second Lien Loan often will share many similar features with other loans and obligations of its type, the actual terms of any particular Senior Obligation, Mezzanine Obligation or Second Lien Loan 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 Senior Obligations, Mezzanine Obligations and Second Lien Loans may also be affected by the different bankruptcy regimes applicable in different jurisdictions, the availability of comprehensive security packages in different jurisdictions and the enforceability of claims against the Obligors thereunder.

The effect of an economic downturn on default rates and the ability of finance providers to protect their investment in a default situation is uncertain. Furthermore, the holders of Senior Obligations, Mezzanine Obligations and Second Lien Loans are more diverse than ever before, including not only banks and specialist finance providers but also alternative investment managers, specialist debt and distressed debt investors and other financial institutions. The increasing diversification of the investor base has also been accompanied by an increase in the use of hedges, swaps and other derivative instruments to protect against or spread the economic risk of defaults. All of these developments may further increase the risk that historic recovery levels will not be realised. The returns on Senior Obligations, Mezzanine Obligations and/or Second Lien Loans 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 work–out negotiations or restructuring, which may entail, among other things, a substantial change in the interest rate, a substantial write–down of principal, a conversion of some or all of the principal debt into equity or an extension of its maturity, and a substantial change in the terms, conditions and covenants with

respect to such Defaulted Obligation. Junior creditors may find that a restructuring leads to the total eradication of their debt whilst the 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 some European jurisdictions, obligors or lenders may seek a "scheme of arrangement". In such instance, a lender may be forced by a court to accept restructuring terms. 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, Mezzanine Obligations and Second Lien Loans will also be affected by the different bankruptcy regimes applicable in different European jurisdictions and the enforceability of claims against the Obligors thereunder. See "*Insolvency Considerations relating to Collateral Obligations*" below.

Characteristics of Unsecured Senior Obligations

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

Investing in Cov–Lite Loans involves certain risks

The Issuer or the Investment Manager (acting on behalf of the Issuer) 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.

Characteristics of High Yield Bonds

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

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

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

European High Yield Bonds are generally subordinated structurally, as opposed to contractually, to senior secured debtholders. Structural subordination is when a high yield security investor lends to a holding company

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

In the case of High Yield Bonds issued by issuers with their principal place of business in Europe, structural subordination of High Yield Bonds, coupled with the relatively shallow depth of the European high yield market, leads European high yield defaults to realise lower average recoveries than their U.S. counterparts. Another factor affecting recovery rates for European high yield bonds is the bankruptcy regimes applicable in different European jurisdictions and the enforceability of claims against the high yield bond issuer. See "*Insolvency Considerations relating to Collateral 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 Investment 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 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.

For the purposes of these risk factors:

"**Senior Loans**" means, together, Secured Senior Loans and Unsecured Senior Loans.

"**Senior Bonds**" means, together, Secured Senior Bonds and Unsecured Senior Bonds.

4.8 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 Investment 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 Investment Management and Collateral Administration Agreement. The Noteholders will not have any right to compel the Investment 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 Investment Management and Collateral Administration Agreement.

The Investment Manager may, in accordance with its portfolio management practices and subject to the Trust Deed and the Investment Management and Collateral 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.

4.9 Participations, Novations and Assignments

The Investment 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 also "*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, for the avoidance of doubt, the Bivariate Risk Table) impose limits on the amount of Collateral Obligations that may comprise Participations as a proportion of the Collateral Principal Amount.

4.10 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.

4.11 Corporate Rescue Loans

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

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

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

4.12 Bridge Loans

The Portfolio Profile Tests provide that not more than 5.0 per cent. of the Collateral Principal Amount may be comprised of Bridge Loans. Bridge Loans are generally a temporary financing instrument and as such the interest rate may increase after a short period of time in order to encourage an Obligor to refinance the Bridge Loan with more long–term financing. If an Obligor is unable to refinance a Bridge Loan, the interest rate may be

subject to an increase and as such Bridge Loans may have greater credit and liquidity risk than other types of loans.

4.13 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, or out of an Investment Manager Advance. 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 Investment 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, Reinvestment Amounts, Contributions and Collateral Enhancement Obligation Proceeds and such Investment Manager Advances as the Investment Manager makes into the Supplemental Reserve Account at its discretion. 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. During the Reinvestment Period, Reinvesting Noteholders and/or Contributors may also direct that a Reinvestment Amount and/or Contribution (as applicable) in respect of their Subordinated Notes be deposited into the Supplemental Reserve Account in accordance with the Priorities of Payment.

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 Investment Manager determines on behalf of the Issuer should be purchased or exercised, the Investment Manager may, at its discretion, pay amounts required in order to fund such purchase or exercise (each such amount, an "**Investment Manager Advance**") to such account pursuant to the terms of the Investment Management and Collateral Administration Agreement. Investment Manager Advances shall be repaid (together with interest thereon) either (i) out of Interest Proceeds and Principal Proceeds on each Payment Date pursuant to the Priorities of Payment, or (ii) at any time (at the discretion of the Investment Manager) from amounts standing to the credit of the Supplemental Reserve Account.

The Investment 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 Investment 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. If sufficient amounts are not so available, the Investment Manager may, at its discretion, fund the payment of any shortfall by way of an Investment Manager Advance. However, the Investment Manager is under no obligation to make any Investment Manager Advance. 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 or the Collateral Quality Tests.

4.14 Counterparty Risk

Participations and Hedge Transactions involve the Issuer entering into contracts with counterparties. Pursuant to such contracts, the counterparties agree to make payments to the Issuer under certain circumstances as described therein. The Issuer will be exposed to the credit risk of the counterparty with respect of any such payments. Each such counterparty is required to satisfy the applicable Rating Requirement, 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 remedy period following such rating withdrawal or a downgrade, such Hedge Counterparty either transfers its obligations under the applicable Hedge Agreement to a replacement counterparty with the requisite ratings, obtains a guarantee of its obligations by a guarantor with the requisite

ratings, collateralises its obligations in a manner satisfactory to the Rating Agencies or employs some other such strategy as may be approved by the Rating Agencies.

Similarly, the Issuer will be exposed to the credit risk of the Account Bank and the Custodian to the extent of, respectively, all cash of the Issuer held in the Accounts and all Collateral of the Issuer held by the Custodian. If the Account Bank or the Custodian is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable Rating Requirement, the Issuer shall use its reasonable endeavours to procure the appointment of a replacement Account Bank or Custodian, as the case may be, with the applicable Rating Requirement on substantially the same terms as the Agency and Account Bank Agreement within the time limits prescribed for such action in the applicable Transaction Documents. See also "*EU Bank Recovery and Resolution Directive*" above.

4.15 Concentration Risk

The Issuer will invest in a Portfolio of Collateral Obligations consisting of predominantly Secured Senior Obligations, Mezzanine Obligations, Unsecured Senior Obligations, Second Lien Loans and High Yield Bonds. Although no significant concentration with respect to any particular Obligor, industry or country is expected to exist at the Effective Date, the concentration of the Portfolio in any one Obligor would subject the Notes to a greater degree of risk with respect to defaults by such Obligor, and the concentration of the Portfolio in any one industry would subject the Notes to a greater degree of risk with respect to economic downturns relating to such industry. The Portfolio Profile Tests and Collateral Quality Tests attempt to mitigate any concentration risk in the Portfolio. See "*The Portfolio—Portfolio Profile Tests and Collateral Quality Tests*" section of this Offering Circular.

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 Floating Rate Notes bear interest at a floating rate based on EURIBOR. It is possible that Collateral Obligations (in particular Senior Bonds and High Yield Bonds) may bear interest at fixed rates and there is no requirement that the amount or portion of Collateral Obligations securing the Notes must bear interest on a particular basis, save for the Portfolio Profile Test which requires that not more than 10.0 per cent. of the Collateral Principal Amount may comprise Fixed Rate Collateral Obligations.

In addition, any payments of principal or interest received in respect of Collateral Obligations and not otherwise reinvested during the Reinvestment Period in Substitute Collateral Obligations will generally be invested in Eligible Investments until shortly before the next Payment Date. There is no requirement that such Eligible Investments bear interest on a particular basis, and the interest rates available for such Eligible Investments are inherently uncertain. As a result of these factors, it is expected that there may be a fixed/floating rate mismatch, a floating rate basis mismatch (including in the case of Collateral Obligations or Eligible Investments which pay a floating rate based on a benchmark other than EURIBOR), maturity date mismatch and mismatch in timing of determination of the applicable floating rate benchmark 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 Investment Management and Collateral Administration Agreement, the Investment Manager, acting on behalf of the Issuer, is authorised to enter into the Interest Rate Hedge Transactions in order to mitigate such interest rate mismatch from time to time, subject to receipt in each case of Rating Agency Confirmation in respect thereof. In particular, the Issuer may enter into the Issue Date Interest Rate Hedge Transactions on or around the Issue Date in order to mitigate its exposure to increases in EURIBOR–based payments of interest payable by the Issuer under relevant Rated Notes (other than in respect of a Form Approved Interest Rate Hedge Agreement) and subject to certain regulatory considerations in relation to swaps, discussed in "*European Market Infrastructure Regulation (EMIR)*", and "*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 Hedge Counterparty to cover its interest rate risk exposure. Furthermore, the terms of the Hedge Agreements may provide for the ability of the Hedge Counterparty to terminate such Hedge Agreement upon the occurrence of certain events, including related to certain regulatory matters. Any such termination in the case of an Interest Rate Hedge Transaction would result in the Issuer's exposure to interest rate exposure increasing, and may result in the Issuer being required to pay a termination amount to the relevant Hedge Counterparty. See further "*Hedging Arrangements*" below. See also "*A decrease in EURIBOR will lower the interest payable on the Floating Rate Notes and an increase in EURIBOR may indirectly reduce the credit support to the Floating Rate Notes*".

In addition, some Collateral Obligations permit the Obligor to re–set the interest period applicable to it from quarterly to semi–annually and vice versa. Interest Amounts are due and payable in respect of the Notes on a semi–annual basis following a Frequency Switch Event and on a quarterly basis at all other times. See also "*Interest Rate Mismatch*".

There may be a timing mismatch between the Rated Notes and the Floating Rate Collateral Obligations as the interest rate on such Floating Rate Collateral Obligations may adjust more frequently or less frequently, on different dates and based on different indices as compared to the interest rates on the Rated Notes. As a result of such mismatches, an increase in the level of EURIBOR could adversely impact the ability of the Issuer to make payments on the Rated Notes. There can be no assurance that the Collateral Obligations and Eligible Investments securing the Notes will in all circumstances generate sufficient Interest Proceeds to make timely payments of interest on the Notes or that any particular levels of return will be generated on the Subordinated Notes.

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

4.18 Non–Euro Obligations and Currency Hedge Transactions

Currency Risk

The Portfolio Profile Tests provide that up to 30.0 per cent. of the Collateral Principal Amount may comprise Non–Euro Obligations. The Portfolio Profile Tests also provide that not more than 2.5 per cent. of the Collateral Principal Amount may comprise Unhedged Collateral 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 limits set by the Portfolio Profile Tests. Although the Issuer may, subject to the satisfaction of the Hedging Condition, enter into Currency Hedge Transactions to hedge any currency exposure relating to such Non-Euro Obligations, it is not required that all Non-Euro Obligations must be Currency Hedge Obligations, and some may be Unhedged Collateral Obligations. Accordingly, fluctuations in exchange rates may lead to the proceeds of the Collateral Obligations being insufficient to pay all amounts due to the respective Classes of Noteholders or may result in a decrease in value of the Collateral for the purposes of sale thereof upon enforcement of the security over it. Furthermore, the terms of the Hedge Agreements may provide for the ability of the Hedge Counterparty to terminate such Hedge Agreement upon the occurrence of certain events, including related to certain regulatory matters. Any such termination in the case of a Currency Hedge Transaction would result in the Issuer being exposed to currency risk in respect of the related Non–Euro Obligations for so long as the Issuer has not entered into a replacement Currency Hedge Transaction, and may result in the Issuer being required to pay a termination amount to the relevant Hedge Counterparty. The Investment Manager may also be unable to find suitable Currency Hedge Counterparties willing to provide Currency Hedge Transactions. There are 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. See "*European Market Infrastructure Regulation (EMIR)*", "*CFTC Regulations*" and "*Commodity Pool Regulation*". See further "*Hedging Arrangements*" below.

The Issuer's ongoing payment obligations under the 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 increase the risk of a mismatch between the Non–Euro Obligations and the Notes. This may cause losses. The Investment Manager may be limited at the time of reinvestment in its choice of Collateral Obligations because of the cost of the foreign exchange hedging and due to restrictions in the Investment Management and Collateral Administration Agreement with respect to exercising such hedging. In addition, it may not be economically advantageous or feasible for the Issuer to exercise its hedging arrangements and such hedging arrangements may not be sufficient to protect the Issuer from fluctuations in Euro exchange rates.

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. See "*Counterparty Risk*" above. See also "*EU Bank Recovery and Resolution Directive*" above.

4.19 Reinvestment Risk/Uninvested Cash Balances

To the extent the Investment 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 Investment 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 Investment 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 Investment Manager may reinvest some types of Principal Proceeds (see "*The Investment 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 Investment 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 and the Coverage Tests are sensitive to variations in the ratings applicable to the underlying Collateral Obligations. Generally, deteriorations in the business environment or increases in the business risks facing any particular Obligor may result in downgrade of its obligations, which may result in such obligation becoming a Credit Risk Obligation, a CCC Obligation or Caa Obligation (and therefore potentially subject to haircuts in the determination of the Par Value Tests and restriction in the Portfolio Profile Tests) or a Defaulted Obligation. The Investment Management and Collateral Administration Agreement contains detailed provisions for determining the Fitch Rating and the Moody's Rating. In most instances, the Fitch Rating and the Moody's Rating will not be based on or derived from a public rating of the Obligor or the actual Collateral Obligation. In most cases, the Moody's Rating and Fitch Rating in respect of a Collateral Obligation will be based on a confidential credit estimate determined separately by Fitch and Moody's. Such confidential credit estimates are private and therefore not capable of being disclosed to Noteholders. In addition, some ratings will be derived by the Investment 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 Investment 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 Moody's Rating is derived from an S&P Rating. 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. Please see "*Ratings of the Notes*" and "*The Portfolio*" sections of this Offering Circular.

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 CCC Obligations and Caa Obligations in the Portfolio, which could cause the Issuer to fail to satisfy the Par Value Tests on subsequent Determination Dates, which failure could lead to the early amortisation of some or all of one or more Classes of the Notes. See Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*).

4.21 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, Senior Loans, Senior Bonds, Corporate Rescue Loans, Mezzanine Obligations and High Yield Bonds 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 Investment 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 Investment 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 yield and interest collection on the Collateral Obligations, which would have an adverse effect on the amount available for distributions on Notes, beginning with the Subordinated Notes as the most junior Class of Notes.

4.24 Changes in Tax Law; No Gross Up; General

The Eligibility Criteria require that at the time Collateral Obligations are acquired by the Issuer (or at the Issue Date if later), payments of interest on those Collateral Obligations will not be subject to withholding tax imposed by any jurisdiction unless either (i) 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 (and in the case of Participations, neither payments to the Selling Institution nor payments to the Issuer will be subject to withholding tax imposed by any jurisdiction unless the Obligor is required to make "gross–up" payments that compensate the Issuer directly or indirectly in full for any such withholding on an after–tax basis), (ii) such withholding can be

eliminated, on completion of procedural formalities, by application being made under an applicable double tax treaty or otherwise or (iii) if the Obligor is not required to make "gross-up" payments that compensate the Issuer directly or indirectly in full for such withholding on an after-tax basis, the Minimum Weighted Average Spread Test, based on payments received by the Issuer on an after-tax basis, is satisfied, or if not satisfied, is maintained or improved after such purchase. However, there can be no assurance that, whether as a result of any change in any applicable law, rule or regulation or interpretation thereof or otherwise, the payments on the Collateral Obligations will not be or become subject to withholding tax or increased withholding rates or tax by direct assessment in respect of which the relevant Obligor will not be obliged to gross up or indemnify the Issuer. In such circumstances, the Issuer may be able, but will not be obliged, to take advantage of (a) a double taxation treaty between Ireland and the jurisdiction from which the relevant payment is made, (b) the current applicable law in the jurisdiction of the relevant Obligor or (c) the fact that the Issuer has taken a Participation in such Collateral Obligations from a Selling Institution which is able to pay interest payable under such Participation gross. In the event that the Issuer receives any interest payments on any Collateral Obligation net of any applicable withholding tax, 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 and only if it (i) is tax resident in the UK or (ii) carries on a trade in the UK through a permanent establishment.

The Issuer will not be treated as being tax resident in the UK provided that the central management and control of the Issuer is not in the United Kingdom. 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 would generally be regarded as having a permanent establishment in the UK if it has a fixed place of business in the UK through which its business is wholly or partly owned 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 place of business in the UK. The Investment 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 Investment 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 Investment Manager for the purposes of UK taxation, it will not be subject to UK corporation tax if the domestic UK tax exemption (the "Investment Manager Exemption") for profits generated in the UK by an investment manager on behalf of its non-resident clients (section 1146 of the UK's Corporation Tax Act 2010) applies. It should be noted that the Investment Manager Exemption may not be available in the context of this transaction if the Investment Manager (or certain connected entities) holds more than 20 per cent. of the Subordinated Notes. However, if the Investment Manager Exemption is not available, the Issuer may nonetheless be able to rely on Article 8(1) of the UK-Ireland tax treaty to exclude a change to UK corporation tax or income tax on its profits resulting from the agency of the Investment Manager provided the Investment Manager is regarded as an independent agent acting in the ordinary course of its business for the purposes of Article 5(6) of the UK-Ireland tax treaty. If UK tax is imposed on the net income or profits of the Issuer, this may trigger a Note Tax Event and result in an optional redemption of the Notes.

Should the Investment Manager be assessed to UK tax on behalf of the Issuer, it may be entitled to an indemnity from the Issuer. Any payment to be made by the Issuer under this indemnity will be paid as Administrative Expenses of the Issuer. Administrative Expenses are payable by the Issuer on any Payment Date under the Priorities of 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 Investment Manager as its UK

representative. Should the Issuer be assessed on this basis, the Issuer will be liable to pay UK tax on its UK taxable profit attributable to its UK activities, such payment to be made subject to and in accordance with the Priorities of 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.

4.26 Diverted Profits Tax

The Finance Act 2015 has introduced a new tax in the United Kingdom to be called the "diverted profits tax" and charged at 25 per cent. of any "taxable diverted profits". The tax has effect from 1 April 2015 and may apply in circumstances including, where it is reasonable to assume that arrangements are designed to ensure that a non-United Kingdom resident company does not carry on a trade in the United Kingdom for United Kingdom corporation tax purposes and another person is carrying on activity in the United Kingdom in connection with supplies of services, goods or other property made by the non-United Kingdom resident company, the non-United Kingdom resident company is carrying on a trade and arrangements are in place the main purpose, or one of the main purposes, of which is to avoid or reduce a charge to 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.

Should the Investment Manager be assessed to diverted profits tax, it will in certain circumstances be entitled to an indemnity from the Issuer. Any payment to be made by the Issuer under this indemnity will be paid as Administrative Expenses of the Issuer as specified in the Interest Proceeds Priorities of Payments, the Principal Priority of Payments or the Post-Acceleration Priority of Payments, as applicable. It should be noted that H.M. Revenue & Customs would be entitled to seek to assess the Issuer to any diverted profits tax due directly rather than through the Investment Manager as its UK tax representative. Should the Issuer be assessed directly on this basis, the Issuer will be liable to pay such amounts in accordance with the Interest Priorities of Payments, the Principal Priority of Payments or the Post-Acceleration Priority of Payments, as applicable. If United Kingdom diverted profits tax were to be imposed upon the Issuer or upon the Investment Manager (in its capacity as UK tax representative of the Issuer), then in certain circumstances the Notes may be redeemed (in whole but not in part) at the option of each of the Controlling Class or the Subordinated Noteholders in each case acting by Extraordinary Resolution. See Condition 7(g) (*Redemption following a Note Tax Event*).

4.27 Investment Manager

The Investment Manager is given authority in the Investment Management and Collateral Administration Agreement to act as Investment Manager to the Issuer in respect of the Portfolio pursuant to and in accordance with the parameters and criteria set out in the Investment Management and Collateral Administration Agreement. See "*The Portfolio*" and "*Description of the Investment Management and Collateral Administration Agreement*" sections of this Offering Circular. Any analysis by the Investment Manager (on behalf of the Issuer) of Obligors under Collateral Obligations which it is purchasing (on behalf of the Issuer) or which are held in the Portfolio from time to time will, in respect of Collateral Obligations which are publicly listed bonds, be limited to a review of readily available public information and in respect of Collateral Obligations which are bonds which are not publicly listed, any analysis by the Investment Manager (on behalf of the Issuer) will be in accordance with standard review procedures for such type of bonds and, in respect of Collateral Obligations which are Assignments or Participations of senior and mezzanine loans and in relation to which the Investment Manager has non–public information, such analysis will include due diligence of the kind common in relation to loans of such kind (as more fully set out in the Investment Management and Collateral Administration Agreement).

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

Pursuant to the Investment Management and Collateral Administration Agreement, the Investment Manager will not be liable to the Issuer, the Trustee or the holders of the Notes or any other Person for any losses, claims, damages, judgments, assessments, costs, taxes or other liabilities whatsoever (collectively, "**Liabilities**") incurred by the Issuer, the Trustee, the Noteholders or any other Person that arise out of or in connection with the performance by the Investment Manager of its duties under the Investment Management and Collateral Administration Agreement, except where such Liabilities arise (a) by reason of acts or omissions constituting bad faith, wilful misconduct or gross negligence (as such concept is interpreted by the New York courts) in the making of the representations or the performance of the obligations (including the services and duties) of the Investment Manager under the Investment Management and Collateral Administration Agreement, or (b) with respect to the information concerning the Investment Manager provided in writing by the Investment Manager for inclusion in this Offering Circular if such information contains any untrue statement of material fact or omits to state a material fact necessary in order to make the statements contained in the sections headed "*Risk Factors – Certain Conflicts of Interest – Certain Conflicts of Interest Involving the Investment Manager and its Affiliates*" and "*Description of the Investment Manager*" of this Offering Circular, in the light of the circumstances under which they were made, not misleading. Matters described in (a) and (b) above are collectively referred to as "**Investment Manager Breaches**". See further "*Description of the Investment Management and Collateral Administration Agreement - Limits on Responsibility*" below. Investors should note that, for such purpose and notwithstanding that the Notes and the Transaction Documents (save for the Corporate Services Agreement, which is governed by the laws of Ireland) are governed by English law, the interpretation of "gross negligence" will be pursuant to New York law. Under New York law, the concept of gross negligence is a significantly lower standard than negligence under English law, requiring conduct akin to intentional wrongdoing or reckless indifference under English law. As a result, the Investment Manager may in some circumstances have no liability for its actions or inactions under the Transaction Documents where it would otherwise have been liable if a mere negligence standard was applied under English law or if New York law was not designated as the law pursuant to which the concept of gross negligence for this purpose would be interpreted.

The actual performance of the Issuer will depend on numerous factors which are difficult to predict and may be beyond the control of the Investment 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 Investment 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 Investment Manager or Affiliates of the Investment Manager should not be relied upon as an indication or prediction of the performance of the Issuer. Such other CLO Vehicles and Other Funds may have significantly different characteristics, including but not limited to their structures, composition of the collateral pool, investment objectives, leverage, financing costs, fees and expenses, management personnel and other terms when compared to the Issuer and may have been formed and managed under significantly different market conditions than those which apply to the Issuer and its Portfolio.

In addition, the Investment Manager may resign or be removed in certain circumstances as described herein under "*Description of the Investment Management and Collateral Administration Agreement*". There can be no assurance that any successor investment manager would have the same level of skill in performing the obligations of the Investment Manager, in which event payments on the Notes could be reduced or delayed. The Senior Management Fee and the Subordinated Management Fee may be adjusted at the discretion of the Issuer (with the consent of the Trustee, Rating Agency Confirmation and an Extraordinary Resolution of each Class of Noteholders) in the event of a replacement or Substitute Investment Manager being appointed in place of the Investment Manager.

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

The Investment 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 Investment 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 Investment 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 Investment Manager to perform its duties under the Transaction Documents.

4.28 No Arranger or Initial Purchaser Role Post–Closing

The Arranger and the Initial Purchaser 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 Investment Manager or the Issuer and no authority to advise the Investment Manager or the Issuer or to direct their actions, which will be solely the responsibility of the Investment Manager and the Issuer. If the Arranger, the Initial Purchaser or any of their respective Affiliates owns Notes, it 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.

4.29 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), are expected to be approximately €352,162,650. Such proceeds will be used by the Issuer to finance the acquisition of certain Collateral Obligations purchased by the Issuer prior to the Issue Date from the Retention Holder. 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. The Investment 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, the Reinvestment Criteria and the other requirements of the Investment Management and Collateral Administration Agreement. The failure or inability of the Investment 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 Investment Management and Collateral Administration Agreement and as described herein, the Investment 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 Investment Management and Collateral Administration Agreement, sales and purchases by the Investment 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 Investment 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 Investment Management and Collateral Administration Agreement.

4.30 Valuation Information; Limited Information

None of the Arranger, the Initial Purchaser, the Investment Manager or any other transaction party will be required to provide periodic pricing or valuation information to investors. Investors will receive limited information with regard to the Collateral Obligations and none of the transaction parties (including the Issuer, Trustee, or Investment Manager) will be required to provide any information other than what is required in the Trust Deed or the Investment Management and Collateral 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 Investment Manager may be in possession of material, non–public information with regard to the Collateral Obligations and will not be required to disclose such information to the Noteholders.

4.31 Recharacterisation of Trading Gains

Pursuant to the Conditions, all or part of any Trading Gains which would have been deposited into the Principal Account and designated for reinvestment or used to redeem the Notes in accordance with the Principal Priority of Payments shall (if the deposit of such amounts into the Principal Account would, in the sole discretion of the Investment Manager, cause a Retention Deficiency) instead be deposited into the Supplemental Reserve Account, subject to certain conditions. Such Trading Gains may, at the direction of the Issuer (or the Investment

Manager acting on its behalf), be applied to one or more Permitted Uses, which include being credited to the Interest Account for distribution as Interest Proceeds in accordance with the Priorities of Payment and being applied towards the purchase of Rated Notes in accordance with Condition 7(1) (*Purchase*). At the direction of the Issuer (or the Investment Manager acting on its behalf) such Trading Gains may not be available to be reinvested in Collateral Obligations and therefore the Aggregate Principal Balance of Collateral Obligations securing the Notes may be less than what would have otherwise been the case if such amounts had been reinvested in Collateral Obligations.

5. IRISH LAW

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

Centre of main interest

The Issuer has its registered office in Ireland. Under Regulation (EU) No. 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings (recast) (the "Recast EU Insolvency Regulation"), the Issuer's centre of main interest ("**COMI**") is presumed to be the place of its registered office (i.e. Ireland) in the absence of proof to the contrary and provided that the Issuer did not move its registered office within the 3 months prior to a request to open insolvency proceedings. As a result there is a rebuttable presumption that the Issuer's COMI is in Ireland and consequently that any main insolvency proceedings applicable to it would be governed by Irish law. In the decision by the European Court of Justice ("**ECJ**") in relation to Eurofood IFSC Limited, the ECJ restated the presumption in the previous EU Insolvency Regulation (Council Regulation (EC) No. 1346/2000 of 29 May 2000 on Insolvency Proceedings), that the place of a company's registered office is presumed to be the company's COMI and stated that the presumption can only be rebutted if "factors which are both objective and ascertainable by third parties enable it to be established that an actual situation exists which is different from that which locating it at the registered office is deemed to reflect". As the Issuer has its registered office in Ireland, currently has Irish directors, is registered for tax in Ireland and has an Irish corporate services provider, the Issuer does not believe that factors exist that would rebut this presumption, although this would ultimately be a matter for the relevant court to decide, based on the circumstances existing at the time when it was asked to make that decision. If the Issuer's COMI is not located in Ireland, and is held to be in a different jurisdiction within the European Union, main insolvency proceedings may not be opened in Ireland.

Examinership

Examinership is a court moratorium/protection procedure which is available under Irish company law to facilitate the survival of Irish companies in financial difficulties. Where a company, which has its COMI in Ireland is, or is likely to be, unable to pay its debts an examiner may be appointed on a petition to the relevant Irish court under Section 509 of the Companies Act 2014. The Issuer, the directors of the Issuer, a contingent, prospective or actual creditor of the Issuer, or shareholders of the Issuer holding, at the date of presentation of the petition, not less than one–tenth of the voting share capital of the Issuer are each entitled to petition the court for the appointment of an examiner.

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

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

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

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

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

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

Preferred Creditors

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

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

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

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

6. CERTAIN CONFLICTS OF INTEREST

The following briefly summarises certain potential and actual conflicts of interest which may arise from the overall activity of (i) the Investment Manager, its clients and its Affiliates, (ii) the Rating Agencies, and (iii) the Initial Purchaser and its Affiliates, but is not intended to be an exhaustive list of all such conflicts.

Past performance of Investment Manager not indicative

The past performance of the Investment Manager and principals or Affiliates thereof in managing other portfolios or investment vehicles may not be indicative of the results that the Investment Manager may be able to achieve with the Collateral Obligations. Similarly, the past performance of the Investment Manager and principals or Affiliates thereof over a particular period may not be indicative of the results that may occur in future periods. Furthermore, the nature of, and risks associated with, the Issuer's investments may differ from those investments and strategies undertaken historically by the Investment Manager and principals and Affiliates thereof. There can be no assurance that the Issuer's investments will perform as well as past investments of the Investment Manager or principals or Affiliates thereof, that the Issuer will be able to avoid losses or that the Issuer will be able to make investments similar to such past investment. In addition, such past investments may have been made utilising a leveraged capital structure and an asset mix and fee arrangements that are different from the anticipated capital structure, asset mix and fee arrangements of the Issuer. Moreover, because the Eligibility Criteria that govern investments in the Collateral Obligations do not govern the principals' investments and investment strategies generally, such investments conducted in accordance with such criteria, and the results they yield, are not directly comparable with, and may differ substantially from, other investments undertaken by the Investment Manager and principals and Affiliates thereof.

The Issuer will depend on the managerial expertise available to the Investment Manager, its Affiliates and its key personnel

The Issuer's investment activities as regards the management of the Portfolio will generally be directed by the Investment Manager. The Noteholders will generally not make decisions with respect to the management,

disposition or other realisation of any Collateral Obligation, or other decisions regarding the business and affairs of the Issuer. Consequently, the performance of the Portfolio will depend, in large part, on the financial and managerial expertise of the Investment Manager's investment professionals from time to time. There can be no assurance that such investment professionals will continue to serve in their current positions or continue to be employed by the Investment Manager. If one or more of the investment professionals of the Investment Manager were to leave the Investment Manager, the Investment Manager would have to reassign responsibilities internally and/or hire one or more replacement employees, and the foregoing could have a material adverse effect on the performance of the Issuer. See "*Description of The Investment Manager*" and "*Description of the Investment Management and Collateral Administration Agreement*".

Certain Conflicts of Interest Involving the Investment Manager and its Affiliates

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

The Investment Manager and its employees, clients and Affiliates may buy additional Notes at any time, from which the Investment Manager or such employees, clients or Affiliates may derive revenues and profits in addition to the fees disclosed herein. There will be no restriction on the ability of the Investment Manager or any Affiliate of the Investment Manager, any director, officer or employee of such entities or any fund or account for which the Investment Manager or its Affiliates exercises discretionary voting authority on behalf of such fund or account in respect of the Notes ("**Investment Manager Related Person**"), the Arranger, the Initial Purchaser, 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 (except that, other than in connection with an IM Replacement Resolution where the successor investment manager is not an Affiliate of the Investment Manager, Notes held by the Investment Manager and any Investment Manager Related Person will have no voting rights with respect to any vote on any IM Replacement Resolution or IM Removal Resolution and will be deemed not to be Outstanding in connection with any such vote).

If an optional redemption, following a Note Tax Event or an acceleration of the Notes after an Event of Default occurs, the Investment Manager has the right to bid on all or a portion of the Collateral Obligations for its own account, the account of any Affiliate or an account that it manages, subject to the satisfaction of the requirements set out in the Trust Deed.

The Investment Manager is entitled to the Senior Management Fee, the Subordinated Management Fee and in certain circumstances, the Incentive Investment Management Fee in the priorities set out herein, subject to the Priorities of Payment (and in the case of the Incentive Investment Management Fee only, Condition 3(j)(vi) (*Supplemental Reserve Account*)) as described herein and the availability of funds therefor. By reason of the Incentive Investment Management Fee, the Investment Manager may have a conflict between its obligation to manage the Portfolio prudently and the financial incentive created by such fees for the Investment Manager to make investments that are riskier or more aggressive than would be the case in the absence of such fees.

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 accrue interest at a rate of EURIBOR for the applicable Accrual Period plus 2.0 per cent. and will be payable on subsequent Payment Dates on which funds are available therefor according to the Priorities of Payment.

The Investment Manager may agree to permit a portion of any Investment Management Fee (the "**Rebate**") to be paid to one or more of the Noteholders, any of its other Affiliates or accounts or funds managed by it or its Affiliates or any transferee (which may or may not be a Noteholder).

The Investment Manager may, in its sole discretion, rebate or pay all or a part of its Investment Management Fees to funds managed by it, its affiliates or other parties. In consideration for the Retention Holder's role in establishing the CLO transaction described herein, the Investment Manager has agreed to rebate to the Retention Holder a portion of the Investment Management Fees that it earns in its capacity as Investment Manager to the Issuer.

The Investment Manager has further rights as to optional redemption of the Notes, as further outlined at "*The Notes are Subject to Optional Redemption in Whole or in Part by Class*". The Investment Manager has no duty or obligation to consider the interests of any other Noteholders when exercising the above rights nor does the Investment Manager owe any fiduciary duties to the Issuer, the Noteholders or any other party. No assurance can be made as to whether the Investment Manager will exercise its rights under the Conditions in a manner favourable to the holders of any Class of Notes.

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

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

Furthermore, the Investment Manager's ability to buy obligations (on behalf of the Issuer) for inclusion in the Portfolio or sell obligations which are part of the Portfolio may be restricted by limitations contained in the Investment Management and Collateral Administration Agreement and the Trust Deed. Accordingly, during certain periods or in certain specified circumstances, the Investment Manager (on behalf of the Issuer) may be unable to buy or sell obligations or to take other actions that the Investment Manager might consider in the best interest of the Issuer and the Noteholders. The Investment Manager and any of its Affiliates may engage in any other business and furnish investment management and advisory services to others, which may include, without limitation, serving as Investment Manager for, investing in, lending to, or being Affiliated with, other entities organised to issue collateralised bond or debt obligations secured by securities such as the Notes and other trusts and pooled investment vehicles that acquire interests in, provide financing to, or otherwise deal with securities issued by, issuers that would be suitable investments for the Issuer. The Investment Manager will be free, in its sole discretion, to make recommendations to others, or effect transactions on behalf of itself or for others, that may be the same as or different from those effected on behalf of the Issuer, and the Investment Manager may furnish investment management and advisory services to others who may have investment policies similar to those followed by the Investment Manager with respect to the Issuer and who may own securities which are the same type as the Collateral Obligations.

The Investment Manager may, to the extent permitted under applicable law, and subject to compliance with the applicable provisions of the Investment Management and Collateral Administration Agreement, effect client cross-transactions where the Investment Manager causes a transaction to be effected between the Issuer and other account(s) advised by it or any of its Affiliates. In addition, with the prior authorisation of the Issuer, which can be revoked at any time, the Investment Manager may enter into agency cross-transactions where it or any of its Affiliates acts as broker for the Issuer and for the other party to the transaction, to the extent permitted under applicable law and subject to compliance with the applicable provisions of the Investment Management and Collateral Administration Agreement, in which case any such Affiliate will receive commissions from, and have a potentially conflicting division of loyalties and responsibilities regarding, both parties to the transaction. In addition, subject to compliance with the applicable provisions of the Investment Management and Collateral Administration Agreement, the Investment Manager may, to the extent permitted by applicable law, effect transactions between the Issuer and the Investment Manager and/or any of its Affiliates as principal.

The Investment Manager may make recommendations and effect transactions on behalf of its Related Entities which differ from those effected with respect to the Collateral Obligations. The Investment Manager may often be seeking simultaneously to purchase or sell investments for the Issuer, itself and similar entities or other investment accounts for which it serves as Investment Manager or for Related Entities, and the Investment Manager will have the discretion to apportion such purchases or sales among such entities. Prior to the Issue Date, the Investment Manager may effect acquisitions of Collateral Obligations or enter into binding commitments to purchase Collateral Obligations on behalf of the Issuer, from funds or other CLOs in relation to which it or any of its Affiliates, may be the investment manager or may exercise investment discretion in relation thereto. The Investment Manager cannot assure equal treatment across its investment clients. When the Investment Manager determines that it would be appropriate for the Issuer and one or more Related Entities to participate in an investment opportunity or sell an investment, the Investment Manager will seek to execute orders for all of the participating investment accounts, including the Issuer and its own account, on an equitable basis. If the Investment Manager has determined to invest or sell at the same time for more than one of the Related Entities, the Investment Manager will generally place combined orders for all such Related Entities simultaneously and if all such orders are not filled at the same price, it will use reasonable efforts to allocate such purchases and sales in an equitable manner and in accordance with applicable law. Similarly, if an order on behalf of more than one Related Entity cannot be fully executed under prevailing market conditions, the Investment Manager will allocate the investments traded among the Issuer and different Related Entities on a basis that it considers equitable. Situations may occur where the Issuer could be disadvantaged because of the investment activities conducted by the Investment Manager for the Related Entities.

The Investment Manager may participate in creditors' committees with respect to the bankruptcy, restructuring or work out of issuers of Collateral Obligations. In such circumstances, the Investment Manager may take positions on behalf of itself or Related Entities that are adverse to the interests of the Issuer in the Collateral Obligations. The Investment Manager will be entitled to receive any fees and commissions received in connection with the work out or restructuring of any Defaulted Obligations or Collateral Obligations, or any arranging and underwriting fees.

With respect to any vote or any calculation of quorum or the results of any vote in connection with an IM Removal Resolution or IM Replacement Resolution, any Notes, other than in connection with an IM Replacement Resolution where the successor investment manager is not an Affiliate of the Investment Manager,

held by the Investment Manager or an Investment Manager Related Person shall be disregarded and deemed not to be Outstanding in connection with such vote or calculation. Any investment in Notes by ICML or one or more Affiliates of ICML or accounts managed by ICML as to which ICML has discretionary voting authority may give the Investment Manager an incentive to take actions that may vary from the interests of the holders of other Notes.

The Investment Manager may discuss the composition of the Issuer's Collateral Obligations or other matters relating to the transaction with its Affiliates or clients purchasing Notes or with third party investors. There can be no assurance that any such discussions will not influence the Investment Manager's decisions.

As further described in "*Acquisition of Collateral Obligations Prior to the Issue Date*", the Investment Manager will (on behalf of the Issuer) acquire or commit to acquire Collateral Obligations. Prior to the Issue Date, the Issuer may acquire, or enter into binding commitments to acquire, Collateral Obligations and other assets comprising the Portfolio from funds or other CLOs in relation to which the Investment Manager or any of its Affiliates, may be the investment manager or may exercise investment discretion in relation thereto.

The Investment Manager also has approval rights in relation to additional issuances of each Class of Notes (see Condition 17 (*Additional Issuances*)) and the Investment Manager has no duty or obligation to consider the interests of any Noteholders when exercising such rights nor will it owe any fiduciary duties to the Issuer, the Noteholders or any other party. No assurance can be given as to whether the Investment Manager will exercise its rights under the Conditions in a manner favourable to the holders of any Class of Notes.

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

Rating Agencies

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

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

Credit Suisse Securities (Europe) Limited and its Affiliates (together, the "**Credit Suisse Parties**") will play various roles in relation to the offering, including acting as the structurer of the transaction, as a seller of Collateral Obligations and in other roles described below. One or more Credit Suisse Parties may also act as a Hedge Counterparty.

The criteria in and provisions of the Trust Deed and the Investment Management and Collateral Administration Agreement including but not limited to the Portfolio Profile Tests, Coverage Tests, Collateral Quality Tests and Priorities of Payment may be influenced by discussions that the Initial Purchaser may have or have had with one or more investors. There is no assurance that investors would agree with the views of one another or that any adjustments or modifications which result from such discussions will not adversely affect the performance of the Notes or any particular Class of Notes.

An Affiliate of the Initial Purchaser also provided short-term financing (the "**Bridge Financing**") to the Retention Holder in respect of the acquisition by the Retention Holder of certain Collateral Obligations prior to the Issue Date. It is intended that the Bridge Financing will be repaid in full by the Retention Holder on the Issue Date out of the sale proceeds received by the Retention Holder from the Issuer in respect of the sale of Collateral Obligations to the Issuer on the Issue Date. Accordingly, the Initial Purchaser and its Affiliate's motivation to issue the Notes may be influenced by the repayment of such Bridge Financing.

The Initial Purchaser will purchase the Notes from the Issuer on the Issue Date and resell them in individually negotiated transactions at varying prices, which may result in a lower net fee being paid to the Initial Purchaser in respect of those Notes. The Credit Suisse Parties may assist clients and counterparties in transactions related to the Notes (including assisting clients in future purchases and sales of the Notes and financing and hedging transactions). The Credit Suisse Parties expect to earn fees and other revenues from these transactions.

The Credit Suisse Parties may retain a certain portion 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 Credit Suisse 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 (including but not limited to instruments such as the Notes) for their own account and for the accounts of customers in the ordinary course of their business. The financial services that the Credit Suisse Parties may provide also include financing. One or more Credit Suisse Parties have provided the Bridge Financing and may provide other financing to the Retention Holder and/or any of its Affiliates and such financing may directly or indirectly involve financing the Retention Notes. In the case of any such financing, the Credit Suisse Parties may receive security over assets of the Retention Holder and/or its Affiliates, including security over the Retention Notes, resulting in the Credit Suisse Parties having enforcement rights and remedies which may include the right to appropriate or sell the Retention Notes. When exercising its rights in connection with such financing, the relevant Credit Suisse Party may seek to enforce its security over all or some of the Retention Notes and take possession or sell such Retention Notes to a third party. In such circumstances, the Retention Holder may not be able to comply with its undertakings related to the Retention Requirements (see further "*EU Risk Retention and Due Diligence Requirements*" above). In addition, the Credit Suisse Parties may derive fees and other revenues from the arrangement and provision of such financing. The Credit Suisse Parties may have positions in and will likely have placed, underwritten, syndicated and/or traded certain of the Collateral Obligations (or other obligations of the Obligors of Collateral Obligations) and may have provided or may be providing investment banking services and other services to Obligors of certain Collateral Obligations. In addition, the Credit Suisse 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 Credit Suisse 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 Credit Suisse Parties or in which one or more Credit Suisse Parties hold an equity or participation interest. The purchase, holding or sale of such Collateral Obligations by the Issuer may increase the profitability of a Credit Suisse Party's own investments in such Obligors while the value of the Notes may decline.

From time to time the Investment Manager may purchase from or sell Collateral Obligations through or to the Credit Suisse Parties and one or more Credit Suisse Parties may act as a counterparty under a Hedge Agreement. The entry into of such purchase or sell transactions and/or Hedge Transactions by any Credit Suisse Party is expected to increase the profitability of such Credit Suisse Party and it is not intended that the interests of the Noteholders or any other party will be taken into account by the relevant Credit Suisse Party in the exercise of its rights and the performance of its obligations under such purchase or sell transactions or Hedge Transactions. The Credit Suisse Parties may act as placement agent and/or initial purchaser or investment manager in other transactions involving issues of collateralised debt obligations or other investment funds with assets similar to those of the Issuer, which may have an adverse effect on the availability of collateral for the Issuer and/or on the price of the Notes.

The Credit Suisse 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, Credit Suisse Parties and employees or customers of the Credit Suisse 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. On the Issue Date, Credit Suisse Parties will purchase the Notes; however, they may sell those Notes at any time. After the Issue Date, Credit Suisse Parties may purchase Notes from time to time. If a Credit Suisse 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 Credit Suisse 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 Credit Suisse 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.

The Arranger and the Initial Purchaser take no responsibility for, and have no obligations in respect of, the Issuer, and will have no obligation to monitor the performance of the Collateral or the actions of the Investment Manager or the Issuer and will have no authority to advise the Investment Manager or the Issuer or to direct their actions, which will be solely the responsibility of the Investment Manager (only with respect to its own actions and responsibilities) and the Issuer. If the Arranger, the Initial Purchaser or their Affiliates own Notes, they will have no responsibility to consider the interests of any other owners of Notes in actions they take or refrain from taking in such capacity.

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.

7. INVESTMENT COMPANY ACT

The Issuer has not registered with the United States Securities and Exchange Commission (the "**SEC**") as an investment company pursuant to the Investment Company Act, in reliance on an exemption under Section 3(c)(7) of the Investment Company Act for investment companies (a) whose outstanding securities are beneficially owned only by "qualified purchasers" (within the meaning given to such term in the Investment Company Act and the regulations of the SEC thereunder) 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 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, subject to the provisions of such Global Certificates. See "Form of the Notes".

The issue of €1,000,000 Class X Senior Secured Floating Rate Notes due 2030 (the "**Class X Notes**"), €201,000,000 Class A Senior Secured Floating Rate Notes due 2030 (the "**Class A Notes**"), €36,000,000 Class B-1 Senior Secured Floating Rate Notes due 2030 (the "**Class B-1 Notes**"), €16,000,000 Class B-2 Senior Secured Floating Rate Notes due 2030 (the "**Class B-2 Notes**" and together with the Class B-1 Notes, the "**Class B Notes**"), €12,500,000 Class C-1 Senior Secured Deferrable Floating Rate Notes due 2030 (the "**Class C-1 Notes**"), €7,500,000 Class C-2 Senior Secured Deferrable Floating Rate Notes due 2030 (the "**Class C-2 Notes**" and together with the Class C-1 Notes, the "**Class C Notes**"), €19,500,000 Class D Senior Secured Deferrable Floating Rate Notes due 2030 (the "**Class D Notes**"), €23,500,000 Class E Senior Secured Deferrable Floating Rate Notes due 2030 (the "**Class E Notes**"), €10,000,000 Class F Senior Secured Deferrable Floating Rate Notes due 2030 (the "**Class F Notes**" and, together with 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, the "**Rated Notes**") and the €38,400,000 Subordinated Notes due 2030 (the "**Subordinated Notes**" and, together with the Rated Notes, the "**Notes**") of St. Paul's CLO V DAC (the "**Issuer**") was authorised by resolution of the board of Directors of the Issuer dated on or about 16 August 2017. 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 16 August 2017 between (amongst others) the Issuer and Citibank, N.A., London Branch in its capacity as trustee (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed) for itself and for the Noteholders and security trustee for the Secured Parties.

These terms and conditions of the Notes (the "**Conditions of the Notes**" or the "**Conditions**") include summaries of, and are subject to, the detailed provisions of the Trust Deed (which includes the forms of the certificates representing the Notes). The following agreements have been entered into in relation to the Notes: (a) an agency and account bank agreement to be dated on or about 16 August 2017 (the "**Agency and Account Bank Agreement**") between, amongst others, the Issuer, the Trustee, the Investment Manager, Citibank, N.A., London Branch, account bank, calculation agent and custodian (respectively, the "**Account Bank**", the "**Calculation Agent**" and the "**Custodian**, which terms shall include any successor or substitute account bank, calculation agent or custodian, respectively, appointed pursuant to the terms of the Agency and Account Bank Agreement), Citigroup Global Markets Deutschland AG, as registrar, principal paying agent and transfer agent (respectively the "**Registrar**", "**Principal Payment Agent**" and "**Transfer Agent**" which terms shall include any successor or substitute registrar, principal paying agent or transfer agent respectively appointed pursuant to the terms of the Agency and Account Bank Agreement and together with the Transfer Agent, the "**Transfer Agents**") and the Collateral Administrator (as defined below), the Information Agent (as defined below) and the Trustee; (b) an Investment Management and Collateral Administration Agreement to be dated on or about 16 August 2017 (the "**Investment Management and Collateral Administration Agreement**") between Intermediate Capital Managers Limited, as investment manager in respect of the Portfolio (the "**Investment Manager**", which term shall include any successor or substitute investment manager appointed pursuant to the terms of the Investment Management and Collateral Administration Agreement), the Issuer, Virtus Group L.P, as collateral administrator (the "**Collateral Administrator**", which term shall include any successor or substitute collateral administrator, appointed pursuant to the terms of the Investment Management and Collateral Administration Agreement), Citibank, N.A., London Branch, as information agent (the "**Information Agent**", which term shall include any successor or substitute information agent appointed pursuant to the terms of the Investment Management and Collateral Administration Agreement), the Custodian and the Trustee; (c) an administration agreement dated 6 June 2014 (the "**Administration Agreement**") between the Issuer and Maples Fiduciary Services (Ireland) Limited as administrator (the "**Administrator**", which term shall include any successor or administrators of the Issuer appointed in accordance with the terms of the Administration Agreement) and (d) a retention undertaking letter dated the Issue Date (the "**Retention Undertaking Letter**") between the Arranger, the Initial Purchaser, the Issuer, the Collateral Administrator, the Investment Manager, the Trustee and NP Europe Loan Management I Designated Activity Company as the retention holder (in such capacity, the "**Retention Holder**", which term shall include its permitted assigns from time to time). Copies of the Trust Deed, the Agency and Account Bank Agreement and the Investment Management and Collateral Administration Agreement are available for inspection during usual business hours at the registered office of the Issuer presently at 32 Molesworth Street, Dublin 2, Ireland and at the specified offices of the Transfer Agents

for the time being. The holders of each Class of Notes are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of each Transaction Document.

1. Definitions

"**Acceleration Notice**" shall have the meaning given thereto 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, any Counterparty Downgrade Collateral Accounts, the Currency Accounts, the Hedge Termination Account, the Interest Smoothing Account, the Unfunded Revolver Reserve Account and the Collection Account.

"**Accrual Period**" means, in respect of each Class of Notes, the period from and including the Issue Date (or in the case of a Class that is subject to Refinancing, the Business Day upon which the Refinancing occurs) to, but excluding, the first Payment Date (or, in the case of a Class that is subject to Refinancing, the first Payment Date following the Refinancing) and each successive period from and including each Payment Date to, but excluding, the following Payment Date.

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

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

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

(c) without duplication, 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), including Eligible Investments therein which represent Principal Proceeds, provided in each case that such amounts to be used to purchase Collateral Obligations in respect of which the Issuer has entered into a binding commitment to purchase, but which have 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 which have not yet settled, shall be included as if such sale has been completed; plus

(d) in relation to each Deferring Security or Defaulted Obligation the lesser of (i) its Moody's Collateral Value and (ii) its Fitch Collateral Value; 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/Caa Adjustment Amount;

provided that:

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

(ii) in respect of (b) above, any non–Euro amounts received will be converted into Euro (A) in the case of each Currency Hedge Obligation, at the applicable Currency Hedge Transaction Exchange Rate for the related Currency Hedge Transaction and (B) in the case of each Unhedged Collateral Obligation, at the applicable Spot Rate.

"**Administrative Expenses**" means fees, liabilities and all other amounts due and payable by the Issuer in the following order of priority (in each case, other than where expressly set out below, together with any VAT thereon (and to the extent such amounts relate to costs and expenses of a person other than the Issuer, such VAT shall be limited to irrecoverable VAT), 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, to the extent that interest is payable by the Issuer to the Account Bank, to the payment of such amount by the Issuer to the Account Bank subject to and in accordance with the Agency and Account Bank Agreement), (ii) the Collateral Administrator and the Information Agent pursuant to the Investment Management and Collateral Administration Agreement; (iii) the Administrator pursuant to the Administration Agreement, and (iv) the Irish Stock Exchange, or such other stock exchange or exchanges upon which the Notes are listed from time to time and in the case of (i), (ii) and (iii), including amounts by way of indemnity;

(b) on a *pro rata* basis to 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);

(iii) to the Investment Manager pursuant to the Investment Management and Collateral 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 Investment Manager and the costs and expenses of any agents providing systems administration services to the Investment Manager (including indemnities provided for therein)), but excluding any Investment Management Fees and any VAT payable thereon and excluding any amounts in respect of Investment 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 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 Initial Purchaser pursuant to the Subscription Agreement in respect of any indemnity payable to it 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 any person in respect of the payment of any amounts necessary to ensure the orderly dissolution of the Issuer;

(x) to any person in connection with satisfying the requirements of Rule 17g–5; and

(xi) to the payment of amounts due to an agent bank in relation to the performance of its duties under a syndicated Secured Senior Loan or Revolving Obligation but excluding any amounts paid in respect of the acquisition or purchase price of such syndicated Secured Senior Loan or Revolving Obligation;

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

(i) on a *pro rata* basis to any other Person (including the Investment Manager) in connection with satisfying the requirements of EMIR, CRA3, Securitisation Regulation, AIFMD or the Dodd–Frank Act, in each case as applicable to the Issuer only;

(ii) on a *pro rata* basis to any Person (including the Investment Manager) in connection with satisfying the EU Retention Requirements, in each case as applicable to the Issuer only, including any costs or fees related to additional due diligence or reporting requirements; and

(iii) FATCA Compliance Costs, CRS Compliance Costs and the aggregate cumulative costs of the Issuer in order to achieve compliance with each other regime for the automatic exchange of tax information to which it is subject;

(e) reasonable fees, costs and expenses of the Issuer and Investment Manager including reasonable attorneys' fees of compliance by the Issuer and the Investment Manager with the Commodity Exchange Act (including rules and regulations promulgated thereunder);

(f) any Refinancing Costs (including any amounts reserved or to be reserved to fund the payment of any anticipated fees, costs, charges and expenses that may be incurred by or on behalf of the Issuer in respect of any expected Refinancing) to the extent not already provided for above; and

(g) except to the extent already provided for above, on a *pro rata* basis payment of any indemnities payable to any Person as contemplated in these Conditions or the Transaction Documents, and on a *pro rata* basis payment of all other fees, costs and expenses payable to any Person by the Issuer under the Transaction Documents and designated as "Administrative Expenses" of the Issuer.

provided that:

(x) the Investment Manager may direct the payment of any Rating Agency fees set out in (c)(i) above other than in the order required by paragraphs (a) to (g) above if the Investment Manager, the Trustee or the 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 Investment Manager, in its reasonable judgement may determine that a payment other than in the order required by paragraphs (a) to (g) above is required to ensure the delivery of certain accounting services and reports, including, but not limited to, any services and reports required to be produced in order to complete any Report or Effective Date Report.

"**Affected Collateral**" has the meaning given thereto in Condition 4(a) (*Security*).

"**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 (i) 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; (ii) no entity shall be deemed an Affiliate of the Issuer solely because the Administrator or any of its Affiliates acts as administrator or share trustee for such entity; (iii) no entity to which the Investment Manager provides investment management or advisory services shall be deemed an Affiliate of the Investment Manager solely because the Investment Manager acts in such capacity, unless either of the foregoing paragraphs (a) or (b) is satisfied as between such entity and the Investment Manager; and (iv) "Affiliate" or

"Affiliated" in relation to the Investment Manager shall not include portfolio companies in which funds managed or advised by Affiliates of the Investment Manager hold an interest.

"**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 Investment Management and Collateral 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 Collateral Obligations, in each case, as at the date of determination.

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

"**AIFMD Retention Requirements**" means Article 17 of the AIFMD, as implemented by Section 5 of the AIFM Regulation, including any guidance published in relation thereto and any implementing laws or regulations in force in any member state of the European Union, provided that any reference to the AIFMD Retention Requirements shall be deemed to include any successor or replacement provisions of Section 5 of the AIFM Regulation included in any European Union directive or regulation subsequent to the AIFMD or the AIFM Regulation.

"**Anti–Dilution Percentage**" has the meaning given thereto in Condition 17(a) (*Additional Issuances*).

"**Applicable Exchange Rate**" means, in relation to any Currency Hedge Agreement, the exchange rate set out in the relevant Currency Hedge Transaction and, in all other cases, the Spot Rate.

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

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

"**Arranger**" means Credit Suisse Securities (Europe) Limited as arranger.

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

"**Benefit Plan Investor**" means:

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

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

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

"**Bivariate Risk Table**" means the table set forth in the Investment Management and Collateral 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.

"**Caa Obligations**" means all Collateral Obligations, excluding Defaulted Obligations with a Moody's Rating of "Caa1" or lower.

"**CCC/Caa Excess**" means, in respect of any date of determination, the amount equal to the greater of:

(a) the excess of the Aggregate Principal Balance of all Caa Obligations over an amount equal to 7.5 per cent. of the Collateral Principal Amount (calculated for this purpose on the basis that the Principal Balance of each Defaulted Obligation is its Moody's Collateral Value) as of the relevant date of determination; and

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

provided that, in determining which of the Caa Obligations or CCC Obligations, as applicable, shall be included under part (a) or (b) above, the Caa Obligations or 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/Caa Excess.

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

"**CFTC**" mean the U.S. Commodity Futures Trading Commission.

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

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

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

"**Class A/B Par Value Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and which will be satisfied on such Measurement Date if the Class A/B Par Value Ratio is at least equal to 129.4 per cent.

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

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

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

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

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

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

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

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

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

"**Class B-1 Rate of Interest**" has the meaning given thereto in Condition 6(e)(i) (*Floating Rate of Interest*).

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

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

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

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

"**Class B-2 Rate of Interest**" has the meaning given thereto in Condition 6(e)(i) (*Floating Rate of Interest*).

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

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

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

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

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

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

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

"**Class C-1 Rate of Interest**" has the meaning given thereto in Condition 6(e)(i) (*Floating Rate of Interest*).

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

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

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

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

"**Class C-2 Rate of Interest**" has the meaning given thereto in Condition 6(e)(i) (*Floating Rate of Interest*).

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

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

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

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

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

"**Class C Par Value Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and which will be satisfied on such Measurement Date if the Class C Par Value Ratio is at least equal to 120.7 per cent.

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

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

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

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

"**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 Amounts due on the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes (excluding Deferred Interest but including any interest on Deferred Interest), (ii) any Class X Principal Amortisation Amount due and (iii) any Unpaid Class X Principal Amortisation Amount due, in each case as at the next following Payment Date. For the purposes of calculating the Class D Interest Coverage Ratio, the expected

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

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

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

"**Class D Par Value Ratio**" means, as of any Measurement Date on and after the Effective Date, the ratio (expressed as a percentage) obtained by dividing (a) the amount equal to the Adjusted Collateral Principal Amount by (b) the sum of the Principal Amount Outstanding of each of the Class A Notes, the Class B Notes, the Class C Notes 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 114.1 per cent.

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

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

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

"**Class E Interest Coverage Test**" means the test which will apply as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date and which will be satisfied on such Measurement Date if the Class E Interest Coverage Ratio is at least equal to 102.0 per cent.

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

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

"**Class E Par Value Test**" means the test which will apply as of any Measurement Date on or 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 106.6 per cent.

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

"**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 expiry of the Reinvestment Period, the ratio (expressed as a percentage) obtained by dividing (a) the amount equal to the Adjusted Collateral Principal Amount by (b) the sum of the Principal Amount Outstanding of each of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, 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 and after the expiry of the Reinvestment Period and which will be satisfied on such Measurement Date if the Class F Par Value Ratio is at least equal to 103.7 per cent.

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

"**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 the foregoing, (x) the Class B-1 Notes and the Class B-2 Notes together, and (y) the C-1 Notes and the C-2 Notes together, shall each be treated as a single Class in respect of any consent, direction, objection, approval, vote or determination of quorum under the Trust Deed or these Conditions.

Notwithstanding that:

(i) the Class A IM Voting Notes, the Class A IM Exchangeable Non-Voting Notes and the Class A IM Non-Voting Notes are in the same Class;

(ii) the Class B-1 IM Voting Notes, the Class B-1 IM Exchangeable Non-Voting Notes and the Class B-1 IM Non-Voting Notes are in the same Class;

(iii) the Class B-2 IM Voting Notes, the Class B-2 IM Exchangeable Non-Voting Notes and the Class B-2 IM Non-Voting Notes are in the same Class;

(iv) the Class C-1 IM Voting Notes, the Class C-1 IM Exchangeable Non-Voting Notes and the Class C-1 IM Non-Voting Notes are in the same Class,

(v) the Class C-2 IM Voting Notes, the Class C-2 IM Exchangeable Non-Voting Notes and the Class C-2 IM Non-Voting Notes are in the same Class, and

(vi) the Class D IM Voting Notes, the Class D IM Exchangeable Non-Voting Notes and the Class D IM Non-Voting Notes are in the same Class,

they shall in each case not be treated as a single Class in respect of any vote or determination of quorum under the Trust Deed in connection with any IM Removal Resolution or IM Replacement Resolution, as further described in the Conditions, the Trust Deed and the Investment Management and Collateral Administration Agreement. For the avoidance of doubt, (i) each of the Class B-1 Notes and the Class B-2 Notes and (ii) each of the Class C-1 Notes and the Class C-2 Notes, in each case, shall be treated as separate Classes for the purposes of the EU Retention Requirements.

Subject to the foregoing paragraph and the definition of "Controlling Class", any Class X Notes and Class A Notes that are entitled to vote on a matter pursuant to these Conditions will vote together as a single Class.

"**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 first Payment Date immediately following the Issue Date, the lesser of (i) the Principal Amount Outstanding of the Class X Notes; and (ii)(a) in respect of each such Payment Date prior to the occurrence of a Frequency Switch Event, €500,000 and (b) in respect of each such Payment Date following the occurrence of a Frequency Switch Event, €1,000,000.

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

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

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

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

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

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

"**Collateral Enhancement Obligation**" means any warrant or debt obligation (other than a Restructured Obligation) the acquisition of which is funded out of amounts standing to the credit of the Supplemental Reserve Account 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.

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

"**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 the Investment Manager determines, in accordance with the Investment Management and Collateral Administration Agreement, satisfied the Eligibility Criteria upon the Issuer having entered into a binding commitment to purchase it, or in the case of an Issue Date Collateral Obligation, on the Issue Date. References to Collateral Obligations shall include Non–Euro Obligations but shall not include Collateral Enhancement Obligations, Eligible Investments or Exchanged 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 (i) the Issuer has entered into a binding commitment to sell, but in respect of which such sale has not yet settled and/or (ii) the Eligibility Criteria were not satisfied 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) or, in respect of an Issue Date Collateral Obligation, on the Issue Date, 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 or the determination of the Aggregate Principal Balance (as if such sale had been completed in the case of (i) above or as if not held by the Issuer in the case of (ii) above). The failure of any obligation to satisfy the Eligibility Criteria at any time after (a) the Issuer or the Investment Manager on behalf of the Issuer has entered into a binding agreement to purchase it or (b) in the case of an Issue Date Collateral Obligation, the Issue Date, shall not cause such obligation to cease to constitute a

Collateral Obligation provided that it satisfied the Eligibility Criteria as determined by the Investment Manager (in accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement) at the time that any commitment to purchase is entered into by or on behalf of the Issuer, save for an Issue Date Collateral Obligation which must 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) may only constitute a Collateral Obligation if the Investment Manager determines in accordance with the Investment Management and Collateral Administration Agreement that it satisfies the Restructured Obligation Criteria on the applicable 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 (i) the Portfolio Profile Tests, the Principal Balance of each Defaulted Obligation shall be multiplied by its Market Value, and (ii) the Collateral Quality Tests, the Principal Balance of each Defaulted Obligation shall be excluded;

(b) for the purpose solely of calculating the Investment Management Fees only, (i) the aggregate amount of all accrued and unpaid interest purchased with Principal Proceeds (other than with respect to Defaulted Obligations) plus (ii) the Aggregate Principal Balance of 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, as if such purchase had been completed minus (iii) the Aggregate Principal Balance of 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, as if such sale had been completed;

(c) 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 the purposes of determining the Balances herein, Principal Proceeds to be used to purchase Collateral Obligations in respect of which the Issuer has entered into a binding commitment to purchase, 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

(d) solely for the purposes of calculating the Collateral Principal Amount for the purposes of determining compliance with the EU Retention Requirements, including whether a Retention Deficiency has occurred, the Principal Balance of any Equity Security or Exchanged Security or any other obligation which does not constitute a Collateral Obligation shall be (converted, as the case may be, into Euro at the Spot Rate on the applicable Measurement Date):

  (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 Investment Manager.

For the avoidance of doubt, for the purposes of calculating the Collateral Principal Amount for the purposes of determining compliance with the EU Retention Requirements or in determining whether a Retention Deficiency has occurred, the Principal Balance of any Collateral Obligation shall be its Principal Balance (converted into

Euro at the Spot Rate on the applicable Measurement Date) in each case without any adjustments for purchase price or the application of haircuts or other adjustments.

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

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

(i) the Moody's Minimum Diversity Test;

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

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

(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 Investment Management and Collateral 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 payments, discount or premium due from the Obligors of any Collateral Obligations (or from Selling Institutions in the case of Participations) in relation to any Due Period to the Issuer becoming properly subject to the imposition of home jurisdiction direct taxation or foreign withholding tax (other than where (a) such tax is compensated for by a "gross up" provision in the terms of the Collateral Obligation so that the Issuer receives the same amount on an after tax basis that it would have received had no tax been imposed or (b) in the case of a requirement to withhold, such requirement to withhold is eliminated pursuant to a double taxation treaty or otherwise) so that the aggregate amount of such tax in relation to such Due Period is equal to or in excess of 6 per cent. of the aggregate interest payments due (for the avoidance of doubt, excluding any additional interest arising as a result of the operation of any gross up provision) on all Collateral Obligations in relation to such Due Period. Notwithstanding the foregoing hereof, in the case of any tax arising in respect of FATCA, a Collateral Tax Event will occur if the aggregate of all prior taxes arising in respect of FATCA and all taxes arising in respect of FATCA expected to be due in the future exceed USD 750,000.

"**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.

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

"**Contribution**" has the meaning specified in Condition 3(c)(iv) (*Reinvestment Amounts*).

"**Contributor**" has the meaning specified in Condition 3(c)(iv) (*Reinvestment Amounts*).

"**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 an IM Removal Resolution or an IM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of the Class A Notes is held in the form of IM Non-Voting Notes and/or IM Exchangeable Non-Voting Notes and/or, other than in connection with an IM Replacement Resolution where the successor investment manager is not an Affiliate of the Investment Manager, by or on behalf of the Investment Manager or any Investment Manager Related Person,

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 an IM Removal Resolution or an IM 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 IM Non-Voting Notes and/or IM Exchangeable Non-Voting Notes and/or, other than in connection with an IM Replacement Resolution where the successor investment manager is not an Affiliate of the Investment Manager, by or on behalf of the Investment Manager or any Investment Manager Related Person,

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 an IM Removal Resolution or an IM 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 IM Non-Voting Notes and/or IM Exchangeable Non-Voting Notes and/or, other than in connection with an IM Replacement Resolution where the successor investment manager is not an Affiliate of the Investment Manager, by or on behalf of the Investment Manager or any Investment Manager Related Person,

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 an IM Removal Resolution or an IM 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 IM Non-Voting Notes and/or IM Exchangeable Non-Voting Notes and/or, other than in connection with an IM Replacement Resolution where the successor investment manager is not an Affiliate of the Investment Manager, by or on behalf of the Investment Manager or any Investment Manager Related Person,

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 an IM Removal Resolution or an IM Replacement Resolution, no Notes held in the form of IM Non-Voting Notes or IM Exchangeable Non-Voting Notes and/or, other than in connection with an IM Replacement Resolution where the successor investment manager is not an Affiliate of the Investment Manager, by or on behalf of the Investment Manager or any Investment Manager Related Person shall (A) constitute or form part of the Controlling Class, (B) be entitled to vote in respect of such IM Removal Resolution or IM Replacement Resolution or (C) be counted for the purposes of determining a quorum or the result of voting in respect of such IM Removal Resolution or IM Replacement Resolution.

"**Controlling Person**" means any person (other than a Benefit Plan Investor) that has discretionary authority or control over the assets of the Issuer or who provides investment advice for a fee with respect to such assets, and any "affiliate" of any such person. An "affiliate" for the 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, as determined by the Investment Manager in its reasonable commercial judgement, any interest in a loan or financing facility that is acquired directly by way of assignment, novation or indirectly by way of sub participation, which is paying interest and principal (as applicable) on a current basis and either:

(a) is an obligation of a debtor in possession as described in § 1107 of the United States Bankruptcy Code or a trustee (if appointment of such trustee has been ordered pursuant to § 1104 of the United States Bankruptcy Code) (a "**Debtor**") organised under the laws of the United States or any State therein, the terms of which have been approved by an order of the United States Bankruptcy Court, the United States District Court, or any other court of competent jurisdiction, the enforceability of which order is not subject to any pending contested matter or proceeding (as such terms are defined in the Federal Rules of Bankruptcy Procedure) and which order provides that (x) such Corporate Rescue Loan is secured by liens on the Debtor's otherwise unencumbered assets pursuant to § 364(c)(2) of the United States Bankruptcy Code; or (y) such Corporate Rescue Loan is secured by liens of equal or senior priority on property of the Debtor's estate that is otherwise subject to a lien pursuant to § 364(d) of the United States Bankruptcy Code; or (z) such Corporate Rescue Loan is secured by junior liens on the Debtor's encumbered assets and such Corporate Rescue Loan is fully secured based upon a current valuation or appraisal report; or (zz) if the Corporate Rescue Loan or any portion thereof is unsecured, the repayment of such Corporate Rescue Loan retains priority over all other administrative expenses pursuant to § 364(c)(1) of the United States Bankruptcy Code; or

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

"**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 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, the Class E Interest Coverage Test and the Class F Par Value Test.

"**Cov–Lite Loan**" means a Secured Senior Loan, as determined by the Investment 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 for all purposes, if such a loan either contains a cross–default or cross-acceleration provision to, or is *pari passu* with or senior to, 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, and for the avoidance of doubt, if the Underlying Instruments provide for covenants pursuant to paragraph (i) and/or (ii) above and such covenants only take effect after (x) the scheduled expiration of any initial grace period or adjustment period with respect to the applicable Maintenance Covenant(s) or (y) in the

case of a revolving loan or delayed draw loan of the Obligor, until such revolving loan or delayed draw loan is funded above a certain threshold, in each case as set forth in the related Underlying Instrument, then such loan shall not be considered a Cov–Lite Loan.

"**CRA3**" means Regulation of the European Parliament and of the European Council amending Regulation EC 1060/2009 on credit rating agencies (as the same may be amended from time to time) including any implementing and/or delegated regulations, technical standards and guidelines relating thereto.

"**Credit Improved Obligation**" means any Collateral Obligation which, in the Investment Manager's reasonable commercial judgement (which judgement will not be called into question as a result of subsequent events), has improved in credit quality after it was acquired by the Issuer; which judgment may (but need not) be based on one or more of the Credit Improved Obligation Criteria applying to it; provided that, 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; or (ii) the Controlling Class acting by Ordinary Resolution votes to treat such Collateral Obligation as a Credit Improved Obligation.

"**Credit Improved Obligation Criteria**" means the criteria that will be met in respect of a Collateral Obligation if any of the following apply to such Collateral Obligation, as determined by the Investment Manager using reasonable commercial judgement (which judgement will not be called into question as a result of subsequent events):

(a) if such Collateral Obligation is a loan obligation or floating rate note, the price of such loan obligation or floating rate note has changed during the period from the date on which the Issuer or the Investment 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 Investment Manager over the same period;

(b) if such Collateral Obligation is a Fixed Rate Collateral Obligation which is a bond or security, the price of such obligation has changed since the date the Issuer or the Investment Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by a percentage either at least 1.0 per cent. more positive or at least 1.0 per cent. less negative than the percentage change in the Eligible Bond Index over the same period;

(c) if such Collateral Obligation is a loan obligation or floating rate note, the spread over the applicable reference rate for such Collateral Obligation has been decreased in accordance with the applicable Underlying Instrument since the date the Issuer or the Investment Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation due, in each case, to an improvement in the Obligor's financial ratios or financial results;

(d) if the projected cash flow interest coverage ratio for the following year (earnings before interest and taxes divided by cash interest expense as estimated by the Investment Manager or 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;

(e) 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;

(f) it has been upgraded by any Rating Agency by at least one rating sub category or has been placed and remains on a watch list for possible upgrade or on positive outlook by any Rating Agency since it was acquired by the Issuer;

(g) if such Collateral Obligation is a Fixed Rate Collateral Obligation, there has been a decrease 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; or

(h) the Obligor of such Collateral Obligation has, since the Collateral Obligation was acquired, shown improved financial results, as evidenced by its latest received monthly financial report, such

improvement being evidenced by, among other things, a decrease by 0.50 times in leverage or an increase by 5.00 per cent. in EBITDA.

"**Credit Risk Obligation**" means any Collateral Obligation that, in the Investment Manager's reasonable commercial judgement (which judgement 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 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) at least one of the Credit Risk Obligation Criteria is satisfied with respect to such Collateral Obligation, or (ii) the Controlling Class acting by Ordinary Resolution votes to treat such Collateral Obligation as a Credit Risk Obligation.

"**Credit Risk 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 Investment Manager in its reasonable discretion (which judgement will not be called into question as a result of subsequent events):

(a) if such Collateral Obligation is a loan obligation or floating rate note, the price of such Collateral Obligation has changed during the period from the date on which it was acquired by the Issuer to the date of determination by a percentage which is (i) in the case of Secured Senior Obligations, either at least 0.25 per cent. more negative or at least 0.25 per cent. less positive and (ii) in the case of Unsecured Senior 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 Fixed Rate Collateral Obligation which is a bond or security, the price of such Collateral Obligation has changed since the date of purchase by a percentage either at least 1.0 per cent. more negative or at least 1.0 per cent. less positive, as the case may be, than the percentage change in the Eligible Bond Index over the same period, as determined by the Investment Manager;

(d) if such Collateral Obligation is a loan obligation or floating rate note, the spread over the applicable reference rate for such Collateral Obligation has been increased in accordance with the applicable Underlying Instrument since the date the Issuer or the Investment Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation due, in each case, to a deterioration in the Obligor's financial ratios or financial results;

(e) the price of such Collateral Obligation has decreased by at least 1.00 per cent. of the price paid by the Issuer for such Collateral Obligation;

(f) such Collateral Obligation has been (and remains) downgraded by any Rating Agency by at least one rating sub category or has been placed and remains on a watch list for possible downgrade or on negative outlook by any Rating Agency since it was acquired by the Issuer;

(g) the Obligor of such Collateral Obligation has, since the Collateral Obligation was acquired, shown deteriorated financial results, as evidenced by its latest received monthly financial report, such deterioration being evidenced by, among other things, an increase by 0.50 times in leverage or a decrease by 5.00 per cent. in EBITDA; or

(h) 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.

"**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).

"**CRR Retention Requirements**" means Part Five of the CRR as amended from time to time and including any guidance or any technical standards published in relation thereto, provided that any reference to the CRR Retention Requirements shall be deemed to include any successor or replacement provisions to Part Five of the CRR.

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

"**CRS Compliance**" means compliance with the CRS including in terms of due diligence and reporting.

"**CRS Compliance Costs**" means the aggregate cumulative costs of the Issuer in order to achieve CRS Compliance including the fees and expenses of the Investment Manager and any other agent or appointee appointed by or on behalf of the Issuer in respect of the Issuer's CRS Compliance.

"**Currency Account**" means each account in the name of the Issuer held with the Account Bank denominated in one of the relevant currencies of Non–Euro Obligations, into which amounts received in respect of Non–Euro Obligations denominated in such currency shall be paid and out of which amounts payable to a Currency Hedge Counterparty pursuant to any Currency Hedge Transaction shall be paid.

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

"**Currency Hedge Counterparty**" means any financial institution with which the Issuer has (pursuant to, and in accordance with, the terms of the Investment Management and Collateral 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, upon the date of entry into such agreement, in each case, is required to satisfy the applicable Rating Requirement 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.

"**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, and excluding for all purposes other than determining the amount payable by the Issuer to the Currency Hedge Counterparty thereto upon such termination or modification and the payment thereof pursuant to the Priorities of Payment, any due and unpaid Scheduled Periodic Hedge Issuer Payments payable thereunder.

"Currency Hedge Obligation" means any Collateral Obligation which, at the time of determination, is denominated in a Qualifying Currency and which is, or, if such Collateral Obligation has not yet settled, will no later than the settlement date thereof, become the subject of a Currency Hedge Transaction.

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

"**Currency Hedge Transaction Exchange Rate**" means the rate of exchange set out in the relevant Currency Hedge Transaction.

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

(a) if the Obligor of such Collateral Obligation is not subject to a bankruptcy proceeding, all payments contractually due, including interest and principal payments (if any), were paid in cash and the

Investment Manager reasonably expects that the next interest and contractual principal payment (if any) due will be paid in cash;

(b) if the Obligor is subject to a bankruptcy or insolvency proceedings, a bankruptcy court has authorised the payment of interest and principal payments (other than amounts due as a result of any automatic acceleration of such Collateral Obligation pursuant to the underlying instruments because of the bankruptcy, receivership or similar proceeding of such obligor) when due thereunder and all such payments have been paid on a current basis in cash, to the knowledge of the Investment Manager;

(c) the Collateral Obligation has a Market Value of at least 80.0 per cent. of par; and

(d) if any Rated Notes are then rated by Moody's:

(i) the Collateral Obligation has a Moody's Rating of "B3" or higher;

(ii) the Collateral Obligation has a Moody's Rating of at least "Caa1" and a Market Value of (x) at least 80.0 per cent. of par, or (y) (1) if such Collateral Obligation is a loan and the price of the Eligible Loan Index is trading below 90 per cent., at least 80 per cent. of the price of such index (with Market Value expressed as a percentage of par) and (2) if such Collateral Obligation is a bond and the price of the Eligible Bond Index is trading below 90 per cent., at least 75 per cent. of the price of such index (with Market Value expressed as a percentage of par); or

(iii) the Collateral Obligation has a Moody's Rating of "Caa2" and a Market Value of (x) at least 85.0 per cent. of par or (y)(1) if such Collateral Obligation is a loan and the price of the Eligible Loan Index is trading below 90 per cent., at least 85 per cent. of the price of such index (with Market Value expressed as a percentage of par) and (2) if such Collateral Obligation is a bond and the price of the Eligible Bond Index is trading below 90 per cent., at least 75 per cent. of the price of such index (with Market Value expressed as a percentage of par),

provided that, as at the relevant date of determination, (x) if the Moody's Rating falls below the rating specified in (d)(i), (y) if the Moody's Rating or the Market Value falls below the rating or market value specified in (d)(ii), or (z) if the Moody's Rating or the Market Value falls below the rating or market value specified in (d)(iii), as the case may be, such Collateral Obligation shall be treated as Defaulted Obligation until such time as it becomes a Current Pay Obligation (by virtue of paragraphs (a), (b), (c) and (d) above being satisfied).

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

"**Defaulted Currency Hedge Termination Payment**" means any amount payable by the Issuer to a Currency Hedge Counterparty upon termination of any Currency Hedge Transaction or group thereof in respect of which the Currency Hedge Counterparty was (i) the "**Defaulting Party**" (as defined in the applicable Currency Hedge Agreement) or (ii) the sole "Affected Party" (as defined in the applicable Currency Hedge Agreement) in respect of any termination event, howsoever described, resulting from a rating downgrade of the Currency Hedge Counterparty and/or its failure or inability to take any specified action in relation to such rating downgrade within any specified period within the applicable Currency Hedge Agreement; including any due and unpaid Scheduled Periodic Hedge Issuer Payments payable thereunder.

"**Defaulted Interest Rate Hedge Termination Payment**" means any amount payable by the Issuer to an Interest Rate Hedge Counterparty upon termination of any Interest Rate Hedge Transaction in respect of which the Interest Rate Hedge Counterparty was (i) the "Defaulting Party" (as defined in the applicable Interest Rate Hedge Agreement) or (ii) the sole "Affected Party" (as defined in the applicable Interest Rate Hedge Agreement) in respect of any termination event, howsoever described, resulting from a rating downgrade of the Interest Rate Hedge Counterparty and/or its failure or inability to take any specified action in relation to such rating downgrade within any specified period within the applicable Interest Rate Hedge Agreement; including any due and unpaid Scheduled Periodic Hedge Issuer Payments payable thereunder.

"**Defaulted Obligation**" means a Collateral Obligation as determined by the Investment Manager using reasonable commercial judgement (which judgement will not be called into question as a result of subsequent events):

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

(b) in respect of which any bankruptcy, insolvency or receivership proceeding has been initiated in connection with the Obligor of such Collateral Obligation, whether initiated under the Obligor's local law or otherwise and, to the knowledge of the Investment Manager, such proceedings have not been stayed or dismissed;

(c) in respect of which the Investment Manager knows the Obligor thereunder is in default as to payment of principal and/or interest on another of its obligations, save for obligations constituting trade debts which the applicable Obligor is disputing in good faith (and such default has not been cured), but only if both such other obligation and the Collateral Obligation are either (A) both full recourse and unsecured obligations and the other obligation ranks at least *pari passu* with the Collateral Obligation in right of payment or (B) both full recourse and secured obligations secured by identical collateral and the security interest securing the other obligation ranks at least *pari passu* with the security interest securing the Collateral Obligation and the other obligation ranks at least *pari passu* with the Collateral Obligation in right of payment, 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 Investment Manager, such acceleration has been rescinded or (y) a Collateral Obligation shall not constitute a Defaulted Obligation under this paragraph (c) if the Investment Manager has notified the Rating Agencies and Trustee in writing of its decision not to treat the Collateral Obligation as a Defaulted Obligation and Rating Agency Confirmation has been received in respect thereof;

(d) which (i) has a Moody's Rating of "Ca" or "C"; or (ii) has a Fitch Rating of "CC" or below (or, in either case, had such rating immediately prior to it being withdrawn by Moody's 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 had such rating immediately before such rating was withdrawn or (y) a Moody's Rating of "Ca" or "C" or below or had such rating immediately before such rating was withdrawn or (z) 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 the Investment Manager, acting on behalf of the Issuer, determines in its reasonable business judgement should be treated as a Defaulted Obligation; or

(h) if the Obligor thereof offers holders of such Collateral Obligation a new security, obligation or package of securities or obligations that amount to a diminished financial obligation (such as preferred or common shares, or debt with a lower coupon or par amount) of such Obligor and in the reasonable business judgement of the Investment Manager, such offer has the apparent purpose of helping the Obligor avoid default; provided, however, such obligation will cease to be a Defaulted Obligation under this paragraph (h) if such new obligation is: (i) a Restructured Obligation; and (ii) such Restructured Obligation does not otherwise constitute a Defaulted Obligation pursuant to any other paragraph of the definition hereof,

provided that (A) a Collateral Obligation shall not constitute a Defaulted Obligation pursuant to paragraphs (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 5.0 per cent. of the Collateral Principal Amount (calculated for this purpose on the basis that the Principal Balance of each Defaulted Obligation shall be the lower of its Moody's Collateral Value and its Fitch Collateral Value) will be treated as Defaulted Obligations and, provided further, that in determining which of the Current Pay Obligations are to be treated as Defaulted Obligations under this proviso, the Current Pay Obligations with the lowest Moody's Collateral Value or Fitch Collateral 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 paragraphs (b) through (g) above if such Collateral Obligation (or, in the case of a Participation, the underlying obligation) is a Corporate Rescue Loan (provided that the aggregate principal balance of Corporate Rescue Loans exceeding 5.0 per cent. of the Collateral Principal Amount (calculated for this purpose on the basis that the Principal Balance of each Defaulted Obligation shall be the lower of its Moody's Collateral Value and its Fitch Collateral Value) will be treated as Defaulted Obligations and, provided further, that in determining which of the Corporate Rescue Loans are to be treated as Defaulted Obligations under this proviso, the Corporate Rescue Loans with the lowest Moody's Collateral Value or Fitch Collateral 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), 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 (a) the Principal Balance of such Defaulted Obligation immediately prior to receipt of such amounts and (b) any Purchased Accrued Interest related thereto.

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

"**Deferred Senior Investment Management Amounts**" has the meaning given thereto in Condition 3(c)(i) (*Application of Interest Proceeds*).

"**Deferred Subordinated Investment Management Amounts**" has the meaning given thereto in Condition 3(c)(i) (*Application of Interest Proceeds*).

"**Deferring Security**" means a Collateral Obligation (other than a Defaulted Obligation) that is deferring the payment of the current cash interest due thereon and has been so deferring the payment of such interest due thereon: (i) with respect to Collateral Obligations that have a Moody's Rating of at least "Baa3", for the shorter of two consecutive accrual periods or one year; and (ii) with respect to Collateral Obligations that have a Moody's Rating of "Ba1" or below, for the shorter of one accrual period or six consecutive months, which deferred capitalised interest has not, as of the date of determination, been paid in cash; *provided however* that such Deferring Security will cease to be a Deferring Security at such time as it (a) ceases to defer or capitalise the payment of interest, (b) commences payment of all current interest in cash and (c) has paid in cash all accrued and unpaid interest that has accrued since the date of acquisition.

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

"**Delayed Drawdown Collateral Obligation**" means a Collateral Obligation denominated in Euro, as determined by the Investment Manager in its reasonable commercial judgement, that: (a) requires the Issuer to make one or more future advances to the borrower under the Underlying Instruments relating thereto; (b) specifies a maximum amount that can be borrowed; and (c) does not permit the re–borrowing of any amount previously repaid; but any such Collateral 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 an Event of Default, eight Business Days prior to the applicable Redemption Date or in relation to a Redemption Date under Condition 7(b) (*Optional Redemption*) that is not a scheduled Payment Date, the fifth Business Day prior to such Redemption Date.

"**Directors**" means Gareth Rowe and Padraic Doherty 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 Investment Manager determines:

(a) in the case of any Floating Rate Collateral Obligation, is acquired by the Issuer for a purchase price of less than (x) in the case of an Unhedged Collateral Obligation (or part thereof), 80.0 per cent. of its Unhedged Principal Balance, and (y) in the case of all other such Collateral Obligations (or parts thereof), 80.0 per cent. of the Principal Balance of such Collateral Obligation (or, if such obligation has a Moody's Rating below "B3", such obligation is acquired by the Issuer for a purchase price of less than 85.0 per cent. of its Unhedged Principal Balance or Principal Balance (as applicable)); 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 20 Business Days since the acquisition by the Issuer of such Collateral Obligation (or part thereof) equals or exceeds (x) in the case of an Unhedged Collateral Obligation (or part thereof), 90.0 per cent. of its Unhedged Principal Balance, and (y) in the case of all other such Collateral Obligations (or parts thereof), 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 (x) in the case of an Unhedged Collateral Obligation (or part thereof), 75.0 per cent. of its Unhedged Principal Balance, and (y) in the case of all other such Collateral Obligations (or parts thereof) 75.0 per cent. of the Principal Balance of such Collateral Obligation (or, if such obligation has a Moody's Rating below "B3", such obligation is acquired by the Issuer for a purchase price of less than 80.0 per cent. of its Unhedged Principal Balance or Principal Balance (as applicable)); 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 20 Business Days since the acquisition by the Issuer of such Collateral Obligation, equals or exceeds (x) in the case of an Unhedged Collateral Obligation (or part thereof), 85.0 per cent. of its Unhedged Principal Balance, and (y) in the case of all other such Collateral Obligations (or parts thereof), 85.0 per cent. of the Principal Balance of such Collateral Obligation,

provided that (i) if such Collateral Obligation is a Revolving Obligation, and there exists an outstanding non-revolving loan to its Obligor ranking *pari passu* with such Revolving Obligation and secured by substantially the same collateral as such Revolving Obligation (a "**Related Term Loan**"), in determining whether such Revolving Obligation is and continues to be a Discount Obligation, the price of the Related Term Loan, and not of the Revolving Obligation, shall be referenced, (ii) where the Principal Balance of a Collateral Obligation is partially composed of a Discount Obligation, any sale, repayment or prepayment in respect of such Collateral Obligation will be applied *pro rata* to (1) the discounted portion of such Collateral Obligation and (2) the non–discounted portion of such Collateral Obligation and (iii) 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.

"**Distribution Amount**" has the meaning given thereto in Condition 3(c)(iv) (*Reinvestment Amounts*).

"**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 paragraph (b) below, its country of organisation or incorporation; or

(b) the jurisdiction and the country in which, in the Investment Manager's reasonable judgement, a substantial portion of such Obligor's operations are located or from which a substantial portion of its revenue is derived, in each case directly or through subsidiaries (which shall be any jurisdiction and country known at the time of designation by the Investment Manager to be the source of the largest share of revenues, if any, of such Obligor).

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

"**EBA**" means the European Banking Authority (formerly known as the Committee of European Banking Supervisors), or any predecessor, successor or replacement agency or authority.

"**Effective Date**" means the earlier of:

(a) the date designated for such purpose by the Investment Manager by written notice to the Trustee, the Issuer, the Rating Agencies, and the Collateral Administrator pursuant to the Investment Management and Collateral Administration Agreement, subject to the Effective Date Determination Requirements having been satisfied; and

(b) 20 October 2017 (or if such day is not a Business Day, the next following Business Day).

"**Effective Date Determination Requirements**" means, as at the Effective Date, each of the Portfolio Profile Tests, the Collateral Quality Tests and the Coverage Tests (save for the Class F Par Value Test and save for the Interest Coverage Tests) being satisfied on such date, and the Issuer having acquired or having entered into binding commitments to acquire Collateral Obligations the Aggregate Principal Balance of which equals or exceeds the Target Par Amount by such date (provided that, for the purposes of determining the Aggregate Principal Balance as provided above, any repayments or prepayments of any Collateral Obligations subsequent to the Issue Date shall be disregarded and the Principal Balance of a Collateral Obligation which is a Defaulted Obligation will be the lower of its (i) Moody's Collateral Value and (ii) Fitch Collateral Value).

"**Effective Date Moody's Condition**" means a condition that will be satisfied if:

(a) the Issuer is provided with, and the Trustee is provided with written notice that the Issuer has been provided with an accountants' certificate recalculating and comparing each element of the Effective Date Report and confirming that the Effective Date Determination Requirements are satisfied; and

(b) Moody's is provided with the Effective Date Report.

"**Effective Date Rating Event**" means either:

(a) both:

  (i) 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; and

  (ii) either (A) the failure by the Investment Manager (acting on behalf of the Issuer) to present a Rating Confirmation Plan to the Rating Agencies, or (B) the Investment Manager (acting on behalf of the Issuer) presents a Rating Confirmation Plan to the Rating Agencies and Rating Agency Confirmation has not been obtained for the Rating Confirmation Plan; or

(b) the Effective Date Moody's Condition not being satisfied and, following a request therefor from the Investment Manager after the Effective Date, Rating Agency Confirmation from Moody's not having been received,

provided that any downgrade or withdrawal of any of the Initial Ratings of the Rated Notes which is not directly related to a request for confirmation thereof or which occurs after confirmation thereof by the Rating Agencies shall not constitute an Effective Date Rating Event.

"**Effective Date Report**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

"**EIOPA**" means the European Insurance and Occupational Pensions Authority, or any successor or replacement agency or authority.

"**Eligibility Criteria**" means the Eligibility Criteria specified in the Investment Management and Collateral Administration Agreement which are required to be satisfied in respect of each Collateral Obligation acquired by the Investment 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 internationally recognised or comparable bond index as is notified to the Trustee, the Collateral Administrator and each Rating Agency by the Investment Manager acting on behalf of the Issuer.

"**Eligible Investments**" means any investment denominated in Euro that is one or more of the following obligations or securities (other than obligations or securities which are zero coupon obligations or securities), including, without limitation, any Eligible Investments for which the Custodian, the Trustee, the Investment Manager, an Investment 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 or any agency or instrumentality of a Non–Emerging Market Country, the obligations of which are fully and expressly guaranteed by a Non–Emerging Market Country which, in each case, have a rating of not less than the applicable Eligible Investment Minimum Rating;

(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 180 days and subject to supervision and examination by governmental banking authorities provided that at the time of such investment or contractual commitment both (i) the depository institution or trust company; and (ii) the commercial paper and/or the debt obligations of such depository institution or trust company (or, in the case of the principal depository institution in a holding company system, the commercial paper or debt obligations of such holding company) have ratings which are not less than the 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 183 days from their date of issuance;

(f) funds domiciled outside of the United States investing in the money markets rated, at all times, "Aaa–mf" by Moody's and "AAAm+" by Fitch, provided that any such fund issues shares, units or participations that may be lawfully acquired in Ireland; and

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

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

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

and, in each case, such instrument or investment provides for payment of a pre–determined fixed amount of principal on maturity that is not subject to change and either (A) has a Collateral Obligation Stated Maturity (giving effect to any applicable grace period) no later than the Business Day immediately preceding the next following Payment Date or (B) is capable of being liquidated at par on demand without penalty; provided, however, that Eligible Investments shall not include any (i) mortgage backed security, (ii) interest only security, (iii) security subject to withholding or similar taxes, (iv) security purchased at a price in excess of 100 per cent. of par, (v) security whose repayment is subject to substantial non–credit related risk (as determined by the Investment Manager in its discretion), (vi) security which is not a "qualifying asset" within the meaning of Section 110 of the TCA, (vii) security which gives rise to Irish stamp duty (except to the extent that such stamp duty is taken into account in deciding whether to acquire the relevant security) or (viii) Structured Finance Security.

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

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

(i) where such commercial paper or debt obligations do not have a short–term senior unsecured debt or issuer (as applicable) credit rating from Moody's, a long–term senior unsecured debt or issuer (as applicable) credit rating of "Aaa" from Moody's; or

(ii) where such commercial paper or debt obligations have a short–term senior unsecured debt or issuer (as applicable) credit rating from Moody's, such short–term rating is at least "P–1" from Moody's and the long–term senior unsecured debt or issuer (as applicable) credit rating is at least "A1" from Moody's; and

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

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

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

(B) a short–term senior unsecured debt or issuer (as applicable) credit rating of "F1+" from Fitch; or

(C) such other ratings as confirmed by Fitch; or

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

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

(B) a short–term senior unsecured debt or issuer credit rating of at least "F1" from Fitch; or

(C) such other ratings as confirmed by Fitch.

"**Eligible Loan Index**" means the S&P European Leveraged Loan Index, the Credit Suisse Western European Leveraged Loan Index or any other internationally recognised or comparable loan index as its notified to the Trustee, the Collateral Administrator and each Rating Agency by the Investment Manager acting on behalf of the Issuer.

"**EMIR**" means Regulation (EU) 648/2012 of the European Parliament and of the European 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 (as the same may be amended, varied or substituted from time to time).

"**Enforcement Actions**" has the meaning given thereto in Condition 11(b) (*Enforcement*).

"**Enforcement Threshold**" has the meaning given thereto in Condition 11(b) (*Enforcement*).

"**Enforcement Threshold Determination**" has the meaning given thereto in Condition 11(b) (*Enforcement*).

"**Equity Security**" means any security (other than a debt) that by its terms does not provide for periodic payments of interest at a stated coupon rate and repayment of principal at a stated maturity and any other security that is not eligible for purchase by the Issuer as a Collateral 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.

"**EURIBOR**" means the rate determined in accordance with Condition 6(e) (*Interest on the Rated Notes*):

(a) in the case of the initial Accrual Period, as determined pursuant to a straight line interpolation of the rates applicable to three month and six month Euro deposits;

(b) in the case of each six month Accrual Period, as applicable to six month Euro deposits; and

(c) at all other times, as applicable to three month Euro deposits.

"**Euro**", "**euro**", "**€**" and "EUR" each mean the lawful currency of the member states of the European Union that have adopted and retain the single currency in accordance with the Treaty on the Functioning of the European Union, as amended from time to time; provided that if any member state or states ceases to have such single currency as its lawful currency (such member state(s) being the "**Exiting State(s)**"), the euro shall, for the avoidance of doubt, mean for all purposes the single currency adopted and retained as the lawful currency of the remaining member states and shall not include any successor currency introduced by the Exiting State(s).

"**Euroclear**" means Euroclear Bank S.A./N.V., as operator of the Euroclear system.

"**EU Retention Requirements**" means the CRR Retention Requirements, the AIFMD Retention Requirements and the Solvency II Retention Requirements.

"**Euro zone**" means the region comprised of member states of the European Union that have adopted the single currency in accordance with the Treaty on the Functioning of the European Union, as amended.

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

"**Excess CCC/Caa Adjustment Amount**" means, as of any date of determination, an amount equal to the excess, if any, of:

(a) the Aggregate Principal Balance of all Collateral Obligations included in the CCC/Caa Excess; over

(b) the aggregate for all Collateral Obligations included in the CCC/Caa Excess, of the product of (i) the Market Value of such Collateral Obligation and (ii) its Principal Balance, in each case of such Collateral Obligation.

"Excess Par Amount" means an amount, as of any Determination Date, equal to (i) the Adjusted Collateral Principal Amount on such Determination Date less (ii) the Reinvestment Target Par Balance; provided, that such amount may not be less than zero.

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

"**Exchanged Security**" means (a) an equity security which is not a Collateral Enhancement Obligation and which is delivered to the Issuer upon acceptance of an Offer in respect of a Defaulted Obligation or received by the Issuer as a result of restructuring of the terms of a Defaulted Obligation in effect as of the later of the Issue Date and the date of issuance of the relevant Collateral Obligation or (b) a Collateral Obligation which has been restructured (whether by way of an amendment to its terms (including but not limited to an extension of its maturity), or by way of a substitution or exchange of a new obligation and/or change of Obligor) which does not

satisfy the Restructured Obligation Criteria on the Restructuring Date. For the avoidance of doubt, Exchanged Securities shall only include obligations that, if the Obligor is a company incorporated or established in, or a sovereign issuer of, the United States, or if the obligation otherwise bears interest that arises, for U.S. federal income tax purposes, from sources within the United States, are in registered form at the time they are acquired.

"**Expense Reserve Account**" means an account in the name of the Issuer so entitled and held by the Account Bank.

"**Extraordinary Resolution**" means an extraordinary resolution as described in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and as further described in, and as defined in, the Trust Deed.

"**FATCA**" means:

(a) sections 1471 to 1474 of the Code or any associated regulations or other official guidance;

(b) any treaty, law, regulation or other official guidance enacted in any other jurisdiction, or relating to an intergovernmental agreement between the U.S. and any other jurisdiction, which (in either case) facilitates the implementation of paragraph (a) above; or

(c) any agreement pursuant to the implementation of any treaty, law or regulation referred to in paragraphs (a) or (b) above with the IRS, the U.S. government or any governmental or taxation authority in any other jurisdiction.

"**FATCA Compliance**" means compliance with FATCA, in terms of due diligence, reporting and including as necessary so that no tax will be imposed or withheld under FATCA in respect of payments to or for the benefit of the Issuer.

"**FATCA Compliance Costs**" means aggregate cumulative costs of the Issuer in order to achieve FATCA Compliance including the fees and expenses of the Investment Manager and any other agent or appointee appointed by or on behalf of the Issuer in respect of the Issuer's FATCA Compliance.

"**Final Distribution Date**" means the earlier to occur of: (a) the payment in full of the Notes and all other Secured Obligations and the termination of the Trust Deed in accordance with its terms; and (b) the liquidation of the Collateral and the final distribution of the proceeds of such liquidation as provided in the Trust Deed.

"**First-Lien Last-Out Loan**" means a loan obligation or Participation in a loan obligation that: (a) by its terms becomes subordinate in right of payment to any other obligation of the Obligor of the loan solely upon the occurrence of a default or event of default by the Obligor of the loan and (b) is secured by a valid perfected first priority security interest or lien in, to or on specified collateral securing the Obligor's obligations under the loan. For the avoidance of doubt, a First-Lien Last-Out Loan shall be treated in all cases as if it is a Second Lien Loan unless the only other obligation which would have a higher priority security interest on default is a revolving loan which does not exceed the Secured Senior RCF Percentage of the Obligor's Senior Debt.

"**Fitch**" means Fitch Ratings Limited or any successor or successors thereto.

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

(a) its prevailing Market Value; and

(b) the relevant Fitch Recovery Rate,

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

"**Fitch Maximum Weighted Average Rating Factor Test**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

"**Fitch Minimum Weighted Average Recovery Rate Test**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

"**Fitch Rating**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

"**Fitch Recovery Rate**" means, in respect of each Collateral Obligation, the recovery rate determined in accordance with the Investment Management and Collateral Administration Agreement or as so advised by Fitch.

"**Fitch Test Matrix**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

"**Fixed Rate Collateral Obligation**" means any Collateral Obligation that bears a fixed rate of interest.

"**Floating Rate Notes**" means each Class of Notes other than the Subordinated Notes.

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

"**Foreign Safe Harbor**" means the "Safe harbor for certain foreign-related transactions" set forth at 17 C.F.R. 246.20 of the U.S. Risk Retention Rules.

"**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 for the purposes of the transactions contemplated herein and in respect of which the Rating Agencies have not notified the Issuer or Investment 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 for the purposes of the transactions contemplated herein and in respect of which the Rating Agencies have not notified the Issuer or Investment Manager that such approval has been withdrawn (in each case save for the amount and timing of periodic payments, the name of the Non–Euro Obligation, the notional amount, the effective date, the termination date and other consequential and immaterial changes which have been notified in writing to the Rating Agencies).

"**Frequency Switch Event**" means the occurrence of a Frequency Switch Measurement Date on which either the Investment 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 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; 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 any scheduled interest payments in respect of Defaulted Obligations as to which the Investment Manager has actual knowledge that such payment will not be made) which will be due to be paid on each Collateral Obligation during the immediately following Due Period (which, in the case of each Currency Hedge Obligation, shall be converted into Euro at the applicable Currency Hedge Transaction Exchange Rate and, in the case of each Unhedged Collateral Obligation, 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 (H) (inclusive) of the Interest Priority of Payments on the second Payment Date following such Frequency Switch Measurement Date,

is less than 120.0 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 Currency Hedge Obligation, shall be converted into Euro at the applicable Currency Hedge Transaction Exchange Rate and, in the case of each Unhedged Collateral Obligation, 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, the Class A Notes and the Class B Notes at all times following such Frequency Switch Measurement Date shall be equal to EURIBOR as determined as at such Frequency Switch Measurement Date.

"**Frequency Switch Measurement Date**" means each Determination Date from (and including) the Determination Date immediately preceding the second Payment Date, provided that following the occurrence of a Frequency Switch Event, no further Frequency Switch Measurement Date shall occur.

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

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

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

"**Global Exchange Market**" means the Global Exchange Market of the Irish Stock Exchange.

"**Haircut Percentage**" means (a) in the case of Non-Euro Obligations denominated in Sterling, U.S. Dollars, Norwegian Krone, Danish Krone, Swedish Krona, Swiss Francs or Japanese Yen, 0.85; (b) in the case of Non-Euro Obligations denominated in Australian Dollars, 0.77; (c) in the case of Non-Euro Obligations denominated in Canadian Dollars, 0.78; or (d) any other percentage in respect of which Rating Agency Confirmation is received.

"**Hedge Agreement**" means any Interest Rate Hedge Agreement or Currency Hedge Agreement (as applicable).

"**Hedge Counterparty**" means any Interest Rate Hedge Counterparty or Currency Hedge Counterparty (as applicable).

"**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 to the Issuer upon such termination or modification under the relevant Hedge Agreement, any due and unpaid Scheduled Periodic Hedge Counterparty Payments payable thereunder.

"**Hedge Issuer Tax Credit Payments**" means any amounts payable by the Issuer to a Hedge Counterparty pursuant to the terms of a Hedge Agreement in connection with any credit against, relief or remission for, or repayment of, any tax that has been obtained or utilised by the Issuer and which is attributable to a grossed up payment made by that Hedge Counterparty as a result of or in connection with any required withholding or deduction for or on account of any tax (or to such withholding or deduction itself) (but excluding, for the avoidance of doubt, any Hedge Issuer Termination Payments).

"**Hedge Issuer Termination Payment**" means the amount payable by the Issuer to a Hedge Counterparty upon termination or modification of a Hedge Transaction, but excluding for all purposes other than determining the amount payable by the Issuer to the Hedge Counterparty under the relevant Hedge Agreement and Condition 3(j)(v) (*Counterparty Downgrade Collateral Accounts*), any due and unpaid Scheduled Periodic Hedge Counterparty Payments payable thereunder.

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

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

"**Hedge Termination Account**" means, in respect of any Hedge Agreement, the account 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).

"**Hedging Agreement Eligibility Criteria**" means the Hedging Agreement Eligibility Criteria specified in the Investment Management and Collateral Administration Agreement which are required to be satisfied as one alternative under the Hedging Condition.

"**Hedging Condition**" means, in respect of a Hedge Agreement or a Hedge Transaction (or any other agreement that would fall within the definition of "Swap" as set out in the Commodity Exchange Act), either (i) satisfaction of the Hedging Agreement Eligibility Criteria; or (ii) receipt by the Investment 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 Investment Manager or its directors, officers or employees to register with the CFTC as a commodity pool operator or a commodity trading advisor pursuant to the Commodity Exchange Act.

"**High Yield Bond**" means a debt security other than a Secured Senior Bond which, on acquisition by the Issuer, is a high yielding debt security as determined by the Investment 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.

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

(a) do not carry a right to vote in respect of or be counted for the purposes of determining a quorum and the result of voting on an IM Removal Resolution or an IM 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 IM Voting Notes have a right to vote and be so counted; and

(b) are exchangeable into:

  (i) IM Non-Voting Notes at any time; or

  (ii) IM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of the transferor.

"**IM 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 an IM Removal Resolution or an IM 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 IM Voting Notes have a right to vote and be so counted; and

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

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

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

"**IM 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 any votes in respect of an IM Removal Resolution or an IM Replacement Resolution and all other matters as to which Noteholders are entitled to vote; and

(b) are, at any time, exchangeable into:

(i) IM Non-Voting Notes; or

(ii) IM Exchangeable Non-Voting Notes.

"**Incentive Investment Management Fee**" means the fee payable in arrear to the Investment Manager pursuant to the Investment Management and Collateral Administration Agreement on each Payment Date on which the Incentive Investment Management Fee IRR Threshold has been met or surpassed, such fee (exclusive of any VAT thereon) being equal to 20 per cent. of any Interest Proceeds and Principal Proceeds (and with respect to paragraph (9) of Condition 3(j)(vi) (*Supplemental Reserve Account*) only, the amounts standing to the credit of the Supplemental Reserve Account) that would otherwise be available to distribute to the Subordinated Noteholders, in accordance with paragraph (CC) of the Interest Priority of Payments, paragraph (U) of the Principal Priority of Payments, paragraph (W) of the Post–Acceleration Priority of Payments and paragraph (9) of Condition 3(j)(vi) (*Supplemental Reserve Account*).

"**Incentive Investment Management Fee IRR Threshold**" means the threshold which will have been reached on the relevant Payment Date if the Outstanding Subordinated Notes have received an annualised internal rate of return (computed using the "XIRR" function in Microsoft® Excel or an equivalent function in another software package and assuming for this purpose that all Subordinated Notes were purchased on the Issue Date at a price equal to the Subordinated Notes Initial Offer Price Percentage of the principal amount thereof) of at least 12 per cent. on the Principal Amount Outstanding of the Subordinated Notes 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), provided that the annualised rate of return will be calculated based on distributions made on the Subordinated Notes and without taking into account any additional Subordinated Notes issued after the Issue Date pursuant to Condition 17 (*Additional Issuances*).

"**Initial Investment Period**" means the period from, and including, the Issue Date to, but excluding, the Effective Date.

"**Initial Purchaser**" means Credit Suisse Securities (Europe) Limited as initial purchaser pursuant to the Subscription Agreement.

"**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.

"**Insolvency Law**" has the meaning given thereto in Condition 10(a)(vi) (*Insolvency Proceedings*).

"**Insolvency Regulations**" has the meaning given thereto in Condition 5(a) (*Covenants of the Issuer*).

"**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):

(a) the Balance standing to the credit of the Interest Account;

(b) plus the sum of all scheduled interest payments (including (x) any waiver fees, late payment fees, commitment fees, syndication fees, amendment fees, delayed compensation and all other fees and commission due but not yet received in respect of any Collateral Obligation or Eligible Investment but only to the extent not representing Principal Proceeds, (y) any amounts which the applicable Obligor or Selling Institution (as applicable) has agreed or is required to pay by way of a gross-up in respect of amounts withheld at source or otherwise deducted in respect of taxes and (z) any amounts which the Investment Manager reasonably determines will be received within the same Due Period by way of recovery from an applicable tax authority under a double tax treaty or otherwise) due but not yet received in respect of Collateral Obligations and Eligible Investments (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 Investment 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 a Currency Hedge Obligation, 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 an Unhedged Collateral Obligation, the amount taken into account for this paragraph (b) shall be an amount equal to:

(A) if such Unhedged Collateral Obligation was purchased in the Primary Market, is denominated in a Qualifying Unhedged Obligation Currency and has been an Unhedged Collateral Obligation for less than 180 calendar days since the settlement of the purchase by the Issuer of such Collateral Obligation, the Haircut Percentage of 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; and

(B) otherwise, zero;

(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 Interest Smoothing Account and/or the Currency Accounts 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 Investment Manager) to the extent not already included in accordance with paragraph (b) above;

(g) plus any scheduled interest payments due to the Issuer in the Due Period in which such Measurement Date occurs on the Accounts (save in the case of the Supplemental Reserve Account and the Counterparty Downgrade Collateral Accounts, to the extent that interest accrued in respect thereof is contractually payable by the Issuer to a third party); and

(h) 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 paragraph (b)(ii) or (iii) above).

For the purposes of calculating any Interest Coverage Amount, (i) 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 and (ii) such amounts, to the extent not denominated in or converted into Euro, shall be converted into Euro at the Spot Rate.

"**Interest Coverage Ratio**" means the Class A/B Interest Coverage Ratio, the Class C Interest Coverage Ratio, the Class D Interest Coverage Ratio and the Class E Interest Coverage Ratio. 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, the Class D Interest Coverage Test and the Class E Interest Coverage Test.

"**Interest Determination Date**" means the second Business Day prior to the commencement of each Accrual Period. For the avoidance of doubt, in respect of the Issue Date and the Rated Notes, the Calculation Agent will determine the offered rate pursuant to a straight line interpolation of the rates applicable to three month 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 with which the Issuer enters into an Interest Rate Hedge Agreement or any permitted assignee or successor under any Interest Rate Hedge Agreement which, upon the date of entry into such agreement, in each case, is required to satisfy the applicable Rating Requirement 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.

"**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, but excluding, for all purposes other than determining the amount payable by the Issuer to the Interest Rate Hedge Counterparty thereto upon such termination or modification and the payment thereof pursuant to the Priorities of Payment, any due and unpaid Scheduled Periodic Hedge Issuer Payments payable thereunder.

"**Interest Rate Hedge Transaction**" means each interest rate protection transaction entered into under an Interest Rate Hedge Agreement which may be an interest rate swap, an interest rate cap or an interest rate floor transaction.

"**Interest Smoothing Account**" means the account described as such in the name of the Issuer with the Account Bank, held outside Ireland, 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 on or following the occurrence of a Frequency Switch Event, zero and, in respect of each other Determination Date and for so long as any Rated Notes are Outstanding, an amount equal to the amount of interest received during the related Due Period in respect of each Semi-Annual Obligation multiplied by:

(a) in respect of a Semi-Annual Obligation (a) with a Payment Frequency greater than three months and less than or equal to six months, 0.50;

(b) in respect of a Semi-Annual Obligation with a Payment Frequency greater than six months and less than or equal to nine months, 0.66; and

(c) in respect of a Semi-Annual Obligation with a Payment Frequency greater than nine months, 0.75,

in each case, excluding all interest and other amounts received in respect of any Defaulted Obligations save for any Defaulted Obligation Excess Amounts.

"**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.

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

"**Investment Manager Advance**" has the meaning given thereto in Condition 3(k) (*Investment Manager Advances*).

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

"**Irish Companies Act 2014**" means the Companies Act 2014 of Ireland.

"**Irish Excluded Assets**" means all assets, property or rights in or deriving from the Issuer Profit Account and the Administration Agreement.

"**Irish Stock Exchange**" means The Irish Stock Exchange p.l.c.

"**IRS**" means the United States Internal Revenue Service or any successor thereto.

"**Issue Date**" means 16 August 2017 (or such other date as may shortly follow such date as may be agreed between the Issuer, the Arranger, the Initial Purchaser, the Investment Manager and the Retention Holder and is notified to the Noteholders and the Irish Stock Exchange in accordance with Condition 16 (*Notices*)).

"**Issue Date Collateral Obligation**" means an obligation for which the Issuer (or the Investment Manager, acting on behalf of the Issuer) has entered into a binding commitment to purchase on or prior to the Issue Date.

"**Issue Date Interest Rate Hedge Transactions**" means any interest rate cap Interest Rate Hedge Transactions entered into by the Issuer on or around the Issue Date.

"**Issuer Profit Account**" means the account in the name of the Issuer established for the purposes of, *inter alia*, holding the proceeds of the issued share capital of the Issuer and any fees received by the Issuer in connection with the issue of the Notes.

"**Issuer Profit Amount**" means the payment on each Payment Date, prior to the occurrence of a Frequency Switch Event, of €250 and following the occurrence of a Frequency Switch Event, of €500, subject always to an aggregate maximum amount of €1,000 per annum, to the Issuer as a fee for entering into the transactions contemplated by the Notes and the Transaction Documents.

"**Maintenance Covenant**" means, as of any date of determination, a covenant by any Obligor to comply with one or more financial covenants during each reporting period applicable to the related loan, whether or not any action by, or event relating to, such Obligor occurs after such date of determination, *provided* that a covenant that otherwise satisfies the definition hereof and only applies when amounts are outstanding under the related loan shall be a Maintenance Covenant.

"**Mandatory Redemption**" means a redemption of the Notes pursuant to and in accordance with Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*).

"**Market Value**" means, in respect of a Collateral Obligation (expressed as a percentage of par in respect thereof) on any date of determination and as provided by the Investment Manager to the Collateral Administrator:

(a) the bid price of such Collateral Obligation determined by an independent recognised pricing service selected by the Investment Manager; or

(b) if the bid price determined in (a) above is, in the reasonable business judgment of the Investment Manager, inaccurate or 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 Investment Manager pursuant to paragraph (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 fair market value thereof determined by the Investment Manager (i) on a best efforts basis in a manner consistent with reasonable and customary market practice, (ii) consistent with any determination the Investment Manager applies with respect to any other similar obligation managed by the Investment Manager, and (iii) using the same fair market value as is assigned by the Investment Manager to such Collateral Obligation for all other purposes, in each case, as notified to the Collateral Administrator on the date of determination thereof,

provided however that:

(i) 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 Investment Manager; and

(ii) if the Investment Manager is not subject to Directive 2004/39/EC of the European Parliament and of the Council of 21 April 2004 (or other comparable regulation), where the Market Value is determined by the Investment 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 Date**" means 20 February 2030 or, if such day is not a Business Day, then the next succeeding Business Day.

"**Maximum Par Amount**" means €380,000,000.

"**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; and

(g) for the purposes of determining whether a Retention Deficiency has occurred, any Business Day on which such a determination is required.

"**Mezzanine Obligation**" means a mezzanine loan obligation or other comparable debt obligation including any such obligation with attached warrants and any such obligation which is evidenced by an issue of notes (other than High Yield Bonds, Secured Senior Bonds and Second Lien Loans), as determined by the Investment Manager in its reasonable business judgement, or a Participation therein.

"**MiFID**" means EU Directive 2004/39/EC on Markets in Financial Instruments (as the same may be amended or supplemented from time to time) including any implementing and/or delegated regulations, technical standards and guidelines relating thereto.

"**Minimum Denomination**" means:

(a) in the case of the Regulation S Notes of each Class, €100,000; and

(b) in the case of the Rule 144A Notes of each Class, €250,000.

"**Monthly Report**" means the monthly report defined as such in the Investment Management and Collateral Administration Agreement which is prepared by the Collateral Administrator (in consultation with the Investment Manager) on behalf of the Issuer on such dates as are set forth in the Investment Management and Collateral Administration Agreement, which shall include information regarding the status of certain of the Collateral pursuant to the Investment Management and Collateral Administration Agreement made available via a secured website currently located at https://sf.citidirect.com (or such other website as may be notified in

writing by the Collateral Administrator to the Issuer, the Arranger, the Initial Purchaser, the Trustee, each Hedge Counterparty, the Investment Manager and the Rating Agencies and to any Noteholder) which shall be accessible to the Issuer, the Arranger, the Initial Purchaser, the Trustee, each Hedge Counterparty, the Investment Manager, the Rating Agencies and the Noteholders by way of a unique password which in the case of each Noteholder may be obtained from the Collateral Administrator subject to receipt by the Collateral Administrator of certification that such holder is a holder of a beneficial interest in any Notes.

"**Moody's**" means Moody's Investors Service Limited and any successor or successors thereto.

"**Moody's Collateral Value**" means, in the case of any Collateral Obligation or Eligible Investment, the lower of:

(a) its prevailing Market Value multiplied by its Principal Balance; and

(b) the relevant Moody's Recovery Rate, multiplied by its Principal Balance.

"**Moody's Rating**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

"**Moody's Recovery Rate**" means, in respect of each Collateral Obligation, the recovery rate determined in accordance with the Investment Management and Collateral Administration Agreement or as so advised or published by Moody's from time to time.

"**Moody's Test Matrix**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

"**Non–Call Period**" means the period from and including the Issue Date up to, but excluding, the Payment Date falling in August 2019.

"**Non–Eligible Issue Date Collateral Obligation**" has the meaning given thereto in the Investment Management and Collateral Administration Agreement.

"**Non–Emerging Market Country**" means any of Australia, Austria, Belgium, Canada, the Cayman Islands, the Channel Islands, Denmark, Finland, France, Germany, Iceland, Republic of Ireland, Isle of Man, Israel, Italy, Japan, Liechtenstein, Luxembourg, Netherlands, Norway, Poland, Portugal, Singapore, Spain, Sweden, Switzerland, United Kingdom, United States or any other country that is a member of or accedes to the European Union and any other country, the foreign currency government bond rating of which is rated, at the time of acquisition of the relevant Collateral Obligation, at least "Baa3" by Moody's and the foreign currency country issuer rating of which is rated, at the time of acquisition of the relevant Collateral Obligation, at least "BBB–" by 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 a Collateral Obligation or part thereof, as applicable, denominated in a currency other than Euro.

"**Non–Permitted ERISA Noteholder**" has the meaning given thereto in Condition 2(i) (*Forced Transfer pursuant to ERISA*).

"**Non–Permitted Noteholder**" has the meaning given thereto in Condition 2(h) (*Forced Transfer of Rule 144A Notes*).

"**Non–Permitted Risk Retention U.S. Person**" has the meaning given thereto in Condition 2(k) (*Forced transfer following breach of U.S. Risk Retention Rules U.S. Person requirements*).

"**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 Notes (on a *pro rata* and *pari passu* basis) at the applicable Redemption Price in whole or in part until the Class B Notes have been fully redeemed;

(c) thirdly, to the redemption of the Class C Notes including any Deferred Interest thereon (on a *pro rata* basis) at the applicable Redemption Price in whole or in part until the Class C Notes have been fully redeemed;

(d) fourthly, to the redemption of the Class D Notes including any Deferred Interest thereon (on a *pro rata* basis) at the applicable Redemption Price in whole or in part until the Class D Notes have been fully redeemed;

(e) fifthly, to the redemption of the Class E Notes including any Deferred Interest thereon (on a *pro rata* basis) at the applicable Redemption Price in whole or in part until the Class E Notes have been fully redeemed; and

(f) sixthly, to the redemption of the Class F Notes including any Deferred Interest thereon (on a *pro rata* basis) at the applicable Redemption Price in whole or in part until the Class F Notes have been fully redeemed,

provided that, for the purposes of any redemption of the Notes in accordance with the Note Payment Sequence following any breach of Coverage Tests, the Note Payment Sequence shall terminate immediately after the paragraph above that refers to the Class of Notes to which such Coverage Test relates or as soon as the relevant Coverage Test has been remedied, if earlier.

"**Note 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 Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and/or the Subordinated Notes becoming properly subject to any withholding tax other than:

  (i) a payment in respect of Deferred Interest becoming subject to any withholding tax;

  (ii) withholding tax in respect of FATCA; and

  (iii) by reason of the failure by the relevant Noteholder or beneficial owner to comply with any applicable procedures required to establish non–residence or other similar claim for exemption from such tax or to provide information concerning nationality, residency or connection with Ireland, the United States or other applicable taxing authority; or

(b) United Kingdom or U.S. state, federal, governmental or any other tax authority outside of Ireland imposes net income, profits, diverted profits or similar tax upon the Issuer, or the Issuer otherwise becomes liable to net income, profits, diverted profits or similar tax outside of Ireland.

"**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 Investment 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.

"**Offering Circular**" means the offering circular of St. Paul's CLO V DAC dated on or about 10 August 2017.

"**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.

"**Original Notes**" means the various notes issued by the Issuer on 10 September 2014.

"**Originated Collateral Obligation**" means a Collateral Obligation in respect of which the Retention Holder is an originator for the purposes of the CRR.

"**Originator Participation Deed**" means each participation deed entered into between the Issuer and the Retention Holder whereby the Retention Holder, acting as Selling Institution, grants one or more Participations to the Issuer which, pending elevation of such Participations, are secured over the application Collateral Obligations held by the Retention Holder.

"**Originator Requirement**" means, at any time, the condition that the Aggregate Principal Balance of all Originated Collateral Obligations and Eligible Investments acquired by the Issuer from the Retention Holder in the Portfolio divided by the Aggregate Principal Balance of all Collateral Obligations in the Portfolio and Eligible Investments is greater than 50 per cent. (as determined by the Investment Manager).

"**Other Plan Law**" means any federal, state, local or non–U.S. law or regulation that is similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code.

"**Outstanding**" has the meaning given to it 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, 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).

"**Partial Redemption Date**" means each date specified for a partial redemption of the Rated Notes of one or more Classes pursuant to Condition 7(b)(ii) (*Optional Redemption in Part –Subordinated Noteholders*).

"**Partial Redemption Interest Proceeds**" means as of any Partial Redemption Date, Interest Proceeds in an amount equal (x) to the lesser of (a) the amount of accrued interest on the Class or Classes of Rated Notes being refinanced or redeemed and (b) the amount the Investment Manager reasonably determines would have been available for distribution under the Interest Priority of Payments for the payment of accrued interest on the Class or Classes of Rated Notes being refinanced or redeemed on the next subsequent Payment Date (or in the case of a Partial Redemption Date that is occurring on a Payment Date, on such date) if such Notes had not been refinanced or redeemed plus (y) (a) if the Partial Redemption Date is not otherwise a Payment Date, an amount equal to the amount the Investment Manager reasonably determines would have been available for distribution under the Interest Priority of Payments for the payment of Trustee Fees and Expenses and Administrative Expenses on the next following Payment Date or (b) if the Partial Redemption Date is a Payment Date an amount equal to the amount that will be available for distribution under the Interest Priority of Payments for the payment of Trustee Fees and Expenses and Administrative Expenses on such Payment Date.

"**Partial Redemption Priority of Payments**" means the priority of payments in respect of Refinancing Proceeds and Partial Redemption Interest Proceeds set out in Condition 3(m) (*Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial Redemption Date*).

"**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 Investment Management and Collateral Administration Agreement, Intermediary Obligations.

"**Participation Agreement**" means an agreement between the Issuer and a Selling Institution or, in the case of the Originator Participation Deed, the Retention Holder, in relation to the purchase by the Issuer of a Participation which, for the avoidance of doubt, includes the Originator Participation Deed.

"**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, (A) 20 February and 20 August (where the Payment Date immediately following the occurrence of the relevant Frequency Switch Event is in February or August), or (B) 20 May and 20 November (where the Payment Date immediately following the occurrence of the relevant Frequency Switch Event is in May or November); and

(b) 20 February, 20 May, 20 August and 20 November, at all other times,

in each case, in each year commencing on 20 November 2017 up to and including the Maturity Date (each, a "**Scheduled Payment Date**") and any Redemption Date in connection with a redemption of the Rated Notes in whole, the Final Distribution Date, and/or following the date upon which the Rated Notes have been redeemed in full, any Unscheduled Payment Date, provided that, if any Payment Date would otherwise fall on a day which is not a Business Day, it shall be postponed to the next day that is a Business Day (unless it would thereby fall in the following month, in which case it shall be brought forward to the immediately preceding Business Day).

"**Payment Date Report**" means the report defined as such in the Investment Management and Collateral Administration Agreement which is prepared by the Collateral Administrator (in consultation with the Investment Manager) on behalf of the Issuer not later than 11.00 a.m. on the Business Day preceding the related Payment Date and made available via a secured website currently located at https://sf.citidirect.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Arranger, the Initial Purchaser, the Trustee, each Hedge Counterparty, the Investment Manager and the Rating Agencies and to any Noteholder) which shall be accessible to the Issuer, the Arranger, the Initial Purchaser, the Trustee, the Investment Manager, each Hedge Counterparty, the Rating Agencies and the Noteholders by way of a unique password which in the case of each Noteholder may be obtained from the Collateral Administrator subject to receipt by the Collateral Administrator of certification that such holder is a holder of a beneficial interest in any Notes.

"**Payment Frequency**" means, in respect of a Semi-Annual Obligation, the number of months in an interest period in relation to such Semi-Annual Obligation.

"**Permitted Use**" means, with respect to any amounts standing to the credit of the Supplemental Reserve Accounts, the application of such amounts pursuant to Condition 3(j)(vi)(1) to (9) (inclusive) (*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 (or other debt obligation), the terms of which permit the deferral of the payment of interest thereon, including without limitation by way of capitalising interest thereon (excluding any Collateral Obligation (i) which permits such deferral only upon unavailability of proceeds of the Obligor to make such payments or (ii) in respect of which less than 50 per cent. of the interest can be deferred) provided that, for the avoidance of doubt, Mezzanine Obligations shall not constitute PIK Securities.

"**Plan Asset Regulation**" means 29 C.F.R. Section 2510.3–101, as modified by Section 3(42) of ERISA, as they may be amended or modified.

"**Portfolio**" means the Collateral Obligations, Collateral Enhancement Obligations, Exchanged 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 Investment Management and Collateral 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.

"**Primary Market**" means the market through which, in respect of a Collateral Obligation, the Issuer (or the Investment Manager on the Issuer's behalf) entered into a binding commitment to purchase such Collateral Obligation within six months of the date of issue of such Collateral Obligation and in the case of a Collateral Obligation which is a Restructured Obligation, within six months of the relevant Restructuring Date.

"**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 attributable to the Class C Notes, Class D Notes, Class E Notes and 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 any such interest capitalised pursuant to the terms thereof which is paid for on the date of acquisition of such instrument), 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 Currency Hedge Obligation shall be an amount equal to the Euro equivalent of the outstanding principal amount of the reference Currency Hedge Obligation, converted into Euro at the Currency Hedge Transaction Exchange Rate; and

  (ii) any Unhedged Collateral Obligation shall be:

    (A) prior to the settlement date thereof, 100 per cent. of its Unhedged Principal Balance;

    (B) on or following the settlement date thereof, if such Unhedged Collateral Obligation was purchased in the Primary Market, is denominated in a Qualifying Unhedged Obligation Currency and has been an Unhedged Collateral Obligation for less than 180 calendar days since the settlement of the purchase by the Issuer of such Collateral Obligation, 50 per cent. of the Unhedged Principal Balance of such Unhedged Collateral Obligation; and

    (C) in respect of any other Unhedged Collateral Obligation, zero;

(d) solely for the purposes of calculations the Collateral Quality Tests, the Principal Balance of Defaulted Obligations shall be zero;

(e) in respect of any Corporate Rescue Loan:

(i) so long as Fitch is rating any Notes, where either:

(A) no Fitch Rating is available; or

(B) no credit estimate has been assigned to it by Fitch,

in each case, within 90 days following the Issuer entering into a binding commitment to acquire such Corporate Rescue Loan, the Principal Balance of such Corporate Rescue Loan shall be its Fitch Collateral Value unless and until a Fitch Rating or credit estimate is available or assigned by Fitch; or

(ii) so long as Moody's is rating any Notes, where either:

(A) no Moody's Rating is available; or

(B) no credit estimate has been assigned to it by Moody's,

in each case, within 90 days following the Issuer entering into a binding commitment to acquire such Corporate Rescue Loan, the Principal Balance of such Corporate Rescue Loan shall be its Moody's Collateral Value unless and until a Moody's Rating or credit estimate is available or assigned by Moody's,

provided that if both paragraphs (i) and (ii) above apply then the Principal Balance of such Corporate Rescue Loan shall be zero;

(f) the Principal Balance of any cash shall be the amount of such cash (converted into Euro at the Spot Rate if applicable); and

(g) solely for the purposes of the Collateral Quality Tests and the Portfolio Profile Tests, if the Issuer commits to purchase a Collateral Obligation as part of a primary issuance, and the Investment Manager certifies that the closing of such Collateral Obligation is contingent on the repayment of an existing Collateral Obligation currently held by the Issuer, then, until the settlement of the new Collateral Obligation, any overlapping principal amount between the existing Collateral Obligation and the new Collateral Obligation that is due to be repaid upon such settlement date will be excluded from the Principal Balance of the existing Collateral Obligation.

"**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;

(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; and

(c) in connection with any optional redemption of the Notes in part but not in whole pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Subordinated Noteholders*) and the Refinancing Proceeds and Partial Redemption Interest Proceeds in relation thereto, the Partial Redemption Priority of Payments.

"**Proceedings**" has the meaning given thereto in Condition 19(b) (*Jurisdiction*).

"**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, including any interest which is paid for using the proceeds from the issuance of the Notes 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.

"**Qualifying Unhedged Obligation Currency**" means Swedish Krona, Norwegian Krone, Swiss Francs, Australian Dollars, Canadian Dollars, Danish Krone, Sterling and U.S. Dollars.

"**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 Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes.

"**Rating Agencies**" means Fitch and Moody's, provided that if at any time Fitch and/or Moody's ceases to provide rating services, "**Rating Agencies**" shall mean any other nationally recognised investment rating agency or rating agencies (as applicable) selected by the Issuer and satisfactory to the Trustee (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 Investment Management and Collateral 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 Investment

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 Investment 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 Investment 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 Investment Management and Collateral 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" or a short–term issuer credit rating of at least "F1" by Fitch; and

(ii) a long–term senior unsecured issuer credit rating of at least "A2" by Moody's and a short–term senior unsecured issuer credit rating of at least "P–1" by Moody's;

(b) in the case of the Custodian or any sub–custodian appointed thereby:

(i) a long–term issuer default rating of at least "A" or a short–term issuer credit rating of at least "F1" by Fitch; and

(ii) a long–term senior unsecured issuer credit rating of at least "A2" by Moody's and a short–term senior unsecured issuer credit rating of at least "P–1" by Moody's;

(c) in the case of any Hedge Counterparty, the ratings requirement(s) as set out in the relevant Hedge Agreement;

(d) in the case of a Selling Institution with regards to a Participation only (excluding any Participation granted pursuant to the Originator Participation Deed),, a counterparty which (i) satisfies the ratings set out in the Bivariate Risk Table, and (ii) has a long-term issuer default rating of at least "A2" and a short-term issuer default rating of at least "P-1" by Moody's; and

(e) in the case of the Principal Paying Agent:

(i) a long–term senior unsecured issuer credit rating of at least "Baa3" by Moody's; or

(ii) if the Principal Paying Agent has no long–term senior unsecured issuer credit rating by Moody's, a short–term senior unsecured issuer credit rating of at least "P–3" by Moody's,

or in each case, (x) such other rating or ratings as may be agreed by the relevant Rating Agency as would maintain the then rating of the Rated Notes and (y) if any of the requirements are not satisfied by any of the parties referred to herein, Rating Agency Confirmation from the relevant Rating Agency is received in respect of such party.

"**Receiver**" has the meaning given thereto in Condition 10(a)(vi) (*Insolvency Proceedings*).

"**Record Date**" means (a) in respect of a Note 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 a Note 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, such Subordinated Note's *pro rata* share (calculated in accordance with paragraph (DD) of the Interest Priority of Payments, paragraph (V) of the Principal Priority of Payments, paragraph (X) of the Post–Acceleration Priority of Payments and paragraph (9) of Condition 3(j)(vi) (*Supplemental Reserve Account*)) 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.

provided that, in respect of any Rated Note, the Redemption Price for a Class of Rated Notes may be such lower amount as may be agreed by the Noteholders of such Class acting by way of Unanimous Resolution.

"**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 Bank**" means a major bank in the Euro zone interbank market acting in each case through its principal Euro zone office.

"**Refinancing**" has the meaning given thereto in Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

"**Refinancing Costs**" means the fees, costs, charges and expenses incurred by or on behalf of the Issuer in respect of a Refinancing including VAT thereon, provided that such fees, costs, charges and expenses have been incurred as a direct result of a Refinancing, as determined by the Investment Manager.

"**Refinancing Obligation**" has the meaning given thereto in Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

"**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 Noteholder that 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 Contribution; and

(b) an additional issuance of Subordinated Notes pursuant to Condition 17(b) (*Additional Issuances*).

"**Reinvestment Criteria**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

"**Reinvestment Overcollateralisation Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and during the Reinvestment Period only which will be satisfied if the Class F Par Value Ratio is at least equal to 104.2 per cent.

"**Reinvestment Period**" means the period from and including the Issue Date up to and including the earliest of: (i) the eighth Business Day prior to 20 August 2021; (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*)); (iii) the date specified by the Investment Manager with the prior written consent of the Subordinated Noteholders (acting by way of Ordinary Resolution), in order to facilitate a Refinancing; and (iv) the date on which the Investment 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, *provided that* in the case of paragraph (iii) above, the Investment Manager shall notify the Issuer (who shall notify the Noteholders in accordance with Condition 16 (*Notices*)), the Trustee and the Collateral Administrator thereof in writing at least one Business Day prior to such date.

"**Reinvestment Target Par 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 (other than in respect 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 Agreement entered into by the Issuer upon termination of an existing Currency Hedge Agreement on substantially the same terms as such existing Currency Hedge Agreement that preserves for the Issuer the economic effect of the terminated Currency Hedge Agreement and all Currency Hedge Transactions thereunder, subject to such amendments as may be agreed by the Trustee and in respect of which Rating Agency Confirmation is obtained.

"**Replacement Hedge Agreements**" means each Replacement Currency Hedge Agreement and each Replacement Interest Rate Hedge Agreement and "**Replacement Hedge Agreement**" means any of them.

"**Replacement Hedge Transaction**" means any replacement Interest Rate Hedge Transaction or Currency Hedge Transaction entered into under a Replacement Interest Rate Hedge Agreement or Replacement Currency Hedge Agreement (as applicable) (or under another existing Interest Rate Hedge Agreement or Currency Hedge Agreement with another Hedge Counterparty) in respect of the relevant terminated Interest Rate Hedge Transactions or Currency Hedge Transactions under the relevant terminated Interest Rate Hedge Agreement or Currency Hedge Agreement (as applicable).

"**Replacement Interest Rate Hedge Agreement**" means any Interest Rate Hedge Agreement entered into by the Issuer upon termination of an existing Interest Rate Hedge Agreement in full on substantially the same terms as the original Interest Rate Hedge Agreement that preserves for the Issuer the economic equivalent of the terminated Interest Rate Hedge Transactions outstanding thereunder, subject to such amendments as may be agreed by the Trustee and in respect of which Rating Agency Confirmation is obtained.

"**Report**" means each Monthly Report and Payment Date Report.

"**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.

"**Required Diversion Amount**" has the meaning given thereto in Condition 3(c)(i)(W) (*Application of Interest Proceeds*).

"**Resolution**" means any Ordinary Resolution, Extraordinary Resolution or Unanimous Resolution, as the context may require.

"**Restricted Trading Period**" means the period during which:

(a) either the Fitch Rating or the Moody's Rating of the Class A Notes are withdrawn (and not reinstated) or are one sub category below the rating on the Issue Date, provided the Class A Notes are Outstanding; or

(b) the Fitch Rating or the Moody's Rating of either the Class B Notes or the Class C Notes is withdrawn (and not reinstated) or is two or more sub categories below its rating on the Issue Date, provided such Classes of Notes are Outstanding,

provided that such period will not be a Restricted Trading Period:

(i) if the downgrade or withdrawal of such rating is as a result of either (1) regulatory change or (2) a change in the relevant Rating Agency's structured finance rating criteria;

(ii) upon the direction of the Issuer with the consent of the Controlling Class acting by Ordinary Resolution; or

(iii) if the sum of: (1) the Aggregate Principal Balance of all Collateral Obligations and Eligible Investments representing Principal Proceeds (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,

and *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 be a Restructured Obligation unless it is subsequently restructured again, in which case such obligation shall constitute a Restructured Obligation provided that it satisfies the Restructured Obligation Criteria as at its Restructuring Date.

"**Restructured Obligation Criteria**" means the restructured obligation criteria specified in the Investment Management and Collateral Administration Agreement which are required to be satisfied in respect of each Restructured Obligation at the applicable Restructuring Date.

"**Restructuring Date**" means the date a restructuring of a Collateral Obligation becomes binding on the holders thereof provided, if an obligation satisfies the Restructured Obligation Criteria at a later date, such later date shall be deemed to be the Restructuring Date for the purposes of determining whether such obligation shall constitute a Restructured Obligation.

"**Retention Deficiency**" means, as of any date of determination, an event which shall occur if the original Principal Amount Outstanding of the Subordinated Notes (such original Principal Amount Outstanding calculated as of the date of issuance of such Subordinated Notes) held by the Retention Holder is less than 5 per cent. of:

(a) solely for the purpose of determining if the deposit of Trading Gains into the Principal Account would cause a Retention Deficiency, the Maximum Par Amount; and

(b) in all other circumstances, the Collateral Principal Amount.

"**Retention Holder**" means NP Europe Loan Management I Designated Activity Company in its capacity as retention holder and any successor, assignee or transferee to the extent permitted under the Retention Undertaking Letter and the EU Retention Requirements.

"**Retention Notes**" has the meaning given to it in the Retention Undertaking Letter.

"**Retention Note Purchase Agreement**" means the purchase agreement in respect of the Retention Notes between the Initial Purchaser and the Retention Holder dated on or about the Issue Date.

"**Revolving Obligation**" means any Collateral Obligation (other than a Delayed Drawdown Collateral Obligation) that is a loan (including, without limitation, revolving loans, funded and unfunded portions of revolving credit lines, unfunded commitments under specific facilities and other similar loans and investments, but excluding letter of credit facilities) 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.

"**Retention Undertaking Letter**" means the retention undertaking letter to be dated the Issue Date from NP Europe Loan Management I Designated Activity Company in its capacity as Retention Holder to the Issuer, the Trustee (for the benefit of the Noteholders), the Collateral Administrator, the Investment Manager, the Arranger and the Initial Purchaser, and any retention undertaking letter from any other Retention Holder from time to time.

"**Risk Retention U.S. Person**" means a "U.S. person" as such term is defined under the U.S. Risk Retention Rules.

"**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.

"**Rule 17g–10**" means Rule 17g–10 under the Exchange Act.

"**S&P**" means Standard & Poor's Credit Market Services Europe Limited and any successor or successors thereto.

"**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 Investment Manager, provided that no such designation may be made in respect of: (i) Purchased Accrued Interest; or (ii) proceeds that represent deferred interest accrued in respect of any PIK Security; or (iii) proceeds representing accrued interest received in respect of any Defaulted Obligation unless and until (x) such amounts represent Defaulted Obligation Excess Amounts and (y) any Purchased Accrued Interest in relation to such Defaulted Obligation has been paid, together with all proceeds received upon the sale of any Exchanged Security delivered to the Issuer upon the acceptance of any Offer in respect of such Defaulted Obligation;

(b) in the case of any Currency Hedge Obligation, all amounts in Euro (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 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 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 to be paid by the Hedge Counterparty to the Issuer pursuant to the terms of such Interest Rate Hedge Agreement, excluding any Interest Rate Hedge Counterparty Termination Payment.

"**Scheduled Periodic Interest Rate Hedge Issuer Payment**" means, with respect to any Interest Rate Hedge Agreement, all amounts 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 Currency Hedge Obligations), scheduled principal repayments received by the Issuer (including scheduled amortisation, instalment or sinking fund payments);

(b) in the case of any Currency Hedge Obligation, 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 Account 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 (other than a Secured Senior Loan or a Mezzanine Obligation) 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 Investment Manager in its reasonable commercial judgement. For the avoidance of doubt, First-Lien Last-Out Loans shall, subject to the carve out in the definition thereof, constitute Second Lien Loans.

"**Secured Obligations**" means all obligations of the Issuer under the Trust Deed to the Trustee for the benefit of the Noteholders (or any of them) and all obligations of the Issuer to the other Secured Parties under the applicable Transaction Document(s), whether present or future, actual or contingent (and whether incurred by such Issuer alone or jointly, and whether as principal or surety or in some other capacity).

"**Secured Party**" means each 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, the Subordinated Noteholders, the Reinvesting Noteholders (if any), the Arranger, the Initial Purchaser, the Investment Manager, the Trustee, any Receiver or other Appointee of the Trustee, the Agents, each Reporting Delegate, the Administrator 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 Investment Manager in its reasonable business judgement or a Participation therein, provided that:

(a) it is secured (i) by assets of the Obligor thereof if and to the extent that the provision of security over assets is permissible under applicable law (save in the case of assets where the failure to take such security is consistent with reasonable secured lending practices), and otherwise (ii) by 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 (x) a revolving loan of the Obligor that, pursuant to its terms, may require one or more future advances to be made to the borrower may have a higher priority security interest in such assets or shares in the event of an enforcement in respect of such loan representing up to the Secured Senior RCF Percentage of the Obligor's Senior Debt and (y) the limitation set out in this clause (b) shall not apply with respect to trade claims, capitalised leases or similar obligations.

"**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 Investment Manager in its reasonable business judgement or a Participation therein, provided that:

(a) it is secured (i) by assets of the Obligor thereof if and to the extent that the provision of security over assets is permissible under applicable law (save in the case of assets where the failure to take such security is consistent with reasonable secured lending practices), and otherwise (ii) by 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 (x) a revolving loan of the Obligor that, pursuant to its terms, may require one or more future advances to be made to the borrower may have a higher priority security interest in such assets or shares in the event of an enforcement in respect of such loan representing up to the Secured Senior RCF Percentage of the Obligor's Senior Debt and (y) the limitation set out in this clause (b) shall not apply with respect to trade claims, capitalised leases or similar obligations.

"**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, 15 per cent. (or such higher percentage in respect of which a Rating Agency Confirmation is obtained).

"**Securities Act**" means the United States Securities Act of 1933, as amended.

"**Securitisation Regulation**" means any regulation of the European Union related to simple, transparent and standardised securitisation including any implementing regulations, technical standards and official guidance related thereto.

"**Selling Institution**" means an institution from whom (i) a Participation is taken and satisfies the applicable Rating Requirement or (ii) an Assignment is acquired.

"**Semi–Annual Obligations**" means Collateral Obligations (other than a PIK Security) which, at the relevant date of measurement, pay interest less frequently than quarterly.

"**Senior Debt**" means, in respect of an Obligor, all debt securities and loan obligations issued by such Obligor that are secured:

(a) by assets of such Obligor if and to the extent that the provision of security over assets is permissible under applicable law (save in the case of assets where the failure to take such security is consistent with reasonable secured lending practices); and otherwise

(b) by at least 80 per cent. of the equity interests in the shares of an entity owning, either directly or indirectly, such assets,

provided, in each case, that no other obligation of such Obligor has any higher priority security interest in such assets or shares.

"**Senior Expenses Cap**" means, in respect of each Payment Date, the sum of:

(a) €300,000 per annum (pro–rated for the Due Period for the related Payment Date on the basis of (i) in respect of the first Payment Date, a 360 day year and the actual number of days elapsed in the related Due Period and (ii) 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 (i) in respect of the first Payment Date, a 360 day year and the actual number of days elapsed in such Due Period and (ii) in respect of any other Payment Date, a 360 day year comprised of twelve 30-day months)) of the Collateral Principal Amount as at the Determination Date immediately preceding the Payment Date in respect of such Due Period,

provided that

(i) any irrecoverable VAT on any expenses expressed to be subject to the Senior Expenses Cap shall be treated as utilising the Senior Expenses Cap and provided further that; and

(ii) if the amount of Trustee Fees and Expenses and Administrative Expenses paid on any of the three immediately preceding Payment Dates or, if a Frequency Switch Event has occurred, the immediately preceding Payment Date or during the related Due Period(s) is less than the stated Senior Expenses Cap on any of the three immediately preceding Payment Dates or, if a Frequency Switch Event has occurred, on the immediately preceding Payment Date or during the previous Due Period(s), the aggregate excess may be added to the Senior Expenses Cap with respect to the then current Payment Date. For the avoidance of doubt, any such excess may not at any time result in an increase of the Senior Expenses Cap on a per annum basis.

"**Senior Management Fee**" means the fee payable to the Investment Manager in arrear on each Payment Date in respect of the immediately preceding Due Period pursuant to the Investment Management and Collateral Administration Agreement payable in accordance with the Priorities of Payment in an amount (exclusive of VAT thereon), as determined by the Collateral Administrator, equal to 0.15 per cent. per annum of the Collateral Principal Amount as of the first day of the Due Period immediately preceding the applicable Payment Date (calculated on the basis of a 360 day year and the actual number of days elapsed in such Due Period).

"**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 or non–U.S. law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or any interest therein) by virtue of its interest and thereby subject the Issuer or the Investment Manager (or other persons responsible for the investment and operation of the Issuer's assets) to any Other Plan Law..

"**Solvency II**" means Directive 2009/138/EC of The European Parliament and of the Council of 25 November 2009 on the taking–up and pursuit of the business of Insurance and Reinsurance (Solvency II) (recast) including any implementing and/or delegated regulation, technical standards and guidance related thereto as may be amended, replaced or supplemented from time to time.

"**Solvency II Retention Requirements**" means Article 254 (Risk retention requirements relating to the originators, sponsors or original lenders) of Chapter VIII (Investments in Securitisation Position) of Commission Delegated Regulation (EU) 2015/35 of 10 October 2014 supplementing Directive 2009/138/EC of the European Parliament and of the Council on the taking–up and pursuit of the business of Insurance and Reinsurance (Solvency II) Text with EEA relevance, together with any technical standards and guidelines published in relation thereto by EIOPA as may be effective from time to time.

"**Special Redemption**" has the meaning given thereto in Condition 7(d) (*Special Redemption*).

"**Special Redemption Amount**" has the meaning given thereto in Condition 7(d) (*Special Redemption*).

"**Special Redemption Date**" has the meaning given thereto in Condition 7(d) (*Special Redemption*).

"**Spot Rate**" means, with respect to any conversion of any currency into Euro or, as the case may be, of Euro into any other relevant currency, the relevant spot rate of exchange quoted by the Collateral Administrator on the date of calculation.

"**Structured Finance Security**" means any debt security which is secured directly, or represents the ownership of, a pool of consumer receivables, auto loans, auto leases, equipment leases, home or commercial mortgages, corporate debt or sovereign debt obligations or similar assets, including, without limitation, collateralised bond obligations, collateralised loan obligations or any similar asset–backed security.

"**Subordinated Management Fee**" means the fee payable to the Investment Manager in arrear on each Payment Date in respect of the immediately preceding Due Period, pursuant to the Investment Management and Collateral Administration Agreement payable in accordance with the Priorities of Payment in an amount (exclusive of VAT thereon), as determined by the Collateral Administrator equal to 0.35 per cent. per annum of the Collateral Principal Amount as of the first day of the Due Period immediately preceding the applicable Payment Date (calculated on the basis of a 360 day year and the actual number of days elapsed in such Due Period).

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

"**Subordinated Notes**" has the meaning given thereto in the first paragraph of these Conditions.

"**Subordinated Notes Initial Offer Price Percentage**" means 76 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.

"**Subscription Agreement**" means the subscription agreement dated on or about the Issue Date between the Issuer and the Initial Purchaser.

"**Substitute Collateral Obligation**" means a Collateral Obligation purchased in substitution for a previously held Collateral Obligation pursuant to the terms of the Investment Management and Collateral 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, 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 (BB) of the Interest Priority of Payments, at the sole discretion of the Investment Manager, which amounts shall not exceed €3,000,000 in the aggregate for any Payment Date or €9,000,000 in the aggregate for the amount standing to the credit of the Supplemental Reserve Account at any time.

"**Swapped Non–Discount Obligation**" means any Collateral Obligation or portion thereof 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 that portion thereof purchased with such Sale Proceeds will not be considered a Discount Obligation so long as such purchased Collateral Obligation:

(a) is purchased or committed to be purchased within 10 Business Days of such sale;

(b) is purchased at a price (as a percentage of par) no less than 10 per cent. below the sale price of the Original Obligation;

(c) is purchased at a price not less than 55 per cent. of the Principal Balance thereof; and

(d) the Moody's Rating thereof is equal to or higher than the Moody's Rating of the Original Obligation,

provided that:

(i) to the extent the Aggregate Principal Balance of Swapped Non–Discount Obligations held by the Issuer as of the relevant date of determination exceeds 5.0 per cent. of the Collateral Principal Amount, such excess will not constitute Swapped Non–Discount Obligations;

(ii) to the extent the Aggregate Principal Balance of all Swapped Non-Discount Obligations held by the Issuer from (and including) the Issue Date, to (and including) the relevant date of determination (and regardless of whether or not any such obligation acquired by the Issuer prior to such date of determination is held by the Issuer as of such date of determination) 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 22 Business 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 22 Business Days since the acquisition of such Collateral Obligation equals or exceeds 85.0 per cent.

"**Target Par Amount**" means €352,750,000.

"**TARGET2**" means the Trans–European Automated Real–time Gross Settlement Express Transfer system (or, if such system ceases to be operative, such other system (if any) determined by the Trustee to be a suitable replacement).

"**TCA**" means Taxes Consolidation Act 1997 of Ireland, as amended.

"**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 (i) the Principal Balance thereof and (ii) the product of the purchase price (expressed as a percentage) and the Principal Balance thereof, in each case net of (A) any expenses incurred in connection with any repayment, prepayment, redemption or sale thereof, and (B) in the case of a sale of such Collateral Obligation, any interest accrued but not paid thereon which has not been capitalised as principal and included in the sale price thereof.

"**Transaction Documents**" means the Trust Deed (including the Notes and these Conditions), the Agency and Account Bank Agreement, the Subscription Agreement, the Retention Undertaking Letter, the Investment Management and Collateral Administration Agreement, each Hedge Agreement, each Collateral Acquisition Agreement, the Participation Agreements, the Administration Agreement, any Reporting Delegation Agreement and any document supplemental thereto or issued in connection therewith.

"**Trust Collateral**" has the meaning given thereto in Condition 4(a) (*Security*).

"**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 or other Appointee of the Trustee) pursuant to the Trust Deed or any other Transaction Document from time to time plus any applicable VAT thereon payable under the Trust Deed or any other Transaction Document, including indemnity payments and any fees, costs, charges and expenses (including, without limitation, legal fees) properly incurred by the Trustee in respect of any Refinancing and to the extent such amounts relate to costs, fees and expenses, such VAT to be limited to irrecoverable VAT.

"**UCITS Directive**" means Directive 2009/65/EC on Undertakings for Collective Investment in Transferable Securities (as amended from time to time) including any implementing and/or delegated regulations, technical standards and guidance related thereto.

"**Unanimous Resolution**" means a unanimous 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.

"**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 described as such in the name 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.

"**Unhedged Collateral Obligation**" means a Non-Euro Obligation which at the time of determination is not (or, if such Non-Euro Obligation has not yet settled, will, no later than the settlement date thereof, not be) the subject of a Currency Hedge Transaction.

"**Unhedged Principal Balance**" means the principal amount, converted into Euro at the Spot Rate, of each Unhedged Collateral Obligation.

"**Unpaid Class X Principal Amortisation Amount**" means, for any Payment Date, the aggregate amount of all or any portion of the Class X Principal Amortisation Amount for any prior Payment Dates that were not paid on such prior Payment Dates.

"**Unscheduled Principal Proceeds**" means (i) 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) and including any amounts received by recovery from a tax authority in respect of tax deducted from such principal proceeds and (ii) with respect to any Currency Hedge Obligation, any amounts in Euro payable to the Issuer by the applicable Currency Hedge Counterparty in exchange for payment by the Issuer of any unscheduled principal proceeds received in respect of any Collateral Obligation under the related Currency Hedge Transaction.

"**Unsecured Senior Bond**" means a Collateral Obligation that is a 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 Investment Manager in its reasonable business judgement, provided that it:

(a) is senior to any Subordinated Obligation of the Obligor as determined by the Investment Manager in its reasonable business judgement; 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 Investment Manager in its reasonable business judgement; 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 described as such 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. Investment Restrictions**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

"**U.S. Person**" means a U.S. Person as such term is defined under Regulation S.

"**U.S. Risk Retention Restricted Period**" means the period commencing on the Issue Date and ending 40 calendar days thereafter.

"**U.S. Risk Retention Rules**" means the final rules implementing the credit risk retention requirements of Section 941 of the Dodd-Frank Act.

"**U.S. Risk Retention Waiver**" means an irrevocable waiver in writing (which may be by email) from the Investment Manager in respect of the acquisition of Notes in the initial syndication of the Notes by a Risk Retention U.S. Person or for the account or benefit of a Risk Retention U.S. Person.

"**VAT**" means:

(a) any tax, interest or penalties imposed in compliance with the European Council directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112) (including, in relation to Ireland, value added tax imposed by Value Added Tax Act 1972 and supplemental legislation and regulations and, in relation to the United Kingdom, value added tax imposed by the Value Added Tax Act 1994 and supplemental legislation and regulations); and

(b) any other tax, interest or penalties 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) above, or elsewhere.

"**Volcker Rule**" means Section 13 of the U.S. Bank Holding Company Act of 1956, as amended (12 U.S.C. § 1851) and the regulations implementing the Volcker Rule issued by the Board of Governors of the Federal Reserve System, the Securities and Exchange Commission and/or the CFTC.

"**Weighted Average Fixed Coupon**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

"**Weighted Average Life Test**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

"**Weighted Average Spread**" has the meaning given to it in the Investment Management and Collateral 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 (i) in global, certificated, fully registered form, without interest coupons, talons and principal receipts attached; or (ii) in definitive, certificated, fully registered form, without interest coupons, talons and principal receipts attached, in each case in the applicable Minimum Denomination and integral multiples of any Authorised Integral Amount in excess thereof. A Global Certificate or Definitive Certificate (as applicable) will be issued to each Noteholder in respect of its registered holding of Notes. Each Definitive Certificate will be numbered serially with an identifying number which will be recorded in the Register which the Issuer shall procure to be kept by the Registrar.

(b) Title to the Registered Notes

Title to the Notes passes upon registration of transfers in the Register in accordance with the provisions of the Agency and Account Bank Agreement and the Trust Deed. Notes will be transferable only on the books of the Issuer and its agents. The registered holder of any Note will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the holder.

(c) Transfer

In respect of Notes represented by a Definitive Certificate, one or more 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 Global Certificates will be transferable in accordance with the rules and procedures for the time being of the relevant Clearing System. The Registrar shall procure that at all times the Register and any entire counterpart thereof is kept and maintained, at all times, outside the United Kingdom. The Registrar shall at all reasonable times during office hours make the Register available to the Issuer, the Trustee, the Principal Paying Agent and each Transfer Agent or any person authorised by any of them for inspection and the Registrar shall deliver to such persons all such lists of holders of Notes, their addresses and holdings as they may request.

(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 Definitive Certificates representing such Notes in accordance with these Conditions on registration or transfer will be effected without charge to the Noteholders by or on behalf of the Issuer, the Registrar or the Transfer Agent, but upon payment (or the giving of such indemnity as the Registrar or the 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 represented by a Definitive Certificate 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 may 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 Investment 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 is determined by the Issuer to be a Noteholder who has made or is deemed to have made a prohibited transaction, Benefit Plan Investor, Controlling Person, Other Plan Law or Similar Law representation that is subsequently shown to be false or misleading, or whose beneficial ownership otherwise causes a violation of the 25 per cent. limitation set out in the Plan Asset Regulation (any such Noteholder a "**Non–Permitted ERISA Noteholder**"), the Non–Permitted ERISA Noteholder will be required by the Issuer to sell or otherwise transfer its Notes to an eligible purchaser (selected by the Issuer) at a price to be agreed between the Issuer (exercising its sole discretion) and such eligible purchaser at the time of sale, subject to the transfer restrictions set out in the Trust Deed. Each Noteholder and each other Person in the chain of title from the Noteholder, by its acceptance of an interest in such Notes, agrees to cooperate with the Issuer to the extent required to effect such transfers. None of the Issuer, the Trustee and the Registrar shall be liable to any Noteholder having an interest in the Notes sold or otherwise transferred as a result of any such sale or transfer. The Issuer shall be entitled to deduct from the sale or transfer price an amount equal to all the expenses and costs incurred and any loss suffered by the Issuer as a result of such forced transfer. The Non–Permitted ERISA Noteholder will receive the balance, if any.

(j) Forced Transfer pursuant to FATCA

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 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, or to the extent that its ownership of the Notes would otherwise cause the Issuer to fail to comply with FATCA or be subject to tax under FATCA, (A) the Issuer and its agents are authorised to withhold amounts otherwise distributable to the Noteholder either required under FATCA or 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) except with respect to the Retention Holder's ownership of Retention Notes, 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 other than the Investment Manager with respect to the Retention 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 ISIN in the Issuer's sole discretion. For the avoidance of doubt, the Issuer shall have the right to sell a beneficial owner's interest in a Note in its entirety notwithstanding that the sale of a portion of such an interest would permit the Issuer to comply with FATCA.

(k) Forced transfer following breach of U.S. Risk Retention Rules U.S. Person requirements

If any purchaser or transferee of an interest in a Note on or about the Issue Date or during the U.S. Risk Retention Restricted Period (i) (a) is a Risk Retention U.S. Person and (b) has not received a U.S. Risk Retention Waiver from the Investment Manager, (ii) acquired such Notes or a beneficial interest therein as part of a plan or scheme to evade the requirements of section 15G of the Securities Exchange Act of 1934, as added by section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and section 246.20 of the U.S. Risk Retention Rules (each such a person, a "**Non-Permitted Risk Retention U.S. Person**"), the Issuer shall, promptly after determination that such person (or transferee) is a Non-Permitted Risk Retention U.S. Person by the Issuer, send notice to such Non-Permitted Risk Retention U.S. Person demanding that such Noteholder immediately transfer its interest to a person that is not a Non-Permitted Risk Retention U.S. Person. If such Noteholder fails to effect the transfer required, (a) the Issuer or the Investment Manager on its behalf, shall cause such beneficial interest to be transferred to a person or entity that certifies to the Issuer, in connection with such transfer, that such person or entity either is not a Non-Permitted Risk Retention U.S. Person at a price to be agreed between the Issuer (exercising its sole discretion) and such person at the time of sale and (b) pending such transfer, no further payments will be made in respect of such beneficial interest.

(l) 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*), 2(j) (*Forced Transfer pursuant to FATCA*) and Condition 2(k) (*Forced transfer following breach of U.S. Risk Retention Rules U.S. Person requirements*), the Issuer may repay any affected Notes and issue replacement Notes and the Issuer, the Trustee, the Agents and the Registrar 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*), 2(j) (*Forced Transfer pursuant to FATCA*) and Condition 2(k) (*Forced transfer following breach of U.S. Risk Retention Rules U.S. Person requirements*) 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. For the avoidance of doubt, none of the Issuer, the Trustee and the Agents 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.

(m) Registrar authorisation

The Noteholders hereby authorise the Issuer, the Agents 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*), 2(j) (*Forced Transfer pursuant to FATCA*) and Condition 2(k) (*Forced transfer following breach of U.S. Risk Retention Rules U.S. Person requirements*) above without the need for any further express instruction from any affected Noteholder. The Noteholders shall be bound by any actions taken by the Issuer, the Agents, the Clearing Systems or any other party taken pursuant to the above–named Conditions.

(n) Exchange of Voting/Non-Voting Notes

Each Rated Note (other than the Class E Notes and the Class F Notes) may be in the form of an IM Voting Note, an IM Exchangeable Non-Voting Note or an IM Non-Voting Note.

IM 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 IM Replacement Resolution and any IM Removal Resolution and shall carry a right to vote on and be counted in respect of all other matters in respect of which the Notes have a right to vote and be counted. IM Exchangeable Non-Voting Notes and IM 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 IM Removal Resolution or any IM Replacement Resolution but shall carry a right to vote on and be counted in respect of all other matters in respect of which the Notes of the applicable Class have a right to vote and be counted.

IM Voting Notes shall be exchangeable at any time upon request by the relevant Noteholder into IM Exchangeable Non-Voting Notes or IM Non-Voting Notes.

A Noteholder holding Notes in the form of IM Exchangeable Non-Voting Notes may request by the delivery to the Registrar or a Transfer Agent of a written request that such Notes be exchanged for Notes in the form of IM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of such Noteholder.

Notes in the form of IM Exchangeable Non-Voting Notes shall not be exchanged for Notes in the form of IM Voting Notes in any other circumstances but may be exchanged for IM Non-Voting Notes.

Notes in the form of IM Non-Voting Notes shall not be exchangeable at any time for Notes in the form of IM Voting Notes or IM Exchangeable Non-Voting Notes.

Any such right to exchange a Note, as described and subject to the limitations set out in this Condition 2(n) (*Exchange of Voting/Non-Voting Notes*), may be exercised by a Noteholder holding a Definitive Certificate or a beneficial interest in a Global Certificate delivering to the Registrar a duly completed exchange request substantially in the form provided in the Trust Deed, or in such other form as the Issuer, upon the advice of counsel, may deem substantially similar in legal effect (in each case, copies of which are provided to the Registrar as applicable) given by the proposed transferee.

3. Status

(a) Status

The Notes of each Class constitute direct, general, secured, unconditional obligations of the Issuer, recourse in respect of which is limited in the manner described in Condition 4(c) (*Limited Recourse and Non–Petition*). The Notes of each Class are secured in the manner described in Condition 4(a) (*Security*) and, within each Class, shall at all times rank *pari passu* and without any preference amongst themselves.

(b) Relationship Among the Classes

The Notes of each Class are constituted by the Trust Deed and are secured on the Collateral as further described in the Trust Deed. Payments of interest on the Class X Notes and the Class A Notes will rank *pari passu* with each other and senior to payments of interest on each Payment Date in respect of each other Class; payment of interest on the Class B Notes will rank *pari passu* with each other and will be subordinated in right of payment to payments of interest in respect of the Class X Notes and the Class A Notes, but senior in right of payment to payments of interest on 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 rank *pari passu* with each other and 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 rank *pari passu* with each other and 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 rank *pari passu* with each other and 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 rank *pari passu* with each other and will be subordinated in right of payment to payments of interest on the Rated Notes (other than the Class F Notes), but senior in right of payment to payments of interest on the Subordinated Notes. Payment of interest on the Subordinated Notes will be subordinated in right of payment to payment of interest in respect of the Rated Notes. Interest on the Subordinated Notes shall be paid *pari passu* and without any preference amongst themselves.

No amount of principal in respect of the Class B Notes shall become due and payable until redemption and payment in full of the Class X Notes and 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 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 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. Payments of principal on the Class X Notes shall rank *pari passu* with payments of interest on the Class X Notes and the Class A Notes in accordance with the Interest Proceeds Priority of Payments.

Amounts standing to the credit of the Supplemental Reserve Account may, at the discretion of the Investment Manager, be applied to make distributions to the Subordinated Noteholders without regard to the Note Payment Sequence in accordance with Condition 3(j)(vi) (*Supplemental Reserve Account*) and Condition 3(k) (*Investment Manager Advances*) respectively.

(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 Investment Manager pursuant to the terms of the Investment Management and Collateral Administration Agreement on each Determination Date), on behalf of the Issuer (i) on each Payment Date prior to the acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*); (ii) following 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 (and in the case of any Payment Date that is a Partial Redemption Date, only after the application of Refinancing Proceeds and Partial Redemption Interest Proceeds in accordance with Condition 3(m) (*Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial Redemption Date*):

(A) to the payment of (i) firstly taxes owing by the Issuer to any tax authority accrued in respect of the related, or any earlier, Due Period (other than any Irish corporation tax payable in respect of the Issuer Profit Amount 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 Investment Management Fee or any other tax payable in relation to any other amount payable

to the Secured Parties or to any other party in accordance with the Priorities of Payment); and (ii) secondly the Issuer Profit Amount to be retained by the Issuer, for deposit into the Issuer Profit 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 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)(C) (*Expense Reserve Account*) (after taking into account all payments to be made out of the Expense Reserve Account on such date) provided that following the occurrence of an Event of Default which is continuing, the Senior Expenses Cap shall not apply to 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 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)(C) (*Expense Reserve Account*) (after taking into account all payments to be made out of the Expense Reserve Account on such date) less any amounts paid pursuant to paragraph (B) above;

(D) to the Expense Reserve Account, at the Investment 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 Investment Manager of the Senior Management Fee due and payable on such Payment Date and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant taxing authority) (save for any Deferred Senior Investment Management Amounts and Deferred Subordinated Investment Management Amounts) except that the Investment Manager may, in its sole discretion, elect to (x) irrevocably waive, (y) designate for reinvestment in Collateral Obligations or the purchase of Rated Notes or (z) defer payment of some or all of the amounts that would have been payable to the Investment Manager under this paragraph (E) (any such amounts pursuant to (z) being "**Deferred Senior Investment Management Amounts**") on any Payment Date, provided that any such amount in the case of (y) shall (i) be used to purchase Substitute Collateral Obligations or to purchase Rated Notes in accordance with Condition 7(l) (*Purchase*) or (ii) be deposited in the Principal Account pending reinvestment in Substitute Collateral Obligations (provided that such purchase and/or deposit would not cause a Retention Deficiency) or the purchase of Rated Notes in accordance with Condition 7(l) (*Purchase*) or, in the case of (x) or (z), shall be applied to the payment of amounts in accordance with paragraphs (F) through (W) and (Y) through (DD) below, subject to the Investment Manager having notified the Collateral Administrator in writing not later than one Business Day prior to the relevant Determination Date of any amounts to be so applied; and

(2) secondly, to the Investment Manager, any previously due and unpaid Senior Management Fees (other than Deferred Senior Investment Management Amounts or Deferred Subordinated Investment Management Amounts) including any interest accrued thereon and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant taxing authority);

(F) (1) firstly to the payment, on a *pro rata* basis, of (i) any Scheduled Periodic Hedge Issuer Payments (to the extent not paid out of the Currency Accounts or the Interest Account, as applicable), (ii) any Currency Hedge Issuer Termination Payments (to the extent not paid out of the Currency Accounts, any relevant Counterparty Downgrade Collateral Account or the Hedge Termination Account and other than Defaulted Currency Hedge Termination Payments), and (iii) any Interest Rate Hedge Issuer Termination Payments (to the extent not paid out of the Interest Account, any relevant Counterparty Downgrade Collateral Account or the Hedge Termination Accounts 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 the Hedge Termination Account);

(G) to the payment on a *pro rata* and *pari passu* basis of (i) *pro rata* and *pari passu*, (a) the 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) the Interest Amounts due and payable on the Class A Notes in respect of the Accrual Period ending on such Payment Date and all other Interest Amounts due and payable on such Class A Notes;

(H) to the payment on a *pro rata* and *pari passu* basis of the Interest Amounts due and payable on the Class B Notes in respect of the Accrual Period ending on such Payment Date and all other Interest Amounts due and payable on such Class B Notes;

(I) if either of the Class A/B Coverage Tests is not satisfied on any Determination Date on and after the Effective Date or, in the case of the Class A/B Interest Coverage Test, on the Determination Date preceding the second Payment Date 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 met (if applicable) if recalculated immediately following such redemption on a pro forma basis after giving effect to all payments pursuant to this paragraph (I);

(J) to the payment on a *pro rata and pari passu* basis of the Interest Amounts due and payable on the Class C Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(K) to the payment on a *pro rata* basis of any Deferred Interest on the Class C Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(L) if either of the Class C Coverage Tests is not satisfied on any Determination Date on and after the Effective Date or, in the case of the Class C Interest Coverage Test, on the Determination Date preceding the second Payment Date 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 applicable) if recalculated immediately following such redemption on a pro forma basis after giving effect to all payments pursuant to this paragraph (L);

(M) to the payment on a *pro rata* basis of the Interest Amounts due and payable on the Class D Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(N) to the payment on a *pro rata* basis of any Deferred Interest on the Class D Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(O) if either of the Class D Coverage Tests is not satisfied on any Determination Date on and after the Effective Date or, in the case of the Class D Interest Coverage Test, on the Determination Date preceding the second Payment Date 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 applicable) if recalculated immediately following such redemption on a pro forma basis after giving effect to all payments pursuant to this paragraph (O);

(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 either of the Class E Coverage Tests is not satisfied on any Determination Date on and after the Effective Date or, in the case of the Class E Interest Coverage Test, on the Determination Date preceding the second Payment Date 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 E Coverage Test to be met (if applicable) if recalculated immediately following such redemption on a pro forma basis after giving effect to all payments pursuant to this paragraph (R);

(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 expiry of the Reinvestment Period, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause the Class F Par Value Test to be met if recalculated immediately following such redemption on a pro forma basis after giving effect to all payments pursuant to this paragraph (U);

(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) 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) 50.0 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 Investment Manager (acting on behalf of the Issuer):

(1) into the Principal Account for the acquisition of additional Collateral Obligations (provided that to do so would not cause a Retention Deficiency); or

(2) to pay the Rated Notes in accordance with the Note Payment Sequence;

(X) to the payment:

(1) firstly, to the Investment Manager of the Subordinated Management Fee due and payable on such Payment Date and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant taxing authority) (save for any Deferred Senior Investment Management Amounts and Deferred Subordinated Investment Management Amounts) until such amount has been paid in full except that the Investment Manager may, in its sole discretion, elect to (x) irrevocably waive, (y) designate for reinvestment in Collateral Obligations or the purchase or Rated Notes or (z) defer payment of some or all of the amounts that would have been payable to the Investment Manager under this paragraph (X) (any such amounts pursuant to (z) being "**Deferred Subordinated Investment Management Amounts**") on any Payment Date, provided that any such amount in the case of (y) shall (i) be used to purchase Substitute Collateral Obligations or to purchase Rated Notes in accordance with Condition 7(l) (*Purchase*) or (ii) be deposited in the Principal Account pending reinvestment in Substitute Collateral Obligations (and such purchase and/or deposit would not cause a Retention Deficiency) or the purchase of Rated Notes in accordance with Condition 7(l) (*Purchase*) or, in the case of (x) or (z), shall be applied to the payment of amounts in accordance with paragraphs (Y) through (DD) below, subject to the Investment Manager having notified

the Collateral Administrator in writing not later than one Business Day prior to the relevant Determination Date of any amounts to be so applied;

(2) secondly, to the Investment Manager of any previously due and unpaid Subordinated Management Fee (other than Deferred Senior Investment Management Amounts and Deferred Subordinated Investment Management Amounts) including any interest accrued thereon and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant taxing authority);

(3) thirdly, at the election of the Investment Manager (in its sole discretion) to the Investment Manager in payment of any previously Deferred Senior Investment Management Amounts and Deferred Subordinated Investment Management Amounts including, in each case, any interest accrued thereon and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant taxing authority); and

(4) fourthly, to the repayment of any Investment 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 of any Defaulted Currency Hedge Termination Payments due to any Currency Hedge Counterparty or Defaulted Interest Rate Hedge Termination Payments due to any Interest Rate Hedge Counterparty (in each case to the extent not paid out of the Hedge Termination Account or any relevant Counterparty Downgrade Collateral Account);

(BB) at the direction and in the discretion of the Investment Manager, to transfer to the Supplemental Reserve Account any Supplemental Reserve Amount;

(CC) subject to the Incentive Investment 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, paragraph (V) of the Principal Priority of Payments and paragraph (9) of Condition 3(j)(vi) (*Supplemental Reserve Account*), and including for such purpose any such distributions designated as Reinvestment Amounts) (a) firstly, to the payment to the Investment Manager of 20 per cent. of any remaining Interest Proceeds, in the payment of the Incentive Investment Management Fee, provided however that the Investment Manager may, in its sole discretion, elect to (x) irrevocably waive or (y) designate for reinvestment payment of some or all of the amounts that would have been payable to the Investment Manager under this paragraph (CC) on any Payment Date, provided that any such amount in the case of (y) shall (i) be used to purchase Substitute Collateral Obligations or (ii) be deposited in the Principal Account pending reinvestment in Substitute Collateral Obligations (provided that such purchase and/or deposit would not cause a Retention Deficiency) or, in the case of (x), shall be applied to the payment of amounts in accordance with paragraph (DD) below, subject to the Investment Manager having notified the Collateral Administrator in writing not later than one Business Day prior to the relevant Determination Date of any amounts to be so applied; and (b) secondly to the payment of any VAT in respect of the Incentive Investment Management Fee referred to in (a) above (whether payable to the Investment 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, during the Reinvestment Period, 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).

For the avoidance of doubt, any Investment Management Fees which are deferred, waived or designated for reinvestment pursuant to any of the paragraphs above shall not be treated as unpaid for the purposes of paragraphs (E), (X) and (CC).

(ii) Application of Principal Proceeds

Principal Proceeds in respect of a Due Period shall be paid on the Payment Date immediately following such Due Period in the following order of priority (and in the case of any Payment Date that is a Partial Redemption Date, only after the application of Refinancing Proceeds and Partial Redemption Interest Proceeds in accordance with Condition 3(m) (*Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial Redemption Date*)):

(A) to the payment on a sequential basis of the amounts referred to in paragraphs (A) 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 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 with respect to the Class D Notes 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 Coverage Tests that are applicable on such Payment Date with respect to the Class E Notes to be met as of the related Determination Date;

(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) if the Class F Par Value Test is not satisfied on any Determination Date on and after the expiry of the Reinvestment Period and to the extent the Class F Par Value Test has not been satisfied following the application of Interest Proceeds in accordance with paragraph (U) of the Interest Priority of Payments, to the redemption of the Rated Notes then Outstanding 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;

(O) to the payment of the amounts referred to in paragraph (V) of the Interest Priority of Payments, but only to the extent not paid in full thereunder;

(P) if such Payment Date is a Special Redemption Date, at the election of the Investment 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;

(Q) (1) during the Reinvestment Period, at the discretion of the Investment 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 Investment Management and Collateral Administration Agreement (provided that and to the extent that such purchase and/or deposit would not cause a Retention Deficiency); and

(2) after the Reinvestment Period in the case of Principal Proceeds representing Unscheduled Principal Proceeds and Sale Proceeds from the sale of Credit Risk Obligations and Credit Improved Obligations at the discretion of the Investment 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 Investment Management and Collateral Administration Agreement (provided that and to the extent that such purchase and/or deposit would not cause a Retention Deficiency) or to redeem the Notes in accordance with the Note Payment Sequence;

(R) after the Reinvestment Period, to redeem the Notes in accordance with the Note Payment Sequence;

(S) after the Reinvestment Period, to the payment on a sequential basis of the amounts referred to in paragraphs (X) through (AA) (inclusive) of the Interest Priority of Payments, but only to the extent not paid in full thereunder;

(T) 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 (T) with respect to their respective Subordinated Notes, *pro rata* in accordance with the respective aggregate Reinvestment Amounts with respect to the Subordinated Notes;

(U) subject to the Incentive Investment Management Fee IRR Threshold having been reached (after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date, including pursuant to paragraph (V) below, paragraph (DD) of the Interest Priority of Payments and paragraph (9) of Condition 3(j)(vi) (*Supplemental Reserve Account*), and including for such purpose any such distributions designated as Reinvestment Amounts) (a) firstly, to the payment to the Investment Manager of 20 per cent. of any remaining Principal Proceeds in payment of the Incentive Investment Management Fee, provided however that the Investment Manager may, in its sole discretion, elect to (x) irrevocably waive or (y) designate for reinvestment payment of some or all of the amounts that would have been payable to the

Investment Manager under this paragraph (U) on any Payment Date, provided that any such amount in the case of (y) shall (i) be used to purchase Substitute Collateral Obligations or (ii) be deposited in the Principal Account pending reinvestment in Substitute Collateral Obligations (provided that such purchase and/or deposit would not cause a Retention Deficiency) or, in the case of (x), shall be applied to the payment of amounts in accordance with paragraph (V) below, subject to the Investment Manager having notified the Collateral Administrator in writing not later than one Business Day prior to the relevant Determination Date of any amounts to be so applied; and (b) secondly, to the payment of any VAT in respect of the Incentive Investment Management Fee referred to in (a) above (whether payable to the Investment Manager or directly to the relevant taxing authority); and

(V) any remaining Principal Proceeds to the payment of principal and, thereafter, interest on the Subordinated Notes on a *pro rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption), other than, during the Reinvestment Period, to the extent any Reinvesting Noteholder designates any Reinvestment Amount in respect of such Payment Date.

For the avoidance of doubt, any Incentive Investment Management Fees which are waived or designated for reinvestment pursuant to paragraph (U) above shall not be treated as due and payable pursuant to such paragraph.

(iii) Withholding Taxes, VAT and Other Taxes on Payments

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, unless provided otherwise, 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

At any time during the Reinvestment Period, a Noteholder may notify the Issuer, the Trustee and the Investment Manager that it proposes to (i) make a cash contribution to the Issuer, (ii) (in the case of a Subordinated Noteholder holding its interest in the form of a Definitive Certificate only) 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 (V) of the Principal Priority of Payments (each of (i) and (ii), a "**Contribution**" and each such Noteholder, a "**Contributor**") or (iii) (in the case of a Subordinated Noteholder only) subscribe for additional Subordinated Notes issued pursuant to Condition 17(b) (*Additional Issuances*), as applicable. Any such proposed Reinvestment Amount is subject to the conditions that:

(A) no more than a total of three Reinvestment Amounts may be effected in aggregate in respect of all Subordinated Notes (following which, the Issuer (or the Investment Manager on its behalf) shall notify the Noteholders in accordance with Condition 16 (*Notices*));

(B) each Reinvestment Amount is in an amount no less than Euro 1,000,000; and

(C) taking into account the Permitted Use for which such proposed Reinvestment Amount would be applied, to do so would not cause a Retention Deficiency.

The Investment Manager (on behalf of the Issuer), in consultation with any Contributor (but in the Investment Manager's sole discretion), will determine (in the case of a Contributor, within 14 days of a receipt of the Contribution from such Contributor) (A) whether to accept any proposed Reinvestment Amount and (B) the Permitted Use to which such proposed Reinvestment Amount would be applied provided that with respect to Contributions only, such Permitted Use shall be directed by the Contributor thereof, and provided further that if no such Permitted Use is directed by such Contributor, the Investment Manager may apply such Contribution to any Permitted Use

(in its sole discretion). The Investment 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 Investment Manager, it will be deposited by the Issuer into the Supplemental Reserve Account and applied to a Permitted Use determined by the Investment Manager. Amounts deposited pursuant to clause (ii) of the definition of "Contribution" 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 Reinvestment Amount so deposited shall not earn interest and shall not increase the principal balance of the Subordinated Notes (or the Rated Notes) held by such Reinvesting Noteholder. Unless retained as directed by the applicable Reinvesting Noteholder, Reinvestment Amounts will be paid to any applicable Reinvesting Noteholder on the first subsequent Payment Date on which Principal Proceeds are available therefor as provided in paragraph (T) of the Principal Priority of Payments or that 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 clause (ii) of the definition of "Contribution" 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 (V) 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 Administrator or the Investment 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 an Event of Default unless and until (i) such failure continues for a period of at least five Business Days (or ten Business Days in the case of an administrative error or omission as described in Condition 10(a)(i) (*Non–payment of interest*)). Pursuant to the terms of Condition 6(c) (*Deferral of Interest*), non–payment of amounts due and payable on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes as a result of the insufficiency of available Interest Proceeds will not constitute an Event of Default.

Subject to the terms of Condition 6(c) (*Deferral of Interest*) in the case of Interest Amounts payable in respect of the Class C Notes, Class D Notes, Class E Notes and the Class F Notes and save as otherwise provided in respect of any unpaid Investment 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 Investment 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 12.00 noon (London time) two Business Days prior to 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 Investment Manager, adjust the amounts required to be applied in payment of principal on the Notes from time to time pursuant to the Priorities of Payment so that the amount to be so applied in respect of each Note is a whole amount, not involving any fraction of a 0.01 Euro or, at the discretion of the Collateral Administrator, any fraction 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 the Irish Stock Exchange by no later than 11.00 a.m. (London time) on the Business Day prior to 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 the manifest error) be binding on the Issuer, the Collateral Administrator, the Investment Manager, the Trustee, the Registrar, the Principal Paying Agent, the Transfer Agent and all Noteholders and (in the absence of the fraud, negligence or wilful 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) any Counterparty Downgrade Collateral Account(s);

(vi) the Supplemental Reserve Account;

(vii) the Unfunded Revolver Reserve Account;

(viii) the Hedge Termination Account(s);

(ix) the Currency Accounts;

(x) the Expense Reserve Account;

(xi) the Custody Account;

(xii) the Collection Account; and

(xiii) the Interest Smoothing Account.

The Account Bank, the Custodian and the Principal Paying Agent 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 Ireland. If the Account Bank, the Custodian or the Principal Paying Agent at any time fails to satisfy the Rating Requirement, the Issuer shall use

reasonable endeavours to procure that a replacement, which satisfies the Rating Requirement, is appointed in accordance with the provisions of the Agency and Account Bank Agreement.

Amounts standing to the credit of the Accounts (other than the Unfunded Revolver Reserve Account, any Counterparty Downgrade Collateral Accounts, the Collection Account and the Payment Account) from time to time may be invested by the Investment Manager on behalf of the Issuer in Eligible Investments.

All interest accrued on any of the Accounts (other than any Counterparty Downgrade Collateral Accounts) from time to time shall be paid into the Interest Account, save to the extent that the Issuer is contractually bound to pay such amounts to a third party. All principal amounts received in respect of Eligible Investments standing to the credit of any Account from time to time shall be credited to that Account upon maturity, save to the extent that the Issuer is contractually bound to pay such amounts to a third party. All interest accrued on such Eligible Investments (including capitalised interest received upon the sale, maturity or termination of any such investment) shall be paid to the Interest Account as, and to the extent provided, above.

To the extent that any amounts required to be paid into any Account pursuant to the provisions of this Condition 3 (*Status*) are denominated in a currency other than Euro, the Investment Manager, acting on behalf of the Issuer, may (other than in the case of any Counterparty Downgrade Collateral Accounts) convert such amounts into the currency of the Account at the spot rates of exchange available to the Issuer pursuant to the Agency and Account Bank Agreement.

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 Accounts, (ii) the Payment Account, (iii) the Expense Reserve Account, (iv) the Supplemental Reserve Account, (v) all interest accrued on the Accounts, (vi) any Counterparty Downgrade Collateral Account, (vii) the Interest Smoothing Account and (viii) the Currency Accounts 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 and, to the extent not required to be repaid to any Hedge Counterparty, each Counterparty Downgrade Collateral Account shall be transferred to the Payment Account as Interest Proceeds on the Business Day prior to any redemption of the Notes in full.

Following the end of the Reinvestment Period, the Issuer (or the Investment 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 but in each case, if applicable, excluding any Trading Gains that are required to be paid into the Supplemental Reserve Account in accordance with Condition 3(j)(vi) (*Supplemental Reserve 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 Non–Euro Obligation to the extent required to be paid into a 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 the Hedge Termination Account, and (iv) principal proceeds received both before and after the Reinvestment Period in connection with the acceptance of an Offer where such Offer is by way of novation or substitution (for the avoidance of doubt, such proceeds will be reinvested automatically as consideration for the novated or substitute Collateral Obligation, subject to the Restructured Obligation Criteria being satisfied);

(B) all interest and other amounts received in respect of any Defaulted Obligation or any Mezzanine Obligation for so long as it is a Defaulted Obligation (save for Defaulted Obligation Excess Amounts) and amounts representing the element of deferred interest in any payments received in respect of any PIK Security;

(C) all premiums (including prepayment premiums) receivable upon redemption of any Collateral Obligation at maturity or otherwise or upon exercise of any put or call option in respect thereof which is above the outstanding principal amount of any Collateral Obligation;

(D) all fees and commissions received in connection with the purchase or sale of any Collateral Obligations or Eligible Investments or work out or restructuring of any Defaulted Obligations or Collateral Obligations or in connection with any Maturity Amendment as determined by the Investment Manager in its reasonable discretion;

(E) all Sale Proceeds received in respect of a Collateral Obligation;

(F) all Distributions and Sale Proceeds received in respect of Exchanged Securities;

(G) all Purchased Accrued Interest;

(H) amounts transferable to the Principal Account from any other Account as required below;

(I) 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;

(J) any other amounts received in respect of the Collateral which are not required to be paid into another Account;

(K) 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;

(L) all amounts transferable from the Supplemental Reserve Account;

(M) all amounts transferable from the Expense Reserve Account;

(N) 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 Investment Manager in accordance with the Investment Management and Collateral Administration Agreement;

(O) all net proceeds of issuance of any Refinancing Obligations issued in accordance with Condition 7(b) (*Optional Redemption*);

(P) all amounts transferable to the Principal Account from a Currency Account pursuant to paragraph (B) of Condition 3(j)(ix) (*Currency Accounts*) following exchange of such amounts into Euro (to the extent not already in Euro) by the Issuer following consultation with the Investment Manager;

(Q) all amounts payable into the Principal Account pursuant to paragraph (W) of the Interest Priority of Payments upon the failure to meet the Reinvestment Overcollateralisation Test during the Reinvestment Period;

(R) 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*);

(S) any Investment Manager Advances designated for such purpose; and

(T) any reimbursements received by the Issuer in respect of withholding tax previously paid on amounts required to be paid into the Principal Account pursuant to this Condition 3(j)(i) (*Principal 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 (O) above shall only be applied in accordance with sub–paragraph (4) 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 (or, as the case may be, the Post-Acceleration 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 Investment Manager (on behalf of the Issuer) pursuant to the Investment Management and Collateral Administration Agreement (including any payments to a Hedge Counterparty in respect of initial principal exchange amounts pursuant to a Currency Hedge Transaction) for a period beyond such Payment Date, provided that (i) if the Coverage Tests are not satisfied, Principal Proceeds from Defaulted Obligations may not be designated for reinvestment by the Investment 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 Investment Manager, acting on behalf of the Issuer, in accordance with the terms of, and to the extent permitted under, the Investment Management and Collateral 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 in connection with funding the acquisition of Non–Euro Obligations;

(3) on any Payment Date, at the discretion of the Investment Manager, acting on behalf of the Issuer, in accordance with and subject to the terms of the Investment Management and Collateral Administration Agreement, in payment of the purchase price of any Notes purchased by the Issuer in accordance with Condition 7(l) (*Purchase*);

(4) on any Payment Date on which a Refinancing has occurred, all amounts credited to the Principal Account pursuant to sub–paragraph (O) 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*); and

(5) prior to the third Determination Date, at the discretion of the Investment Manager, acting on behalf of the Issuer, an amount not exceeding 0.5 per cent. of the Target Par Amount may be transferred to the Interest Account in aggregate and without duplication, from the Principal Account and the Unused Proceeds Account (pursuant to paragraph (4) of Condition 3(j)(iii) (*Unused Proceeds Account*)), *provided that* as at such date after giving effect to such transfer, (A) the Collateral Principal Amount equals or exceeds the Target Par Amount (provided that, for such purposes the Principal Balance of each Defaulted Obligation will be the lower of its Moody's Collateral Value and Fitch Collateral Value), and (B) 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.

(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 Non–Euro Obligation to the extent required to be paid into a 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 other than Defaulted Obligation Excess Amounts;

(B) all interest accrued on the Balance standing to the credit of the Interest Account from time to time and all interest accrued in respect of the Balances standing to the credit of the other Accounts (including interest on any Eligible Investments standing to the credit thereof) (other than in respect of any Counterparty Downgrade Collateral Account);

(C) at the Investment Manager's discretion, (i) if at any time after the first anniversary of the Issue Date the Collateral Principal Amount (and for such purpose the Principal Balance of all Defaulted Obligations shall be deemed to be the lower of their Fitch Collateral Value and their Moody's Collateral Value) is equal to or greater than the Reinvestment Target Par Balance and the Collateral Quality Tests are satisfied, all or any portion of amendment and waiver fees, all late payment fees, all commitment fees, syndication fees and all other fees and commissions received in connection with any Collateral Obligations and Eligible Investments as determined by the Investment 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 or in connection with any Maturity Amendment, which fees and commissions shall be payable into the Principal Account and shall constitute Principal Proceeds), and (ii) all delayed compensation received in connection with any Collateral Obligations and Eligible Investments as determined by the Investment Manager in its reasonable discretion;

(D) all accrued interest included in the proceeds of sale of any other Collateral Obligation that are designated by the Investment Manager as Interest Proceeds pursuant to the Investment Management and Collateral Administration Agreement (provided that no such designation may be made in respect of (i) any Purchased Accrued Interest or (ii) 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 for so long as it is not a Defaulted Obligation and which by its contractual terms provides for the deferral of interest;

(F) amounts transferable 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 transferable from the Supplemental Reserve Account;

(J) all amounts transferable from the Expense Reserve Account;

(K) any amounts payable to the Issuer under any Hedge Transaction in respect of interest save for Hedge Counterparty Termination Payments, Counterparty Downgrade Collateral or Hedge Replacement Receipts;

(L) 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 Investment 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 Investment Management and Collateral Administration Agreement;

(M) any Interest Smoothing Amounts which are required to be transferred from the Interest Smoothing Account;

(N) all proceeds received during the related Due Period from any additional issuance of Subordinated Notes that are not reinvested or retained for reinvestment in Collateral Obligations;

(O) any reimbursements received by the Issuer in respect of withholding tax previously paid on amounts required to be paid into the Interest Account pursuant to this Condition 3(j)(ii) (*Interest Account*);

(P) any Hedge Issuer Tax Credit Payments received by the Issuer;

(Q) amounts transferred from the Principal Account pursuant to Condition 3(j)(i)(4) (*Principal Account*);

(R) any Principal Proceeds designated by the Investment Manager as Interest Proceeds subject to and in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*); and

(S) any Refinancing Proceeds and Partial Redemption Interest Proceeds in accordance with Condition 3(m)(iv) (*Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial Redemption Date*).

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Interest Account:

(1) on the Business Day prior to each Payment Date, all Interest Proceeds 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 (or, as the case may be, the Post-Acceleration 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 Investment Management and Collateral 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 an Event of Default which is continuing; (iii) the Determination Date immediately prior to any redemption of the Notes in full; and (iv) any Determination Date on or following the occurrence of a Frequency Switch Event, 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:

(A) an amount transferred from the Collection Account 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; and (3) amounts applied in the acquisition of certain Collateral Obligations purchased by the Issuer prior to the Issue Date from the Retention Holder; and

(B) all proceeds received during the Initial Investment Period from any additional issuance of Notes that are not invested in Collateral Obligations or paid into the 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) on or about the Issue Date, such amounts equal to the aggregate of:

(a) the purchase price for certain Collateral Obligations on or prior to the Issue Date;

(b) any premium payable by the Issuer in connection with the Issue Date Interest Rate Hedge Transactions; and

(c) amounts required for repayment of any amounts borrowed by the Issuer (together with interest thereon) in order to finance the acquisition of certain Collateral Obligations on or prior to the Issue Date;

(2) at any time up to and including the last day of the Initial Investment Period, in accordance with the terms of, and to the extent permitted under, the Investment Management and Collateral Administration Agreement, in the acquisition of Collateral Obligations amounts payable by the Issuer to a Hedge Counterparty in respect of initial principal exchange in relation to a Non-Euro Obligation that is the subject of a Currency Hedge Transaction;

(3) in the event of the occurrence of an Effective Date Rating Event, the Balance standing to the credit of the Unused Proceeds Account, on the Business Day prior to the Payment Date falling immediately after the Effective Date, to the extent required, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of Payment, in redemption of the Notes in accordance with the Note Payment Sequence or, if earlier, until an Effective Date Rating Event is no longer continuing; and

(4) prior to the third Determination Date, the Balance standing to the credit of the Unused Proceeds Account, to the Principal Account or the Interest Account, in each case, at the discretion of the Investment Manager, acting on behalf of the Issuer, provided that as at such date: (i) no more than 0.5 per cent. of the Target Par Amount may be transferred to the Interest Account in aggregate and without duplication, from the Unused Proceeds Account and the Principal Account (pursuant to paragraph (5) of Condition 3(j)(i) (*Principal Account*)), and (ii) after giving effect to such transfer, (A) the Collateral Principal Amount equals or exceeds the Target Par Amount (provided that, for such purposes the Principal Balance of each Defaulted Obligation will be the lower of its

Moody's Collateral Value and Fitch Collateral Value), and (B) 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 cause 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 Counterparty Downgrade Collateral 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 any 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 any other funds from any other party.

Amounts standing to the credit of each Counterparty Downgrade Collateral Account will not be available for the Issuer to make payments to the Noteholders nor any other creditor of the Issuer (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):

(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 thereto, in each case, 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) an "Event of Default" (as defined in such Hedge Agreement) in respect of the relevant Hedge Counterparty or an "Additional Termination Event" (as defined in such Hedge

Agreement) in relation to which the relevant Hedge Counterparty is the sole "Affected Party" (as defined in such Hedge Agreement) and (B) the Issuer enters into 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 standing to the credit of such Counterparty Downgrade Collateral Account (if any) to the Principal Account (provided that to the extent that doing so would cause a Retention Deficiency, such surplus amount shall be paid into the Interest 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 in respect of an "Event of Default" (as defined in such Hedge Agreement) in respect of the relevant Hedge Counterparty and other than in respect of an "Additional Termination Event" (as defined in such Hedge Agreement) in relation to which the relevant Hedge Counterparty is the sole "Affected Party" (as defined in such Hedge Agreement) and where (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 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 standing to the credit of such Counterparty Downgrade Collateral Account (if any) to the Principal Account (provided that to the extent that doing so would cause a Retention Deficiency such surplus amount shall be paid into the Interest Account); and

(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 Investment Manager on its behalf, determines not to replace such terminated "Transactions" and Rating Agency Confirmation is received in respect of such determination or termination of such "Transactions" occurs on a Redemption Date or if for any reason the Issuer is unable to enter into one or more Replacement Hedge Agreements or any novation of the relevant Hedge Counterparty's obligations to a replacement Hedge Counterparty, in the following order of priority:

(1) first, in or towards payment of any Hedge Issuer Termination Payments relating to such terminated "Transactions" (to the extent not funded from the relevant Hedge Termination Account); and

(2) second, the surplus amount standing to the credit of such Counterparty Downgrade Collateral Account (if any) to the Principal Account (provided that to the extent that doing so would cause a Retention Deficiency such surplus amount shall be paid into the Interest Account).

(vi) Supplemental Reserve Account

The Issuer will procure that the following amounts are paid into the Supplemental Reserve Account:

(A) on each Payment Date, any Supplemental Reserve Amount applied in payment into the Supplemental Reserve Account pursuant to paragraph (BB) of the Interest Priority of Payments in respect of such Payment Date;

(B) on each Payment Date, any Reinvestment Amount in respect of such Payment Date;

(C) at any time, the proceeds of an Investment Manager Advance;

(D) any Trading Gains realised in respect of any Collateral Obligation to the extent that the deposit of such amounts into the Principal Account would, in the reasonable determination of the Investment Manager and in consultation with the Retention Holder, cause a Retention Deficiency; and

(E) all Collateral Enhancement Obligation Proceeds,

in each case to the extent not applied in the acquisition of or, in respect of any exercise of any option or warrant comprised in, one or more Collateral Enhancement Obligations (in accordance with the terms of the Investment Management and Collateral Administration Agreement).

The Issuer will (at the direction of the Investment Manager which shall be made in its sole discretion) procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Supplemental Reserve Account:

(1) at any time, to the Principal Account for either (x) during the Reinvestment Period to reinvest in Substitute Collateral Obligations (provided that to the extent that doing so would cause a Retention Deficiency such amounts shall be paid into the Interest Account) or additional Collateral Obligations, or (y) otherwise for distribution on the next following Payment Date in accordance with the Priorities of Payment;

(2) at any time, at the direction of the Issuer (or the Investment Manager acting on its behalf), to the Interest Account for distribution in accordance with the Priorities of Payment;

(3) at any time, in the acquisition of, or in respect of any exercise of any option or warrant comprised in, Collateral Enhancement Obligations, in accordance with the terms of the Investment Management and Collateral Administration Agreement; provided that no Retention Deficiency shall occur as a direct result of, and immediately after giving effect to, any such acquisition and provided further that if and for so long as there exists accrued and unpaid Deferred Interest outstanding in respect of any Class of Rated Notes, no amount representing Trading Gains deposited in the Supplemental Reserve Account in accordance with this Condition may be so applied;

(4) on any Payment Date, at the discretion of the Investment Manager, acting on behalf of the Issuer, in accordance with and subject to the terms of the Investment Management and Collateral Administration Agreement, in payment of the purchase price of any Notes purchased by the Issuer in accordance with Condition 7(l) (*Purchase*);

(5) on the occurrence of an Effective Date Rating Event, on the Business Day prior to the Payment Date falling immediately after the Effective Date, to the extent required, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of Payment;

(6) at any time at the discretion of the Investment Manager, in repayment of any Investment Manager Advances; provided that if and for so long as there exists accrued and unpaid Deferred Interest outstanding in respect of any Class of Rated Notes, no amount representing Trading Gains deposited in the Supplemental Reserve Account in accordance with this Condition may be so applied;

(7) for deposit into the Expense Reserve Account;

(8) for distribution in accordance with the Post-Acceleration Priority of Payments following the delivery of an Acceleration Notice which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*) or, as the case may be, following automatic acceleration of the Notes or pursuant to an Optional Redemption in whole in accordance with Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*); and

(9) on any Payment Date, as directed by the Issuer in its discretion (or the Investment Manager acting on its behalf), some or all of the Supplemental Reserve Amount(s) to the payment of distributions on the Subordinated Notes in each case on a *pro rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption), provided that if the Incentive Investment Management Fee IRR Threshold has been reached (after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date, including pursuant to this paragraph (9), paragraph (V) of the Principal Priority of Payments and paragraph (DD) of the Interest Priority of Payments and including for such purpose any such distributions designated as Reinvestment Amounts)), 20 per cent. of such distribution shall be paid to the Investment Manager, provided that if and for so long as there exists accrued and unpaid Deferred Interest outstanding in respect of any Class of Rated Notes, no amount representing Trading Gains deposited in the Supplemental Reserve Account in accordance with this Condition may be so applied,

(1) to (9) above inclusive being "**Permitted Uses**".

No Reinvestment Amount or portion thereof accepted by the Investment Manager will be returned to the Reinvesting Noteholder at any time save for in accordance with the Priorities of Payments (or this Condition 3(j)(vi) (*Supplemental Reserve Account*)).

(vii) Unfunded Revolver Reserve Account

The Issuer shall procure the following amounts are paid into the Unfunded Revolver Reserve Account:

(A) upon the acquisition by or on behalf of the Issuer of any Revolving Obligation or Delayed Drawdown Collateral 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 Investment 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 Investment Manager acting on behalf of the Issuer and the Trustee);

(3) (x) at any time at the direction of the Investment Manager (acting on behalf of the Issuer) to the Principal Account; 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, to the Principal Account, provided that to the extent that doing so would cause a Retention Deficiency such amounts shall be paid into the Interest Account; and

(4) all interest accrued on the Balance standing to the credit of the Unfunded Revolver Reserve Account from time to time (including capitalised interest received upon the sale, maturity or termination of any Eligible Investment) to the Interest Account.

(viii) Hedge Termination 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 in payment as provided below:

(A) at any time, in the case of any Hedge Replacement Receipts paid into the relevant Hedge Termination Account, in payment of any Interest Rate Hedge Issuer Termination Payment or Currency Hedge Issuer Termination Payment, as applicable, due and payable to a Hedge Counterparty under the Hedge Transaction being replaced or, to the extent not required to make such payment, in payment of such amount to the Principal Account (provided that to the extent that doing so would cause a Retention Deficiency such amounts shall be paid into the Interest 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 Investment Management and Collateral 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 Investment 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 (provided that to the extent that doing so would cause a Retention Deficiency such amounts shall be paid into the Interest Account).

(ix) Currency Accounts

The Issuer will procure that all amounts received in respect of any Non–Euro 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 Non–Euro 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 the Principal Account are paid into the applicable Currency Account. A separate Currency Account will be established in respect of each applicable currency (to the extent that the Account Bank is able to hold such 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 Accounts:

(A) at any time, all amounts payable by the Issuer to the Currency Hedge Counterparty under any Currency Hedge Transaction save for Currency Hedge Issuer Termination Payments (other than where such Currency Hedge Issuer Termination Payments arise in connection with the termination of a Currency Hedge Transaction in 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 Non–Euro Obligation), 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 Non–Euro 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 Accounts after paying, or provision for the payment of any amounts to be paid to, any Currency Hedge Counterparty pursuant to paragraph (A) above shall be converted into Euro by the Collateral Administrator on behalf of the Issuer at the spot rates of exchange available to the Issuer pursuant to the Agency and Account Bank Agreement following consultation with the Investment Manager and transferred to the Principal Account (provided that to the extent that doing so would cause a Retention Deficiency such amounts shall be paid into the Interest Account); 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 Investment Management and Collateral 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) all amounts transferred from the Supplemental Reserve Account pursuant to paragraph (7) of Condition 3(j)(vi) (*Supplemental Reserve Account*); and

(C) any amount applied in payment into the Expense Reserve Account pursuant to paragraph (D) of the Interest Priority of Payments.

The Issuer shall procure payment of the following amounts (and shall procure that no other amounts are paid) out of the Expense Reserve Account:

(1) amounts due or accrued with respect to actions taken on or in connection with the Issue Date with respect to the issue of Notes and the entry into the Transaction Documents;

(2) amounts standing to the credit of the Expense Reserve Account may be transferred to the Principal Account and/or the Interest Account in the sole discretion of the Issuer (or the Investment Manager acting on its behalf) (provided that to do so would not cause a Retention Deficiency);

(3) 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; and

(4) 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.

(xi) Collection Account

The Issuer will procure that the following amounts are credited to the Collection Account:

(A) on the Issue Date, the net proceeds of issue of the Notes; and

(B) all amounts received in respect of any Collateral (other than as otherwise provided in Condition 3(j)(v) (*Counterparty Downgrade Collateral Accounts*)).

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Collection Account:

(1) on or about the Issue Date:

(a) in payment of amounts due or accrued with respect to action taken on or in connection with the Issue Date with respect to the issue of Notes, the entry into the Transaction Documents and the redemption in full of the Original Notes;

(b) amounts payable into the Expense Reserve Account;

(d) any remaining amounts to the Unused Proceeds Account; and

(2) subject to the prior payment of all amounts in Condition 3(j)(xi)(1) (*Collection Account*) above, in transfer to the other Accounts as required in accordance with Condition 3(i) (*Accounts*) and the other provisions of this Condition 3(j) (*Payments to and from the Accounts*) on a daily basis, such that the balance standing to the credit of the Collection Account at the end of each Business Day is zero.

(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 an Event of Default which is continuing;

(C) the Determination Date immediately prior to any redemption of the Notes in full; and

(D) any Determination Date on or following the occurrence of a Frequency Switch Event,

the Interest Smoothing Amount (if any) shall be credited to the Interest Smoothing Account from the Interest Account.

The Issuer shall procure, on the Business Day falling after each Payment Date, the transfer to the Interest Account of an amount equal to:

(1) if any Interest Smoothing Amount was transferred to the Interest Smoothing Account on the immediately prior Determination Date in respect of a Semi-Annual Obligation with a Payment Frequency greater than three months and less than or equal to six months, an amount equal to such Interest Smoothing Amount in respect of such Semi-Annual Obligations;

(2) if any Interest Smoothing Amount was transferred to the Interest Smoothing Account on any of the prior two Determination Dates in respect of a Semi-Annual Obligation with a Payment Frequency greater than six months and less than or equal to nine months, an amount equal to such Interest Smoothing Amount in respect of such Semi-Annual Obligations divided by two; and

(3) if any Interest Smoothing Amount was transferred to the Interest Smoothing Account on any of the prior three Determination Dates in respect of a Semi-Annual Obligation with a Payment Frequency greater than nine months, an amount equal to such Interest Smoothing Amount in respect of such Semi-Annual Obligations divided by three.

(k) Investment 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 Investment Manager determines on behalf of the Issuer should be purchased or exercised, the Investment Manager may, at its discretion, pay amounts required in order to fund such purchase or exercise (such amount, a "**Investment Manager Advance**") to such account pursuant to the terms of the Investment Management and Collateral Administration Agreement. Each Investment Manager Advance may bear interest at such rate agreed between the Investment Manager and the Issuer from time to time (and notified to the Collateral Administrator) provided that such rate of interest shall not exceed a rate of EURIBOR plus 2.0 per cent. per annum. Investment Manager Advances shall either (i) be repaid out of Interest Proceeds and Principal Proceeds on each Payment Date pursuant to the Priorities of Payment, or (ii) at any time (at the discretion of the Investment Manager) from amounts standing to the credit of the Supplemental Reserve Account. The aggregate amount outstanding of all Investment Manager Advances shall not, at any time, exceed €8,000,000 or such greater number as the Subordinated Noteholders may approve, acting by way of an Ordinary Resolution.

(l) Unscheduled Payment Dates

The Issuer and the Investment Manager may (and must if so directed by the Subordinated Noteholders acting by Ordinary Resolution) designate a date (other than a Scheduled Payment Date and a Redemption Date or the Final Distribution Date) as a Payment Date (each an "**Unscheduled Payment Date**" if the following conditions are met:

i. the proposed Unscheduled Payment Date is a Business Day falling after the date upon which the Rated Notes have been repaid or redeemed in full;

ii. the Unscheduled Payment Date falls no less than five (5) Business Days after the Investment Manager (on behalf of the Issuer) has notified the Trustee, the Collateral Administrator, the Principal Paying Agent and the Noteholders (in accordance with Condition 16 (*Notices*) of the intended date of the unscheduled payment;

iii. the proposed Unscheduled Payment Date falls more than five (5) Business Days prior to a Scheduled Payment Date;

iv. the proposed Unscheduled Payment Date falls no less than five (5) Business Days after any Scheduled Payment Date or Unscheduled Payment Date.

(m) Application of Refinancing Proceeds and Partial Redemption Interest Proceeds on a Partial Redemption Date

Subject as further provided below, the Collateral Administrator shall, on behalf of the Issuer on a Partial Redemption Date cause the Account Bank to disburse Refinancing Proceeds received in respect of the Optional Redemption in part of any Class or Classes of Rated Notes and Partial Redemption Interest Proceeds transferred to the Payment Account, in each case, in accordance with the following order of priority:

i. to the payment of accrued and unpaid Trustee Fees and Expenses, to the extent incurred in connection with such Optional Redemption in part;

ii. to the payment of Administrative Expenses in the priority stated in the definition thereof, to the extent incurred in connection with any Optional Redemption in part;

iii. to the redemption of the Class or Classes of Rated Notes to be redeemed in part at the applicable Redemption Prices (in the case of any Partial Redemption Date that is a Payment Date without duplication of any amounts received by any Class of Notes pursuant to the Principal Priority of Payment, the Interest Priority of Payment and Post-Acceleration Priority of Payments); and

iv. any remaining amounts to be deposited in the Interest Account.

4. Security

(a) Security

Pursuant to the Trust Deed, obligations of the Issuer including under the Notes, the Trust Deed, the Agency and Account Bank Agreement, the Investment Management and Collateral Administration Agreement and the Subscription Agreement (together with the obligations owed by the Issuer to the other Secured Parties) are secured in favour of the Trustee for the benefit of the Secured Parties by:

(i) an assignment by way of security of all the Issuer's present and future rights, title and interest (and all entitlements or other benefits relating thereto) in respect of all Collateral Obligations, Exchanged Securities, Collateral Enhancement Obligations, Eligible Investments standing to the credit of each of the Accounts (other than any Counterparty Downgrade Collateral Account) and any other investments (other than any Counterparty Downgrade Collateral), in each case held by the Issuer from time to time (where such rights are contractual rights (other than contractual rights the assignment of which would require the consent of a third party or the entry into of an agreement or deed) and where such contractual rights arise other than under securities), including, without limitation, moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof;

(ii) a first fixed charge and first priority security interest granted over all the Issuer's present and future rights, title and interest (and all entitlements or other benefits relating thereto) in respect of all Collateral Obligations, Exchanged Securities, Collateral Enhancement Obligations, Eligible Investments standing to the credit of each of the Accounts (other than any Counterparty Downgrade Collateral Account) and any other investments (other than any Counterparty Downgrade Collateral), in each case held by the Issuer (where such assets are securities or contractual rights not assigned by way of security pursuant to paragraph (i) above and which are capable of being the subject of a first fixed charge and first priority security interest), including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof;

(iii) a first fixed charge over all present and future rights of the Issuer in respect of each of the Accounts (other than any Counterparty Downgrade Collateral Account) and all moneys from time to time standing to the credit of such Accounts (other than any Counterparty Downgrade Collateral Account(s) and the Supplemental Reserve Account) and the debts represented thereby and including, without limitation, all interest accrued and other moneys received in respect thereof;

(iv) a first fixed charge and first priority security interest (where the applicable assets are securities) over, or an assignment by way of security (where the applicable rights are contractual obligations) of, all present and future rights of the Issuer in respect of any Counterparty Downgrade Collateral standing to the credit of any Counterparty Downgrade Collateral Account, including, without limitation, all moneys received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof and over any Counterparty Downgrade Collateral Account and all moneys from time to time standing to the credit of any Counterparty Downgrade Collateral Account 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 pursuant to the terms of the relevant Hedge Agreement, Condition 3(j)(v) (*Counterparty Downgrade Collateral Accounts*) and any prior ranking security interest granted by the Issuer to any Hedge Counterparty;

(v) an assignment by way of security of all the Issuer's present and future rights against the Custodian under the Agency and Account Bank Agreement (to the extent such rights relate to the Custody Account) and a first fixed charge over all of the Issuer's right, title and interest in and to the Custody Account (including each cash account relating to the Custody Account) and any cash held therein and the debts represented thereby;

(vi) an assignment by way of security of all the Issuer's present and future rights under each Currency Hedge Agreement and each Interest Rate Hedge Agreement and each Currency Hedge Transaction and Interest Rate Hedge Transaction entered into thereunder (including the Issuer's rights under any guarantee or credit support annex entered into pursuant to any Currency Hedge Agreement or Interest Rate Hedge Agreement, provided that such assignment by way of security is without prejudice to, and after giving effect to, any contractual netting or set–off provision contained in the relevant Hedge Agreement and shall not in any way restrict the release of collateral granted thereunder in whole or in part at any time pursuant to the terms thereof);

(vii) a first fixed charge over all moneys held from time to time by the Principal Paying Agent and any other Agent for payment of principal, interest or other amounts on the Notes (if any);

(viii) an assignment by way of security of all the Issuer's present and future rights under the Investment Management and Collateral Administration Agreement, the Agency and Account Bank Agreement, the Retention Undertaking Letter, the Subscription Agreement, each Collateral Acquisition Agreement and each other Transaction Document and, in each case, all sums derived therefrom; and

(ix) a floating charge over the whole of the Issuer's undertaking and assets to the extent that such undertaking and assets are not subject to any other security created pursuant to the Trust Deed,

excluding for the purposes of (i) to (ix) above, the Irish Excluded Assets.

The security created pursuant to paragraphs (i) to (ix) above is granted to the Trustee for itself and as trustee for the Secured Parties as continuing security for the payment of the Secured Obligations provided that the security granted by the Issuer over any collateral provided to the Issuer pursuant to a Hedge Agreement will only be available to the Secured Parties (other than with respect to the collateral provided to the relevant Hedge Counterparty pursuant to such Hedge Agreement and Condition 3(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 Irish or any other mandatory law the benefit of the Affected Collateral and any sums received in respect thereof or any security interest, guarantee or

indemnity or undertaking of whatever nature given to secure such Affected Collateral (together, the "**Trust Collateral**") on trust for the Trustee for the benefit of the Secured Parties and shall (i) account to the Trustee for or otherwise apply all sums received in respect of such Trust Collateral as the Trustee may direct (provided that, subject to the Conditions and the terms of the Investment Management and Collateral Administration Agreement, if no Event of Default has occurred and is continuing, the Issuer shall be entitled to apply the benefit of such Trust Collateral and such sums in respect of such Trust Collateral received by it and held on trust under this paragraph without prior direction from the Trustee), (ii) exercise any rights it may have in respect of the Trust Collateral at the direction of the Trustee and (iii) at its own cost take such action and execute such documents as the Trustee may in its sole discretion require.

The Issuer may from time to time grant security:

(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 apply, repay or redeem such Counterparty Downgrade Collateral and to make any payment or delivery due to the relevant Hedge Counterparty in each case 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 Investment Manager acting on behalf of the Issuer); and/or

(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) (*Unfunded Revolver Reserve Account*) (including Rating Agency Confirmation),

excluding for the purposes of (A) and (B) above, the Irish Excluded Assets.

All deeds, documents, assignments, instruments, bonds, notes, negotiable instruments, papers and any other instruments comprising, evidencing, representing and/or transferring the Portfolio will be deposited with or held by or on behalf of the Custodian until the security over such obligations is irrevocably discharged in accordance with the provisions of the Trust Deed. In the event that the ratings of the Custodian are downgraded to below the Rating Requirement or withdrawn, the Issuer shall use reasonable endeavours to procure that a replacement Custodian with the Rating Requirement is appointed on substantially the same terms of the Agency and Account Bank Agreement.

Pursuant to the terms of the Trust Deed, the Trustee is exempted from any liability in respect of any loss or theft or reduction in value of the Collateral, from any obligation to insure the Collateral and from any claim arising from the fact that the Collateral is held in a clearing system or in safe custody by the Custodian, a bank or other custodian. The Trustee has no responsibility for ensuring that the Custodian, the Account Bank, the Principal Paying Agent 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, principal paying agent or any hedge counterparty. The Trustee has no responsibility for the management of the Portfolio by the Investment 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. The Trust Deed also provides that the Trustee shall accept without investigation, requisition or objection such right, benefit, title and interest, if any, as the Issuer may have in and to any of the Collateral and is not bound to make any investigation into the same or into the Collateral in any respect.

(b) Application of Proceeds upon Enforcement

The Trust Deed provides that the net proceeds of realisation of or enforcement with respect to the security over the Collateral constituted by the Trust Deed shall be applied in accordance with the priorities of 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 upon enforcement thereof in accordance with Condition 11 (*Enforcement*) and the provisions of the Trust Deed or otherwise are less than the aggregate amount payable in such circumstances by the Issuer in respect of the Notes and to the other Secured Parties (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 in respect of the proceeds of enforcement of the security constituted by the Trust Deed shall be applied in accordance with the Priorities of Payment. In such circumstances, the other assets (including the Irish Excluded Assets) of the Issuer will not be available for payment of such shortfall which shall be borne by the Noteholders, the Reinvesting Noteholders (if any) 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, examinership, winding up or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligations of the Issuer relating to the Notes of any Class, the Trust Deed or otherwise owed to the Secured Parties, save for lodging a claim in the liquidation of the Issuer which is initiated by another non-Affiliated party or taking proceedings to obtain a declaration as to the obligations of the Issuer and without limitation to the Trustee's right to enforce and/or realise the security constituted by the Trust Deed (including by appointing a receiver 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 Arranger, the Initial Purchaser, the Investment Manager, the Administrator 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) 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 Investment Manager, each Hedge Counterparty and each Rating Agency within two Business Days of publication thereof.

5. Covenants of and Restrictions on the Issuer

(a) Covenants of the Issuer

Unless otherwise provided in the Transaction Documents, the Issuer covenants to the Trustee on behalf of the holders of the Notes that, for so long as any Note remains Outstanding, that the Issuer will:

(i) take such steps as are reasonable to enforce all its rights:

(A) under the Trust Deed;

(B) in respect of the Collateral;

(C) under the Agency and Account Bank Agreement;

(D) under the Investment Management and Collateral Administration Agreement;

(E) under the Administration Agreement;

(F) under each Collateral Acquisition Agreement;

(G) under the Retention Undertaking Letter;

(H) under any Hedge Agreement; and

(I) under each of the other Transaction Documents;

(ii) comply with its obligations under the Notes, the Trust Deed, the Agency and Account Bank Agreement, the Investment Management and Collateral Administration Agreement, the Retention Undertaking Letter and each other Transaction Document to which it is a party;

(iii) keep proper books of account and records at its registered office (and maintain the same separate from those of any other Person or entity);

(iv) at all times maintain its accounts and its financial statements separate from the accounts and financial statements of any other Person or entity;

(v) at all times maintain its tax residence outside the United Kingdom and the United States and will not establish a branch, agency or permanent establishment (and in this regard no account shall be taken of the activities which the Investment Manager carries out on behalf of the Issuer pursuant to the Investment Management and Collateral Administration Agreement), or place of business or register as a company in the United Kingdom or the United States, or elsewhere outside of Ireland, and shall not do or permit anything within its control which might result in its residence being considered to be outside Ireland for tax purposes;

(vi) maintain its central management and control and its place of effective management only in Ireland and in particular shall not be treated or deemed to be treated under any of the double taxation treaties entered into by Ireland as being resident in any other jurisdiction;

(vii) conduct its business and affairs such that, at all times:

(A) it shall maintain its registered office in Ireland;

(B) it shall hold all meetings of its board of directors in Ireland and ensure that all of its directors are resident in Ireland 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 Ireland by taking all key decisions relating to the Issuer in Ireland;

(C) it shall not open any office or branch or place of business outside of Ireland; and

(D) it shall not knowingly take any action (save to the extent necessary for the Issuer to comply with its obligations under the Transaction Documents) which will cause its "centre of main interests" (within the meaning of European Council Regulation No. 2015/848 (the "**Insolvency Regulations**")) to be located in any jurisdiction other than Ireland and will not establish any offices, branches or other permanent establishments (as defined in the Insolvency Regulations) or register as a company in any jurisdiction other than Ireland;

(viii) pay its debts generally as they fall due, subject to and in accordance with the Priorities of Payment;

(ix) do all such things as are necessary to maintain its corporate existence to conduct its own business in its own name, to hold itself out as a separate entity and to correct any known misunderstanding regarding its separate identity;

(x) use its best endeavours to obtain and maintain the listing on the Global Exchange Market of the Irish Stock Exchange of the outstanding Notes of each Class. If, however, it is unable to do so, having used such endeavours, or if the maintenance of such listings are agreed by the Trustee to be unduly onerous and the Trustee is satisfied that the interests of the holders of the Outstanding

Notes of each Class would not thereby be materially prejudiced, the Issuer will instead use all reasonable endeavours promptly to obtain and thereafter to maintain a listing for such Notes on such other stock exchange, exchange, securities market or market (as applicable) as it may (with the approval of the Trustee) decide provided that any such other stock exchange, exchange, securities market or market (as applicable) is a recognised stock exchange for the purposes of both Section 64 of the TCA and that the Notes will be treated as "listed on a recognised stock exchange" for the purposes of section 1005 of the Income Tax Act 2007 of the United Kingdom;

(xi) supply such information to the Rating Agencies as they may reasonably request;

(xii) ensure an agent is appointed to assist in creating and maintaining the Issuer's website to enable the Rating Agencies to comply with Rule 17g–5;

(xiii) have its own stationery; and

(xiv) notify the Principal Paying Agent and/or the Collateral Administrator of any reduction or withdrawal of any Rating Agency's rating of any of the Rated Notes known to the Issuer.

(b) Restrictions on the Issuer

Unless otherwise provided in the Transaction Documents, the Issuer covenants to the Trustee on behalf of the holders of the Notes that, for so long as any Note remains Outstanding, that the Issuer will not:

(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 Investment Management and Collateral Administration Agreement, nor will it create or permit to be outstanding any mortgage, pledge, lien, charge, encumbrance or other security interest over the Collateral except in accordance with the Trust Deed, these Conditions or the Transaction Documents;

(ii) sell, factor, discount, transfer, assign, lend or otherwise dispose of, nor create or permit to be outstanding any mortgage, pledge, lien, charge, encumbrance or other security interest over, any of its other property or assets or any part thereof or interest therein other than in accordance with the Trust Deed, a Hedge Agreement, these Conditions or the Transaction Documents;

(iii) engage in any business other than the holding or managing or both the holding and managing, in each case in Ireland, of "qualifying assets" within the meaning of Section 110 of the TCA and in connection therewith shall not engage in any business other than:

(A) acquiring and holding any property, assets or rights that are capable of being effectively 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 Investment Management and Collateral Administration Agreement, the Retention Undertaking Letter, each Reporting Delegation 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 Investment Management and Collateral Administration Agreement, the Retention Undertaking Letter, the Administration 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 Investment Management and Collateral 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 Investment Management and Collateral Administration Agreement;

(vii) amend its constitution;

(viii) have any subsidiaries or establish any offices, branches or other "establishment" (as that term is used in article 2(h) of the Insolvency Regulations outside of Ireland;

(ix) have any employees (for the avoidance of doubt the Directors of the Issuer do not constitute employees);

(x) enter into any reconstruction, amalgamation, merger or consolidation;

(xi) convey or transfer all or a substantial part of its properties or assets (in one or a series of transactions) to any person, otherwise than as contemplated in these Conditions;

(xii) issue any shares (other than such shares as are in issue as at the Issue Date) nor redeem or purchase any of its issued share capital and shall maintain adequate share capital in light of its contemplated business operations;

(xiii) enter into any material agreement or contract with any Person (other than an agreement on customary market terms which for the avoidance of doubt will include agreements to buy and sell obligations and documentation relating to restructurings (including steering committee indemnity letters) 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, prior to the date that is two years and one day after all the related obligations of the Issuer have been paid in full (or, if longer, the applicable preference period under applicable insolvency law), such Person shall not take any action or institute any proceeding against the Issuer under any insolvency law applicable to the Issuer or which would reasonably be likely to cause the Issuer to be subject to or seek protection of any such insolvency law; provided that such Person shall be permitted to become a party to and to participate in any proceeding or action under any such insolvency law that is initiated by any other Person other than one of its Affiliates;

(xiv) otherwise than as contemplated in the Transaction Documents, release any Agent from or terminate their appointment under the Agency and Account Bank Agreement or Investment Management and Collateral Administration Agreement (as applicable) or the Investment Manager under the Investment Management and Collateral 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) take any action, or permit any action to be taken, which would cause it to cease to be a "qualifying company" within the meaning of Section 110 of the TCA;

(xvii) enter into any lease in respect of, or own, premises;

(xviii) enter into any transaction or arrangement otherwise than by way of a bargain made at arm's length;

(xix) 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

(xx) elect to be treated as other than a corporation for U.S. federal income tax purposes.

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 November 2017 (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, for the period from (and including) the preceding Payment Date (or in the case of the first Payment Date, the Issue Date) to (but excluding) the following Payment Date and in each case in arrear on each Payment Date.

(ii) Subordinated Notes

Interest shall be payable on the Subordinated Notes to the extent funds are available in accordance with paragraph (DD) of the Interest Priority of Payments, paragraph (V) of the Principal Priority of Payments, paragraph (X) of the Post–Acceleration Priority of Payments and paragraph (9) of Condition 3(j)(vi) (*Supplemental Reserve Account*) 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 payable in respect of the Rated Notes (other than the Class X Notes, the Class A Notes and the Class B Notes) in full on any Payment Date in each case to the extent that there are Interest Proceeds or Principal Proceeds available for payment thereof in accordance with the Priorities of Payment.

In the case of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, an amount of interest equal to any shortfall in payment of the Interest Amount which would, but for the first paragraph of this Condition 6(c) (*Deferral of Interest*) otherwise be due and payable in respect of such Class on any Payment Date (each such amount being referred to as "**Deferred Interest**") will not be payable on such Payment Date, but will be added to the principal amount of the Class 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 an Event of Default until the Maturity Date or any earlier date on which the Notes are to be redeemed in full.

(d) Payment of Deferred Interest

Deferred Interest in respect of any Class 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). Deferred Interest on the Class C Notes, the Class D Notes, the Class E Notes and/or the Class F Notes, as applicable, will be added to the principal amount of the relevant Class, as applicable. An amount equal to any such Deferred Interest so paid shall be subtracted from the principal amount of the Class 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 (each a "**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**"), the Class B-1 Notes (the "**Class B-1 Rate of Interest**"), the Class B-2 Notes (the "**Class B-2 Rate of Interest**"), the Class C-1 Notes (the "**Class C-1 Rate of Interest**"), the Class C-2 Notes (the "**Class C-2 Rate of Interest**"), the Class D Notes (the "**Class D Rate of Interest**"), the Class E Notes (the "**Class E Rate of Interest**") and 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 month 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 the offered rate for three month Euro deposits; and

(3) in the case of each Interest Determination Date following the occurrence of a Frequency Switch Event, the Calculation Agent will determine the offered rate for six month Euro deposits (provided that, following the occurrence of a Frequency Switch Event, if the Accrual Period ending on the Maturity Date is a three month period, the Calculation Agent will determine the offered rate for three month Euro deposits in the case of the Interest Determination Date relating to such period),

in each case, as at 11.00 a.m. (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 B-2 Rate of Interest, the Class C-1 Rate of Interest, the Class C-2 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 the applicable rate referred to in this paragraph (1) 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 Condition 6(e)(i)(A) (*Floating Rate of Interest*) 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 Reference Banks (appointed by the Issuer or the Investment Manager acting on its behalf) to provide the Calculation Agent with its offered quotation to leading banks for Euro deposits:

(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 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 (or for a period of three months, in respect of the Interest Determination Date following the occurrence of a Frequency Switch Event and relating to the Accrual Period ending on the Maturity Date, if such Accrual Period is a three month period),

in each case, as at 11.00 a.m. (Brussels time) on the Interest Determination Date in question. The Class X Rate of Interest, the Class A Rate of Interest, Class B-1 Rate of Interest, the Class B-2 Rate of Interest, the Class C-1 Rate of Interest, the Class C-2 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, (ii) each three–month Accrual Period, the quotations referred to in paragraph (2) (or, if applicable, paragraph (3)) above or (iii) each six month Accrual Period, the quotations referred to in paragraph (3) above, 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 in respect of a EURIBOR determination, the Class X Rate of Interest, the Class A Rate of Interest, Class B-1 Rate of Interest, the Class B-2 Rate of Interest, the Class C-1 Rate of Interest, the Class C-2 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 determined by reference to the last available offered rate for three or six month Euro deposits (as applicable) as determined by the Calculation Agent (in consultation with the Investment Manager), and provided further that following the occurrence of a Frequency Switch Event, in respect of the Accrual Period ending on the Maturity Date if such Accrual Period is a three month period, the Class X Rate of Interest, the Class A Rate of Interest, Class B-1 Rate of Interest, the Class B-2 Rate of Interest, the Class C-1 Rate of Interest, the Class C-2 Rate of Interest, the Class D Rate of Interest, the Class E Rate of Interest and the Class F Rate of Interest, respectively shall be determined by reference to the most recent offered rate for three month Euro deposits obtainable by the Calculation Agent (in consultation with the Investment Manager).

(D) Where:

"**Applicable Margin**" means:

(a) in the case of the Class X Notes: 0.50 per cent. per annum

(b) in respect of the Class A Notes, 0.90 per cent. per annum;

(c) in respect of the Class B-1 Notes, 1.50 per cent. per annum;

(d) in respect of the Class B-2 Notes, 1.75 per cent. per annum during the Non-Call Period and 1.50 per cent. per annum following the expiry of the Non-Call Period;

(e) in respect of the Class C-1 Notes, 2.10 per cent. per annum;

(f) in respect of the Class C-2 Notes, 2.35 per cent. per annum during the Non-Call Period and 2.10 per cent. per annum following the expiry of the Non-Call Period;

(g) in respect of the Class D Notes, 3.00 per cent. per annum;

(h) in respect of the Class E Notes, 5.15 per cent. per annum; and

(i) in respect of the Class F Notes, 6.60 per cent. per annum.

(E) Notwithstanding paragraphs (A) through (C) above if in relation to any Interest Determination Date EURIBOR in respect of any Class of Rated Notes (other than the Class B-2 Notes and the Class C-2 Notes during the Non-Call Period only) as determined in accordance with paragraphs (A) through (C) above would yield a rate less than zero, such rate shall be deemed to be zero for the purposes of determining the floating rate of interest pursuant to this Condition 6(e)(i) (*Floating Rate of Interest*).

(ii) Determination of Floating Rate of Interest and Calculation of Interest Amount

The Calculation Agent will, as soon as practicable after 11.00 a.m. (Brussels time) on each Interest Determination Date, but in no event later than the Business Day after such date, determine the Rates of Interest to be determined on such Interest Determination Date and calculate the interest amount payable in respect of original principal amounts of the Floating Rate Notes equal to the Authorised Integral Amount applicable thereto for the relevant Accrual Period. The amount of interest (an "**Interest Amount**") payable in respect of each Authorised Integral Amount applicable to any such Notes shall be calculated by applying the relevant Rate of Interest to an amount equal to the Principal Amount Outstanding in respect of such Authorised Integral Amount, multiplying the product by the actual number of days in the Accrual Period concerned, divided by 360 and rounding the resultant figure to the nearest €0.01 (€0.005 being rounded upwards).

Where Condition 6(e)(i)(B) (*Floating Rate of Interest*) applies, any test or calculation required to be made in accordance with the Trust Deed, the Investment Management and Collateral Administration Agreement or any other Transaction Document: (i) where such test or calculation requires a determination of a Rate of Interest, and (ii) the date of such test or calculation falls in between two Interest Determination Dates, the applicable offered rate shall be the offered rate which was applicable as of the previous Interest Determination Date.

(iii) Reference Banks and Calculation Agent

The Issuer will procure that, so long as any Rated Note remains Outstanding:

(1) 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

(2) 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 B-2 Rate of Interest, the Class C-1 Rate of Interest, the Class C-2 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 Condition 6(e)(i)(B) (*Floating*

Rate of Interest), that the number of Reference Banks required pursuant to such Condition 6(e)(i)(B) (*Floating Rate of Interest*) 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 payable to the extent of available funds in respect of an original principal amount of Subordinated Notes equal to the Authorised Integral Amount applicable thereto for the relevant Accrual Period. The Interest Proceeds payable on each Payment Date in respect of an original principal amount of Subordinated Notes equal to the Authorised Integral Amount applicable thereto shall be calculated by multiplying the amount of Interest Proceeds to be applied on the Subordinated Notes on the applicable Payment Date pursuant to paragraph (DD) of the Interest Priority of Payments, paragraph (V) of the Principal Priority of Payments, paragraph (X) of the Post–Acceleration Priority of Payments and paragraph (9) of Condition 3(j)(vi) (*Supplemental Reserve Account*) 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 Rate of Interest or the Interest Amounts payable in respect of each Class of Rated Notes, the amount of any Deferred Interest due but not paid on any Class C Notes, Class D Notes, Class E Notes or Class F Notes for each Accrual Period and Payment Date, and the Principal Amount Outstanding of each Class of Notes as of the applicable Payment Date, to be notified to the Registrar, the Principal Paying Agent, the Transfer Agent, the Trustee and the Investment 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 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) Determination or Calculation by Trustee

If the Calculation Agent does not at any time for any reason so calculate a Rate of Interest or Interest Amount for an Accrual Period, the Trustee (or a person appointed by it for the purpose) may do so and such determination or calculation shall be deemed to have been made by the Calculation Agent and shall be binding on the Noteholders. In doing so, the Trustee, or such person appointed by it, shall apply the foregoing provisions of this Condition 6 (*Interest*), with any necessary consequential amendments, to the extent that, in its opinion, it can do so, and in all other respects it shall do so in such manner as it shall deem fair and reasonable in all the circumstances and in reliance on such persons as it has appointed for such purpose. The Trustee shall have no liability to any person in connection with any determination or calculation (including with regard to the timelines thereof) it may make pursuant to this Condition 6(h) (*Determination or Calculation by Trustee*).

(i) Notifications, etc. to be Final

All notifications, opinions, determinations, certificates, quotations and decisions given, expressed, made or obtained for the purposes of the provisions of this Condition 6 (*Interest*), whether by the Reference Banks (or any of them), the Calculation Agent or the Trustee, will 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 or the Trustee determines (in its sole discretion) that any such 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 actively to monitor 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, the Calculation Agent or the Trustee in connection with the exercise or non–exercise by them of their powers, duties and discretions under this Condition 6(i) (*Notifications, etc. to be Final*).

7. Redemption and Purchase

(a) Final Redemption

Save to the extent previously redeemed in full and cancelled, the Notes of each Class will be redeemed on the Maturity Date of such Notes. In the case of a redemption pursuant to this Condition 7(a) (*Final Redemption*), the Rated Notes will be redeemed at their Redemption Price in accordance with the Note Payment Sequence and the Subordinated Notes will be redeemed at the amount equal to their share of the amounts of Principal Proceeds to be applied towards such redemption pursuant to paragraph (V) of the Principal Priority of Payments. Notes may not be redeemed other than in accordance with this Condition 7 (*Redemption and Purchase*).

(b) Optional Redemption

(i) Optional Redemption in Whole – Subordinated Noteholders

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) 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) following the expiry of the Non-Call Period on any Business Day, at the option of the holders of the Subordinated Notes acting by way of Ordinary Resolution (as evidenced by duly completed Redemption Notices); or

(B) upon the occurrence of a Collateral Tax Event, on any Payment Date 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 – Subordinated Noteholders

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) and Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*), the Rated Notes of any Class may be redeemed by the Issuer at the applicable Redemption Prices, from Refinancing Proceeds (in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) below) following the expiry of the Non-Call Period on any Business Day, (i) at the option of the holders of the Subordinated Notes, (acting by Ordinary Resolution), or (ii) at the written direction of the Investment Manager, in each 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 Aggregate Principal Balance is less than 20 per cent. of the Target Par Amount and the Investment Manager so directs in writing.

(iv) Terms and Conditions of an Optional Redemption

In connection with any Optional Redemption:

(A) the Issuer shall procure that at least 10 days' notice prior to the scheduled Redemption Date 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 Investment Manager, the Trustee, each Hedge Counterparty, the Calculation Agent 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 any Class of Rated Notes, acting by way of Unanimous Resolution, 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);

(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 – Subordinated Noteholders*) may be effected 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 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 – Subordinated Noteholders*), the Issuer may:

(A) in the case of a redemption in whole of all Classes of Rated Notes (1), enter into a loan (as borrower thereunder) with one or more financial institutions; or (2) issue replacement notes; and

(B) in the case of a redemption in part of the entire Class of a Class of Rated Notes, issue replacement notes (each, a "**Refinancing Obligation**"),

whose terms in each case will be negotiated by the Investment Manager on behalf of the Issuer (any such refinancing, a "**Refinancing**"). Each Refinancing is required to satisfy the conditions described in this Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

Refinancing Proceeds may be applied in addition to (or in place of) Sale Proceeds in the redemption of the Rated Notes in whole pursuant to Condition 7(b)(i) (*Optional Redemption in Whole – Subordinated Noteholders*). In addition, Refinancing Proceeds may be applied in the redemption of the Rated Notes in part by Class pursuant to Condition 7(b)(ii) (*Optional Redemption in Part – Subordinated Noteholders*).

In connection with a Refinancing in relation to a redemption in part pursuant to this Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*), if directed in writing by the Subordinated Noteholders (acting by Ordinary Resolution) and consented to by the Investment Manager, the Investment Manager may designate Principal Proceeds as Interest Proceeds in an amount not to exceed the Excess Par Amount provided that (a) each of the Collateral Quality Tests are satisfied immediately after the application of such Principal Proceeds as Interest Proceeds, and (b) the Investment Manager shall give notice to each Rating Agency of such designated amount.

(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 Moody's, 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 by the holders of any Class of Rated Notes, acting by Unanimous Resolution, 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;

(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 with the EU Retention Requirements or the U.S. Risk Retention Rules,

in each case, as confirmed in writing to the Issuer and the Trustee by the Investment Manager (upon which confirmation the Trustee shall rely 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 –Subordinated Noteholders*), such Refinancing will be effective only if:

(1) the Issuer provides prior written notice thereof to Moody's, 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 Partial Redemption Interest Proceeds will be at least sufficient to pay in full:

(a) the aggregate Redemption Prices of the entire Class or Classes of Rated Notes subject to the Optional Redemption; plus

(b) all accrued and unpaid Trustee Fees and Expenses and Administrative Expenses incurred 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 and Partial Redemption Interest Proceeds;

(8) the maturity date of each class of Refinancing Obligation is the same as the Maturity Date of the Class or Classes of Notes being redeemed with the Refinancing Proceeds;

(9) the interest rate of any Refinancing Obligations may be different to but will not be greater than the interest rate of the Class of Rated Notes subject to such Optional Redemption in respect of the Refinancing;

(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 (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) and all other rights of the Refinancing Obligations are the same as the rights of the corresponding Class of Rated Notes being redeemed;

(12) all Refinancing Proceeds are received by (or on behalf of) the Issuer on or prior to the applicable Redemption Date;

(13) the Refinancing Proceeds and Partial Redemption Interest Proceeds are applied in accordance with the Partial Redemption Priority of Payments; and

(14) any issuance of replacement notes would not result in non-compliance with the EU Retention Requirements or the U.S. Risk Retention Rules,

in each case, as confirmed in writing to the Issuer and the Trustee by the Investment Manager (upon which confirmation the Trustee shall rely 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 Investment Manager, the Rating Agencies and the Noteholders in accordance with Condition 16 (*Notices*). Such cancellation shall not constitute an Event of Default.

None of the Issuer, the Investment 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 Investment Manager on its behalf) certifies (upon which certificate the Trustee shall rely without enquiry or liability) is necessary or expedient 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 the Refinancing Obligations issued in respect thereof by way of a further Refinancing). No further consent for such amendments shall be required from the holders of any Notes.

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 rights, powers, authorities, discretions, indemnities or protections 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 judgement of counsel delivering such opinion of counsel) provided by the Issuer (or the Investment Manager on its behalf) 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) direction from the Investment Manager, as applicable as the case may be, to exercise any right of optional redemption pursuant to this Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption Following Note Tax Event*) to be effected solely through the liquidation or realisation of the Collateral, the Collateral Administrator (in consultation with the Investment Manager) shall, as soon as practicable, and in any event not later than 15 Business Days (or such shorter period of time as may be agreed between the Trustee, the Investment Manager and the Collateral Administrator) 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 (or such shorter period of time as may be agreed between the Trustee, the Investment Manager and the Collateral Administrator) prior to the scheduled Redemption Date, calculate the Redemption Threshold Amount in consultation with the Investment Manager. The Investment Manager or any Investment 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 Investment Manager and the Issuer and for the avoidance of doubt, no consent in respect of a shorter period shall be required from the Trustee) the Investment Manager shall have furnished to the Trustee a certificate signed by an officer of the Investment Manager (upon which the Trustee may rely absolutely and without enquiry or liability) that the Investment Manager on behalf of the Issuer has entered into a binding agreement or agreements with a financial or other institution or institutions (which (a) either (x) has a short–term senior unsecured rating of "P–1" by Moody's or (y) in respect of which Rating Agency Confirmation from Moody's 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 credit rating of at least "F1" by Fitch, or (y) in respect of which a Rating Agency Confirmation from Fitch has been obtained) to purchase (directly or by participation or other arrangement) from the Issuer, not later than the Business Day immediately preceding the scheduled Redemption Date, in immediately available funds, all or part of the Portfolio at a purchase price at least sufficient, together with the Eligible Investments maturing, redeemable or 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;

(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 Investment Manager confirms in writing to the Trustee that, in its judgement, 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 Investment Manager pursuant to this Condition 7(b)(vi) (*Optional Redemption effected through Liquidation only*) must include (1) the prices of, and expected proceeds from, the sale (directly or by participation or other arrangement) of any Collateral Obligations and/or Eligible Investments, (2) amounts standing to the credit of the Accounts which would be applied in accordance with the Post–Acceleration Priority of Payments if the Notes fell due for redemption in full 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 Investment Manager or any Investment 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 Investment Manager, the Rating Agencies and the Noteholders in accordance with Condition 16 (*Notices*), and the Subordinated Noteholders (acting by Ordinary Resolution) shall have the right to elect to direct the Issuer to redeem the Notes on a date falling not less than three calendar days after the first date notified to Noteholders in accordance with Condition 16 (*Notices*) as the date of such redemption (the "**Original Redemption Date**") and no more than 30 Business Days after the Original Redemption Date. Such cancellation shall not constitute an Event of Default.

The provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) and this Condition 7(b)(vi) (*Optional Redemption effected through Liquidation*) shall apply as conditions to such redemption, provided that the notice period in Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) shall be read as 7 days' prior written notice (rather than 20 days' prior written notice) and the Redemption Determination Date shall be 1 Business Day prior to any such Redemption Date (rather than 15 Business Days prior to the Redemption Date). The Trustee shall rely conclusively and without liability or enquiry on any confirmation or certificate of the Investment 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 Investment Manager), if applicable, the Collateral Administrator shall make such other calculations as it is required to make pursuant to the Investment Management and Collateral Administration Agreement and shall notify the Issuer, the Trustee, the Investment Manager and the Principal Paying Agent (who shall notify the Noteholders in accordance with Condition 16 (*Notices*) of such amounts).

The option of the Subordinated Noteholders and the Controlling Class pursuant to Condition 7(b) (*Optional Redemption*) and Condition 7(g) (*Redemption Following Note Tax Event*) (as applicable) may be exercised by the Subordinated Noteholders or the Controlling Class (as applicable) giving notice to the Principal Paying Agent of the principal amount of Subordinated Notes or Notes representing the Controlling Class (as applicable) in respect of which the option is exercised and presenting the relevant Definitive Certificate(s) and/or Global Certificate(s) for endorsement of exercise within the time limit specified in Condition 7(b) (*Optional Redemption*).

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 20 days (or such shorter period of time as the Trustee and the Investment Manager find acceptable) prior to the proposed Redemption Date. No Redemption Notice so delivered or any direction given by the Investment Manager may be withdrawn without the prior consent of the Issuer. The Principal Paying Agent shall copy each Redemption Notice or any direction given by the Investment Manager received to each of the Issuer, the Arranger, the Initial Purchaser, the Trustee, the Collateral Administrator, each Hedge Counterparty and the Investment Manager.

The Investment 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 Investment Management and Collateral 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 prior to the applicable Redemption Date. Principal Proceeds and Interest Proceeds received in connection with a redemption in whole of the Rated Notes shall be payable in accordance with the Post–Acceleration Priority of Payments. In the case of any redemption in whole of a Class of Rated Notes, the relevant Refinancing Proceeds (other than a redemption in whole of all Classes of Rated Notes) shall be paid to the Noteholders of such Class of Notes subject to payment of amounts in priority in accordance with the Priorities of 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 Payment Date on or after the redemption or repayment in full of the Rated Notes (subject, in the case of an Optional Redemption of the Rated Notes in whole, to the right of holders of any Class of Rated Notes, acting by way of Unanimous Resolution, 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), at the direction of (i) the Subordinated Noteholders (acting by Ordinary Resolution), or (ii) the Investment Manager in writing.

(c) Mandatory Redemption upon Breach of Coverage Tests

(i) Class X Notes, Class A Notes and Class B Notes

If the Class A/B Par Value Test is not met on any Determination Date on and after the Effective Date or if the Class A/B Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date or any Determination Date thereafter, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class X Notes, the Class A Notes and the Class B Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payment (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated following such redemption.

(ii) Class C Notes

If the Class C Par Value Test is not met on any Determination Date on and after the Effective Date or if the Class C Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date or any Determination Date thereafter, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class X Notes, the Class A Notes, the Class B Notes and the Class C Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payment (including

payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated following such redemption.

(iii) Class D Notes

If the Class D Par Value Test is not met on any Determination Date on 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 Notes, the Class C Notes and the Class D Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payment (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated following such redemption.

(iv) Class E Notes

If the Class E Par Value Test is not met on any Determination Date on and after the Effective Date or if the Class E Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date 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 Notes, the Class C Notes, the Class D Notes and the Class E Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payment (including payment of all prior ranking amounts) until each such Coverage Test is satisfied if recalculated following such redemption.

(v) Class F Notes

If the Class F Par Value Test is not met on any Determination Date on and after the expiry of the Reinvestment Period, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption 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 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 Payment (including payment of all prior ranking amounts) until the Class F Par Value Test is satisfied if recalculated following such redemption.

(d) Special Redemption

Principal payments on the Notes shall be made in accordance with the Principal Priority of Payments at the sole and absolute discretion of the Investment Manager (acting on behalf of the Issuer), if either (A) at any time during the Reinvestment Period, the Investment Manager (acting on behalf of the Issuer) certifies (upon which 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 Investment 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 Investment Manager (acting on behalf of the Issuer) notifies the Trustee (upon which the Trustee may rely without enquiry or liability) that, as determined by the Investment Manager acting in a commercially reasonable manner, a redemption is required in order to avoid a Rating Event (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 Investment Manager or (B) such minimum amount of funds in the Principal Account as the Investment 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 (P) 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 each Noteholder affected thereby 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 Investment Manager (acting on behalf of the Issuer) and the Investment 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 cure the Note Tax Event (which may include changing the territory in which it is resident for tax purposes to another jurisdiction which, at the time of such change, would not give rise to a Note Tax Event). Upon the earlier of (a) the date upon which the Issuer certifies to the Trustee (upon which the Trustee may rely without enquiry or liability) and the Noteholders that it is not able to cure the Note Tax Event 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 Noteholders (in accordance with Condition 16 (*Notices*)) that, based on advice received by it, it expects that it shall have cured the Note Tax Event by the end of the latter 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 Rated Notes of each Class are redeemed, in whole but not in part, on any Payment Date thereafter, at their respective Redemption Prices in accordance with the Note Payment Sequence, in which case the Issuer shall so redeem the Notes on such terms, provided that such Note Tax Event would affect payment of principal or interest in respect of the Controlling Class (if such Class elected that the Notes be redeemed) or, as the case may be, the Subordinated Notes (if such Class elected that the Notes be redeemed) (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 to the Trustee and Noteholders in accordance with Condition 16 (*Notices*) and promptly in writing to the Rating Agencies.

(k) Reinvestment Overcollateralisation Test

On and after the Effective Date and during the Reinvestment Period, at the discretion of the Investment Manager, acting on behalf of the Issuer, in accordance with and subject to the terms of the Investment Management and Collateral 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.

(l) Purchase

On any Payment Date, at the discretion of the Investment Manager, acting on behalf of the Issuer, in accordance with and subject to the terms of the Investment Management and Collateral Administration Agreement, the Issuer may, subject to the conditions below, purchase any of the Rated Notes (in whole or in part), using (a) Principal Proceeds (other than any amounts representing the Required Diversion Amount) standing to the credit of the Principal Account, (b) amounts standing to the credit of the Supplemental Reserve Account, or (c) any Deferred Senior Investment Management Amounts and Deferred Subordinated Investment Management Amounts.

No purchase of Rated Notes by the Issuer may occur unless each of the following conditions is satisfied:

(i) such purchase of Rated Notes shall occur in the following sequential order of priority: first, the Class 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 Notes, until the Class B Notes are purchased or redeemed in full and cancelled; third, the Class C Notes, until the Class C 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;

(ii) (A) 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), 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 Principal Proceeds and/or amounts standing to the credit of the Supplemental Reserve Account and/or Deferred Senior Investment Management Amounts and/or Deferred Subordinated Investment Management Amounts that will be used to effect such purchase and the length of the period during which such offer will be open for acceptance;

(1) 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

(2) 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 Principal Proceeds and/or amounts standing to the credit of the Supplemental Reserve Account and/or Deferred Senior Investment Management Amounts and/or Deferred Subordinated Investment Management 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;

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

(C) each such purchase of Rated Notes shall occur prior to the expiry of the Reinvestment Period;

(D) 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;

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

(F) any Rated Notes to be purchased shall be surrendered to the Registrar for cancellation and may not be reissued or resold;

(G) each such purchase will otherwise be conducted in accordance with applicable law (including the laws of Ireland); and

(H) 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 and the Trustee.

(m) Mandatory Redemption of the Class X Notes

The Class X Notes shall be subject to mandatory redemption in part on each Payment Date immediately following (and excluding) the Issue Date, in each case in an amount equal to the relevant Class X Principal Amortisation Amount.

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 an account maintained by the payee in the currency of the relevant payment with a bank in Western Europe.

(b) Payments of principal and interest in respect of Notes represented by a Global Certificate will be made to the registered holder and, if no further payment falls to be made in respect of the relevant Notes, upon surrender of such Global Certificate to or to the order of the Principal Paying Agent or the Transfer Agent as shall have been notified to the relevant Noteholders for such purpose. On each occasion on which a payment of interest (unless the Notes represented thereby do not bear interest) or principal is made in respect of the relevant Global Certificate, the Registrar shall note the same in the Register and cause the aggregate principal amount of the Notes represented by a Global Certificate to be decreased accordingly.

(c) Payments

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives (including FATCA), but without prejudice to the provisions of Condition 9 (*Taxation*). No commission shall be charged to the Noteholders.

(d) 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.

(e) 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, Investment Manager and Collateral Administrator. Notice of any change in any Agent or their specified offices or in the Investment 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 by or on behalf of the Issuer free and clear of, and without withholding or deduction for, any taxes, duties, assessments or governmental charges of whatever nature imposed, levied, collected, withheld or assessed by or within Ireland or the United States, or any 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 in connection with FATCA) or any such relevant taxing authority. Any such withholding or deduction shall not constitute an Event of Default under Condition 10(a) (*Events of Default*).

Subject as provided below, if the Issuer certifies (upon which certification the Trustee may rely without enquiry and without liability) to the Trustee that it has or will on the occasion of the next payment due in respect of the Notes of any Class become obliged by the laws of Ireland to withhold or account for tax so that it would be unable to make payment of the full amount that would otherwise be due because of the imposition of such tax, the Issuer (save as provided below) shall use all reasonable endeavours to take such steps to eliminate the imposition of such tax, including by arranging 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, in each case, to receipt of Rating Agency Confirmation in relation to such steps, provided that the Trustee's approval shall be subject to confirmation of tax counsel (at the cost of the Issuer) that such steps 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 Ireland (including without limitation, such Noteholder (or such fiduciary, settlor, beneficiary, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in a trade or business or present therein or having had a permanent establishment therein) otherwise than by reason only of the holding of any Note or receiving principal or interest in respect thereof;

(b) by reason of the failure by the relevant Noteholder to comply with any applicable procedures required to establish non–residence or other similar claim for exemption from such tax or to provide information concerning nationality, residency or connection with Ireland or other applicable taxing authority;

(c) as a result of presentation for payment by or on behalf of a Noteholder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Transfer Agent or Principal Paying Agent in a member state of the European Union;

(d) in connection with FATCA or as a result of the Noteholder's failure to provide the Issuer with appropriate tax forms or other documentation reasonably requested by the Issuer; or

(e) any combination of the preceding paragraphs (a) through (d) inclusive,

the requirement to take steps to eliminate the imposition of such tax shall not apply.

10. Events of Default

(a) Events of Default

Any of the following events shall constitute an "**Event of Default**":

(i) Non–payment of interest

the Issuer fails to pay any interest in respect of the Class X Notes, Class A Notes or the Class B Notes when the same becomes due and payable (save, in each case, as the result of any deduction therefrom or the imposition of withholding thereon in the circumstances described in Condition 9 (*Taxation*)) and the failure to pay such interest in such circumstances continues for a period of at least five Business Days provided that, in the case of a failure to disburse due to an administrative error or omission, such failure continues for a period of at least ten Business Days after the Collateral Administrator or such Paying Agent receives written notice of, or has actual knowledge of, such administrative error or omission; provided further that the failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is withdrawn in accordance with these Conditions or, in the case of an Optional Redemption with respect to which a Refinancing fails, will not constitute an Event of Default;

(ii) Non–payment of principal

the Issuer fails to pay any principal when the same becomes due and payable (save as the result of any deduction therefrom or the imposition of withholding thereon in the circumstances described in Condition 9 (*Taxation*)) 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 ten Business Days after the Collateral Administrator or such Paying Agent receives written notice of, or has actual knowledge of, such administrative error or omission and provided further that failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is withdrawn in accordance with the Conditions or, in the case of an Optional Redemption with respect to which a Refinancing fails, will not constitute an Event of Default;

(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 Investment Manager acting in a commercially reasonable manner and certified in writing to the Trustee, but without liability as to such determination), such failure continues for ten Business Days after the Collateral Administrator or such Paying Agent 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 amounts standing to the credit of the Principal Account or other Accounts on such Measurement Date other than the Counterparty Downgrade Collateral Accounts or the Supplemental Reserve Account plus (4) any amounts standing to the credit of the Unfunded Revolver Reserve Account plus (5) any Eligible Investments representing Principal Proceeds, and (ii) the denominator of which is equal to the Principal Amount Outstanding of the Class A Notes, to equal or exceed 102.5 per cent.;

(v) Breach of Other Obligations

except as otherwise provided in this definition of "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 an Event of Default and any failure to satisfy the Effective Date Determination Requirements is not an Event of Default, except in either case to the extent provided in paragraph 10(a)(iv) (*Collateral Obligations*) 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 which default, breach or failure is materially prejudicial, in the opinion of the Trustee, to the interests of the Noteholders of any Class and the continuation of such default, breach or failure for a period of 45 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 Investment Manager by registered or certified mail or courier from the Trustee, the Issuer or the Investment Manager, or to the Issuer and the Investment 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 Investment Manager in writing) has commenced curing such default, breach or failure during the 45 day period specified above, such default, breach or failure shall not constitute an Event of Default under this paragraph (v) unless (A) it continues for a period of 60 days (rather than, and not in addition to, such 45 day period specified above) after the earlier of the Issuer having actual knowledge thereof or notice thereof in accordance herewith or (B) if such default, breach or failure is in respect of payments made under the Priorities of Payment and can be cured only on a Payment Date, it continues after the next Payment Date.

(vi) Insolvency Proceedings

proceedings are initiated against the Issuer under any applicable liquidation, examinership, insolvency, bankruptcy, composition, reorganisation or other similar laws (together, "**Insolvency Law**"), or a receiver, administrative receiver, trustee, administrator, custodian, conservator, liquidator, examiner, curator or other similar 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 60 days; or the Issuer is subject to, or initiates or consents to, judicial proceedings relating to itself under any applicable Insolvency Law, or seeks the appointment of a Receiver, or makes a conveyance or assignment for the benefit of its creditors generally or otherwise becomes subject to any reorganisation or amalgamation (other than on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Controlling Class);

(vii) Illegality

it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under the Notes; or

(viii) Investment Company Act

the Issuer or any of the Collateral becomes required to register as an "investment company" under the Investment Company Act and such requirement continues for 45 days.

(b) Acceleration

If an Event of Default occurs and is continuing, the Trustee may, at its discretion, and shall, at the request of the Controlling Class acting by way of Ordinary Resolution, (subject, in each case, to being indemnified and/or secured and/or prefunded to its satisfaction) give notice to the Issuer, the Investment Manager and each Hedge Counterparty that all the Notes are immediately due and repayable (such notice, an "**Acceleration Notice**"), whereupon the Notes shall become immediately due and repayable at their applicable Redemption Prices, provided that upon the occurrence of an Event of Default described in paragraph 10(a)(vi) (*Insolvency Proceedings*) 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.

(c) Curing of Default

At any time after an Acceleration Notice has been given (whether deemed or otherwise) pursuant to Condition 10(b) (*Acceleration*) following the occurrence of an Event of Default and prior to enforcement of the security pursuant to Condition 11 (*Enforcement*), the Trustee, subject to receipt of consent from the Controlling Class, may and shall, if so requested by the Controlling Class, in each case, acting by Ordinary Resolution (and subject, in each case, to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction) rescind and annul such Acceleration Notice under Condition 10(b) (*Acceleration*) 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 (without regard to the Senior Expenses Cap) and Trustee Fees and Expenses (without regard to the Senior Expenses Cap); and

(D) all amounts due and payable by the Issuer under any Currency Hedge Agreement or Interest Rate Hedge Agreement; and

(ii) the Trustee has determined that all Events of Default, other than the nonpayment 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 (deemed or otherwise) pursuant to this Condition 10(c) (*Curing of Default*) shall not prevent the subsequent acceleration of the Notes if the Trustee, at its discretion or as subsequently requested, accelerates the Notes or if the Notes are automatically accelerated in accordance with Condition 10(b) (*Acceleration*) 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 written notice from the Issuer confirming that the Issuer has received such amounts, in accordance with the Post–Acceleration Priority of Payments.

(d) Restriction on Acceleration

No acceleration of 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 Investment Manager, the Noteholders (in accordance with Condition 16 (*Notices*)) and the Rating Agencies upon becoming aware of the occurrence of an Event of Default. The Trust Deed contains provision for the Issuer to provide written confirmation to the Trustee and the Rating Agencies on an annual basis that no Event of Default has occurred and that no condition, event or act has occurred which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration and/or request and/or the taking of any similar

action and/or the fulfilment of any similar condition would constitute an Event of Default and that no other matter which is required (pursuant thereto) to be brought to the Trustee's attention has occurred.

11. Enforcement

(a) Security Becoming Enforceable

Subject as provided in Condition 11(b) (*Enforcement*) below, the security constituted by the Trust Deed over the Collateral shall become enforceable upon an acceleration of the maturity of the Notes pursuant to Condition 10(b) (*Acceleration*).

(b) Enforcement

At any time after the Notes become due and repayable and the security under the Trust Deed becomes enforceable, the Trustee may, at its discretion (but subject always to Condition 4(c) (*Limited Recourse and Non–Petition*)), and shall, if so directed by the Controlling Class acting by Ordinary Resolution (subject 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 and the Notes and, pursuant and subject to the terms of the Trust Deed and the Notes, realise and/or otherwise liquidate or sell the Collateral in whole or in part and/or take such other action as may be permitted under applicable laws against any Obligor in respect of the Collateral and/or take any other action to enforce or realise the security over the Collateral in accordance with the Trust Deed (such actions together, "**Enforcement Actions**"), in each case without any liability as to the consequences of such action and without having regard (save to the extent provided in Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*)) to the effect of such action on the individual Noteholders of any Class or any other Secured Party provided however that:

(i) no such Enforcement Action may be taken by the Trustee unless:

(A) subject to being indemnified and/or prefunded and/or secured to its satisfaction, the Trustee (or any Appointee on its behalf) 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 (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 Ordinary Resolution, subject to consultation by the Trustee with the Investment Manager (in which case the Enforcement Threshold will be met); or

(B) if the Enforcement Threshold will not have been met then, in the case of an Event of Default specified in sub–paragraph (i), (ii) or (iv) of Condition 10(a) (*Events of Default*), the Controlling Class directs the Trustee by Ordinary Resolution to take Enforcement Action without regard to any other Event of Default which has occurred prior to, contemporaneously or subsequent to such Event of Default;

(ii) the Trustee shall not be bound to institute any Enforcement Action or take any other action unless it is directed to do so by the Controlling Class (acting by Ordinary Resolution), and the Trustee is indemnified and/or secured and/or prefunded to its satisfaction. Following redemption and payment in full of the Rated Notes (subject, in the case of an Optional Redemption of the Rated Notes in whole, to the right of holders of any Class of Rated Notes, acting by way of Unanimous Resolution, 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), the Trustee shall (provided it is indemnified and/or secured and/or prefunded to its satisfaction) act upon the directions of the Subordinated Noteholders acting by Extraordinary Resolution; and

(iii) for the purposes of determining issues relating to the execution of a sale or liquidation of the Portfolio, the anticipated proceeds to be realised from any Enforcement Action and whether the Enforcement Threshold will be met, the Trustee may appoint an independent investment banking firm or other appropriate advisor to advise it and may obtain and rely 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.

The Trustee shall notify the Noteholders, the Issuer, the Agents, the Investment 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. 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 (i) 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*), and (ii) any amounts standing to the credit of the Supplemental Reserve Account, unless applied in accordance with paragraph (9) of Condition 3(j)(vi) (*Supplemental Reserve Account*) or amounts standing to the credit of the Currency Accounts which represent Sale Proceeds, prepayments or redemptions 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) other than following an enforcement of security pursuant to Condition 11 (*Enforcement*) and the Trust Deed, to the payment of taxes owing by the Issuer to any tax authority accrued in respect of the related Due Period (other than any Irish corporation tax in respect of the Issuer Profit Amount 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 Investment Management Fee) or any other tax payable in relation to any other amount payable to the Secured Parties or to any other party in accordance with the Priorities of Payment; and to the payment of the Issuer Profit Amount, for deposit into the Issuer Profit Account from time to time;

(B) to the payment of accrued and unpaid Trustee Fees and Expenses up to an amount equal to the Senior Expenses Cap, provided that following the occurrence of an Event of Default which is continuing, the Senior Expenses Cap shall not apply in respect of such Trustee Fees and Expenses;

(C) to the payment of Administrative Expenses in the priority stated in the definition thereof up to an amount equal to the Senior Expenses Cap in respect of the related Due Period, less any amounts paid pursuant to paragraph (B) above, provided that, upon an acceleration of the Notes in accordance with Condition 10(b)) (*Acceleration*), the Senior Expenses Cap shall not apply in respect of (i) amounts payable under paragraph (a) of the definition of Administrative Expenses or (ii) other Administrative Expenses to the extent necessary to allow the Issuer to be wound up on a solvent basis (but only to such extent);

(D) to the payment:

(1) firstly, on a *pro rata* basis to the Investment Manager of the Senior Management Fee due and payable on such Payment Date and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant taxing authority) save for any Deferred Senior Investment Management Amounts which shall not be paid pursuant to this paragraph; and

(2) secondly, to the Investment Manager, any previously due and unpaid Senior Management Fees (other than Deferred Senior Investment Management Amounts and Deferred Subordinated Investment Management Amounts) and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant taxing authority),

(E) to the payment, on a *pro rata* and *pari passu* basis, of (i) any Scheduled Periodic Hedge Issuer Payments (to the extent not paid out of the Currency Accounts or the Interest Account, as applicable), (ii) any Currency Hedge Issuer Termination Payments (to the extent not paid out of the Currency Accounts, any relevant Counterparty Downgrade Collateral Account or the Hedge Termination Account and other than Defaulted Currency Hedge Termination Payments), and (iii) any Interest Rate Hedge Issuer Termination Payments (to the extent not paid out of the Interest Account, any relevant Counterparty Downgrade Collateral Account or the Hedge Termination Accounts 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 the 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 Notes;

(I) to the redemption on a *pro rata* and *pari passu* basis of the Class B Notes, until the Class B Notes have been redeemed in full;

(J) to the payment on a *pro rata* basis of all Interest Amounts (including any Deferred Interest and interest on Deferred Interest) due and payable on the Class C Notes;

(K) to the redemption on a *pro rata* basis of the Class C Notes, until the Class C 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 Investment Manager of the Subordinated Management Fee due and payable on such Payment Date and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant taxing authority);

(2) secondly, to the Investment Manager of any previously due and unpaid Subordinated Management Fee (other than Deferred Senior Investment Management Amounts and Deferred Subordinated Investment Management Amounts) and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant taxing authority);

(3) thirdly, to the Investment Manager (and, if applicable the relevant taxing authority) in payment of any Deferred Senior Investment Management Amounts and Deferred Subordinated Investment Management Amounts and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant taxing authority); and

(4) fourthly, to the repayment of any Investment Manager Advances and any interest thereon;

(S) to the payment of Trustee Fees and Expenses not paid by reason of the Senior Expenses Cap (if any), in relation to each item thereof, on a *pro rata* basis;

(T) to the payment of Administrative Expenses not paid by reason of the Senior Expenses Cap (if any), in relation to each item thereof, in the order of priority specified 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;

(U) to the payment on a *pari passu* and *pro rata* basis of any Defaulted Currency Hedge Termination Payments due to any Currency Hedge Counterparty or Defaulted Interest Rate Hedge Termination Payments due to any Interest Rate Hedge Counterparty (in each case to the extent not paid out of the Hedge Termination Account or any relevant Counterparty Downgrade Collateral Account);

(V) 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 (V) with respect to their respective Subordinated Notes, *pro rata* in accordance with the respective aggregate Reinvestment Amounts with respect to the Subordinated Notes;

(W) subject to the Incentive Investment 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 (X) below, paragraph (DD) of the Interest Priority of Payments, paragraph (V) of the Principal Priority of Payments and paragraph (9) of Condition 3(j)(vi) (*Supplemental Reserve Account*)),

(1) firstly, to the payment to the Investment Manager of 20 per cent. of any remaining proceeds in payment of any accrued but unpaid Incentive Investment Management Fee; and

(2) secondly, to the payment of any VAT in respect of the Incentive Investment Management Fee referred to in (1) above (whether payable to the Investment Manager or directly to the relevant taxing authority); and

(X) any remaining proceeds to the payment of principal and, thereafter, interest on the Subordinated Notes on a *pro rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption).

Where the payment of any amount in accordance with the Priorities of Payment set out above is subject to any deduction or withholding for or on account of any tax, payment of the amount so deducted or withheld 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 has arisen.

(c) Only Trustee to Act

Only the Trustee may pursue the remedies available under the Trust Deed to enforce the rights of the Noteholders or, in respect of the Collateral, of any of the other Secured Parties under the Trust Deed and the Notes and no Noteholder or other Secured Party may proceed directly against the Issuer or any of its assets unless the Trustee, having become bound to proceed in accordance with the terms of the Trust Deed, fails or neglects to do so within a reasonable period after having received notice of such failure and such failure or neglect continues for at least 30 days following receipt of such notice by the Trustee. Any proceeds received by a Noteholder or other Secured Party pursuant to any such proceedings brought by a Noteholder or other Secured Party shall be paid promptly following receipt thereof to the Trustee for application pursuant to the terms thereof. 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.

(d) Purchase of Collateral by Noteholders or Investment Manager

Upon any sale of any part of the Collateral following the acceleration of the Notes under Condition 10(b) (*Acceleration*), whether made under the power of sale under the Trust Deed or by virtue of judicial proceedings, any Noteholder, the Investment Manager or any Investment 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 will become void unless presentation for payment is made as required by Condition 7 (*Redemption and Purchase*) within a period of five years, in the case of interest, and ten years, in the case of principal, from the date on which payment in respect of such Notes is received by the applicable Paying Agent.

Notwithstanding the above, claims against the Issuer in respect of principal and interest on the Notes while the Notes are represented by a Global Certificate will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the date on which any payment first becomes due.

13. Replacement of Notes

If any Note is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of the Transfer Agent, subject in each case to all applicable laws and Irish Stock Exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer and/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 or any Class thereof (and for passing Written Resolutions) to consider matters affecting the interests of the Noteholders including, without limitation, modifying or waiving certain of the provisions of these Conditions, the other Transaction Documents and the substitution of the Issuer in certain circumstances. The provisions in this Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) are descriptive of the detailed provisions of the Trust Deed.

(b) Decisions and Meetings of Noteholders

(i) General

Decisions may be taken by Noteholders by way of Ordinary Resolution, Extraordinary Resolution or Unanimous Resolution, in each case, either acting together or, to the extent specified in any applicable Transaction Document, as a Class of Noteholders acting independently. Such Resolutions can be effected either at a duly convened meeting of the applicable Noteholders or by the applicable Noteholders resolving in writing, in each case, in at least the minimum percentages specified in the table "Minimum Percentage Voting Requirements" in Condition 14(b)(iii)

(*Minimum Voting Rights*) 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. of the Principal Amount Outstanding of the Notes of a particular Class, subject to certain conditions including minimum notice periods.

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.

The Trustee may, in its discretion, determine that any proposed Ordinary Resolution or Extraordinary Resolution affects the holders of only one or more Classes of Notes, in which event the required quorum and minimum percentage voting requirements of such Ordinary Resolution or Extraordinary Resolution may be determined by reference only to the holders of that Class or Classes of Notes and not the holders of any other Notes as set forth in the tables below.

Notice of any Resolution passed by the Noteholders will be given by the Issuer to the Rating Agencies in writing.

(ii) Quorum

The quorum required for any meeting convened to consider a Resolution of all the Noteholders or of any Class of Noteholders, or at any adjourned meeting to consider such a Resolution, shall be as set out in the relevant column and row corresponding to the type of resolution in the table "*Quorum Requirements*" below.

Quorum Requirements		
Type of Resolution	Any meeting (other than a meeting adjourned for want of quorum)	Meeting previously adjourned for want of quorum
Unanimous Resolution	One or more persons holding or representing 100 per cent. of the aggregate Principal Amount Outstanding of the Notes (or of the Notes of the relevant Class only, if applicable)	One or more persons holding or representing 100 per cent. of the aggregate Principal Amount Outstanding of the Notes (or of the Notes of the relevant Class only, if applicable)
Extraordinary Resolution of all Noteholders (or a certain Class or Classes only)	One or more persons holding or representing not less than $66^{2}/_{3}$ per cent. of the aggregate Principal Amount Outstanding of the Notes (or of the Notes of the relevant Class or Classes only, if applicable)	One or more persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Notes (or of the Notes of the relevant Class or Classes only, if applicable)
Ordinary Resolution of all Noteholders (or a certain Class or Classes only)	One or more persons holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of the Notes (or of the Notes of the relevant Class or Classes only, if applicable)	One or more persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Notes (or of the Notes of the relevant Class or Classes only, if applicable)

The Trust Deed does not contain any provision for higher quorums in any circumstances.

(iii) Minimum Voting Rights

Set out in the table "Minimum Percentage Voting Requirements" below are the minimum percentages required to pass the Resolutions specified in such table which, (A) in the event that

such Resolution is being considered at a duly convened meeting of Noteholders, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes held or represented by any person or persons who vote in favour of such Resolution represents of the aggregate Principal Amount Outstanding of all applicable Notes which are represented at such meeting and are voted or, (B) in the case of any Written Resolution, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes entitled to be voted in respect of such Resolution and which are voted in favour thereof represent of the aggregate Principal Amount Outstanding of all the Notes entitled to vote in respect of such Written Resolution.

Minimum Percentage Voting Requirements

Type of Resolution	Per cent.
Unanimous Resolution of all Noteholders (or of a certain Class or Classes only)	100 per cent.
Extraordinary Resolution of all Noteholders (or of a certain Class or Classes only)	Not less than $66^{2}/_{3}$ per cent.
Ordinary Resolution of all Noteholders (or of a certain Class or Classes of the Rated Notes 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 Resolution may be passed by way of a Written Resolution.

(v) All Resolutions Binding

Subject to Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*) and in accordance with the Trust Deed, any Resolution of the Noteholders (including any resolution of a specified Class or Classes of Noteholders, where the resolution of one or more other Classes is not required) duly passed shall be binding on all Noteholders (regardless of Class and regardless of whether or not a Noteholder was present at the meeting at which such Resolution was passed).

(vi) Extraordinary Resolution

Subject to Condition 14(b)(viii) (*Unanimous 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 contemplated in the Trust Deed, the Investment Management and Collateral Administration Agreement or the relevant Transaction Document, as applicable including, without limitation, any modifications as may be contemplated or required to facilitate an Optional Redemption, in whole or in part by way of a Refinancing and the relevant Refinancing Obligations and/or any other modifications as may be contemplated in connection with an Optional Redemption in whole or in part by way of a Refinancing and the relevant Refinancing Obligations which in each case may be passed by an Ordinary Resolution subject to the consent of the Investment Manager):

(A) the exchange or substitution for the Notes of a Class, or the conversion of the Notes of a Class into, shares, bonds or other obligations or securities of the Issuer or any other entity (other than in the case of a Refinancing);

(B) the modification of any provision relating to the timing and/or circumstances of the payment of interest or redemption of the Notes of 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));

(C) the modification of any of the provisions of the Trust Deed which would directly and adversely affect the calculation of the amount of any payment of interest or principal on any Note (other than in the case of a Refinancing);

(D) the adjustment of the outstanding principal amount of the Notes Outstanding of the relevant Class other than in connection with a further issue of Notes pursuant to Condition 17 (*Additional Issuances*);

(E) a change in the currency of payment of the Notes of a Class;

(F) any change in the Priorities of Payment or of any payment items in the Priorities of Payment;

(G) the modification of the provisions concerning the quorum required at any meeting of Noteholders to consider a Resolution (other than a Unanimous Resolution) or the minimum percentage required to pass a Resolution (other than a Unanimous Resolution);

(H) any modification of any Transaction Document having a material adverse effect on the security over the Collateral constituted by the Trust Deed;

(I) any item requiring approval by Extraordinary Resolution pursuant to these Conditions or any Transaction Document; and

(J) any modification of this Condition 14(b) (*Decisions and Meetings of Noteholders*) or the provisions of the Trust Deed relating to the convening meetings of the Noteholders or any Class thereof (and for passing Written Resolutions) in respect of Resolutions other than Unanimous Resolutions.

(vii) Ordinary Resolution

Subject to Condition 14(b)(viii) (*Unanimous Resolution*) below, any meeting of the Noteholders shall, subject to these Conditions and the Trust Deed, have power by Ordinary Resolution to approve any other matter relating to the Notes not referred to in Condition 14(b)(vi) (*Extraordinary Resolution*) above or Condition 14(b)(viii) (*Unanimous Resolution*) below.

(viii) Unanimous Resolution

Any Resolution to sanction any of the following items will be required to be passed by a Unanimous Resolution (in each case, subject to anything else specified in the Trust Deed, the Investment Management and Collateral Administration Agreement or the relevant Transaction Document, as applicable):

(A) in respect of any Rated Note, the reduction of the Redemption Price for a Class of Rated Notes;

(B) the modification of the provisions concerning the quorum required at any meeting of Noteholders to consider a Unanimous Resolution or the minimum percentage required to pass a Unanimous Resolution;

(C) any item requiring approval by Unanimous Resolution pursuant to these Conditions or any Transaction Document; and

(D) any modification affecting the Unanimous Resolutions provisions of this Condition 14(b) (*Decisions and Meetings of Noteholders*) or the provisions of the Trust Deed relating to the convening of meetings of the Noteholders or any Class thereof (and for passing Written Resolutions) in respect of Unanimous Resolutions.

(ix) Matters affecting not all Classes of Notes

Matters affecting the interests of one or more (but not all) Classes (in the opinion of the Trustee) shall only be considered by and voted upon at a meeting of Noteholders of that Class or those Classes or by Written Resolution of the holders of that Class or those Classes.

(x) Resolutions Affecting Other Classes

If and for so long as any Notes of more than one Class are Outstanding, in relation to any meeting of Noteholders:

(A) subject to paragraphs (C) and (D) below, a Resolution which in the opinion of the Trustee affects only the Notes of a Class or Classes (the "**Affected Class(es)**"), but not another Class or Classes, as the case may be, shall be duly passed if passed at a meeting or meetings of the Noteholders of the Affected Class(es) and such Resolution shall be binding on all the Noteholders, including the holders of Notes which are not an Affected Class;

(B) subject to paragraphs (C) and (D) below, a Resolution which in the opinion of the Trustee affects the Notes of each Class shall be duly passed only if passed at a meeting of the Noteholders of each Class;

(C) a Resolution passed by the Controlling Class to exercise any rights granted to them pursuant to the Conditions or any Transaction Document shall be duly passed if passed at a meeting of the Controlling Class and such Resolution shall be binding on all the Noteholders; and

(D) a Resolution passed by the Subordinated Noteholders to exercise the rights granted to them pursuant to the Conditions shall be passed if passed only at a meeting of the Subordinated Noteholders and such resolution shall be binding on all of the Noteholders.

(c) Modification and Waiver

Without the consent of the Noteholders (other than as otherwise provided in paragraphs (xiv) and (xvi) below), the Issuer may amend, modify, supplement and/or waive the relevant provisions of the Trust Deed and/or the Investment Management and Collateral 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) 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 (xv) or (xvii) below, which shall be subject to the prior written consent of the Trustee and (if applicable) the Investment Manager, in each case in accordance with the relevant paragraph), other than in the case of an amendment, modification, supplement or waiver pursuant to paragraphs (ix), (xvi), (xxiii), (xxv) or (xxx) below, which shall be subject to Rating Agency Confirmation in accordance with the relevant paragraph), and where applicable, 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 add to the conditions, limitations or restrictions on authorised amount, terms of the issue, authentication and delivery of the Notes;

(iv) to correct or amplify the description of any property at any time subject to the security of the Trust Deed, or to better assure, convey and confirm unto the Trustee any property subject or required to be subject to the security of the Trust Deed (including, without limitation, any and all actions necessary or desirable as a result of changes in law or regulations) or to subject to the security of the Trust Deed any additional property;

(v) to modify the provisions of the Trust Deed relating to the creation, perfection or preservation of the security interests of the Trustee in the Collateral to conform with applicable law;

(vi) 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;

(vii) 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 the Irish Stock Exchange or any other exchange;

(viii) to authorise the appointment of any listing agent, transfer agent, paying agent or additional registrar for any Class of Notes required or advisable in connection with the listing of such Notes, and otherwise to amend the Trust Deed to incorporate any changes required or requested by any governmental authority, stock exchange authority, listing agent, paying agent or additional registrar for any Class of Notes in connection therewith;

(ix) 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 Investment Manager and subject to receipt of Rating Agency Confirmation;

(x) save as contemplated in Condition 14(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;

(xi) to take any action advisable to prevent the Issuer from being treated as resident in the UK for UK tax purposes, as not entitled to relief from UK taxes under the UK/Ireland double tax treaty, as trading in the UK for UK tax purposes or being subject to (or its representatives being subject to), or to otherwise reduce any diverted profits tax or similar or as subject to VAT in respect of any Investment Management Fees;

(xii) to take any action advisable to prevent the Issuer from being treated as engaged in a United States trade or business or otherwise subject to United States federal, state or local income tax on a net income basis;

(xiii) to reduce the risk that the Issuer may be treated as other than a corporation for U.S. federal income tax purposes;

(xiv) to enter into any additional agreements not expressly prohibited by the Trust Deed or the Investment Management and Collateral Administration Agreement (as applicable) as well as any amendment, modification or waiver of such additional agreements, 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;

(xv) to make any other modification of any of the provisions of the Trust Deed, the Investment Management and Collateral 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 Investment Management and Collateral Administration Agreement, subject also to the consent of the Investment Manager;

(xvi) subject to Condition 14(c)(xxi) (*Modification and Waiver*) below, subject to Rating Agency Confirmation (if required, as determined by the Investment Manager acting in accordance with the standard of care specified in the Investment Management and Collateral Administration Agreement and on the basis of material published by the applicable Rating Agency) and the consent of the Controlling Class and Subordinated Noteholders each acting by Ordinary Resolution, to make any modifications to (A) 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), (B) the definitions of "Credit Improved Obligation", "Credit Risk Obligation", "Defaulted Obligation" and "Exchanged Security", (C) any defined term in the Conditions or the other Transaction Documents that begins with or includes the word "Moody's" or "Fitch" and Moody's will be notified of such amendments, (D) the restrictions on the sale of Collateral Obligations as set out in clause 4 (*Actions in Respect of the Portfolio*) of the Investment Management and Collateral Administration Agreement (other than the calculation of the Portfolio Profile Tests and the Collateral Quality Tests) and (E) the restrictions on and modifications of Collateral Obligations as set out in clause 4.12 (*Amendments to Collateral Obligations*) of the Investment Management and Collateral Administration Agreement;

(xvii) to make any other modification (save as otherwise provided in the Trust Deed, the Investment Management and Collateral 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 Investment Management and Collateral Administration Agreement, subject to the consent of the Investment Manager;

(xviii) to amend the name of the Issuer;

(xix) to amend the constitution of the Issuer;

(xx) to make any amendments to the Trust Deed or any other Transaction Document to enable the Issuer to comply with FATCA, CRS or any other automatic exchange of tax information regime to which it is subject;

(xxi) notwithstanding Condition 14(c)(xvi) (*Modification and Waiver*) above, to modify or amend any component number, figures or percentages of the Fitch Test Matrix or the Moody's Test Matrix subject to confirmation from the applicable Rating Agency (which may be provided by way of email) (or such other confirmation as the relevant Rating Agency is willing to provide from time to time) that such modifications or amendments will not result in the reduction or withdrawal of any ratings currently assigned to the Notes by such Rating Agency;

(xxii) 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*);

(xxiii) to evidence any waiver or modification by any Rating Agency in its rating methodology or as to any requirement or condition, as applicable, of such Rating Agency set out in the Transaction Documents subject to receipt of Rating Agency Confirmation (if such waiver or modification is required, as determined by the Investment Manager acting in accordance with the standard of care specified in the Investment Management and Collateral Administration Agreement and on the basis of material published by the applicable Rating Agency) from the Rating Agency to which such waiver, modification, requirement or condition relates;

(xxiv) to modify the Transaction Documents in order to comply with Rule 17g–5 or Rule 17g–10;

(xxv) to modify the terms of the Transaction Documents in order that they may be consistent with the requirements of the Rating Agencies, including to address any change in the rating methodology employed by either Rating Agency and to conform to ratings criteria and other guidelines (including, without limitation, any alternative methodologies published by either of the Rating Agencies or any of the Rating Agencies' credit models or guidelines for ratings determination) applied by the Rating Agencies, subject to receipt by the Trustee of Rating Agency Confirmation (or such other confirmation as the relevant Rating Agency is willing to provide from time to time that such modifications or amendments will not result in the reduction or withdrawal of any of the ratings currently assigned to the Rated Notes by such Rating Agency) in respect of the Rated Notes from each Rating Agency then rating the Rated Notes (upon which confirmation the Trustee shall be entitled to rely without enquiry or liability);

(xxvi) 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 EMIR, AIFMD, the Dodd–Frank Act, any requirements of the CFTC or CRA3 (including any implementing regulations, technical standards and guidance respectively related thereto), subject to receipt by the Trustee of a certificate of the Issuer certifying to the Trustee (upon which certificate the Trustee shall be entitled to rely without enquiry or liability) that the requested amendments are required for the purpose of enabling the Issuer to satisfy its requirements under EMIR, AIFMD, the Dodd–Frank Act or CRA3 (including any implementing regulations, technical standards and guidance respectively related thereto);

(xxvii) subject to the consent of the Retention Holder, to make any other modification of any of the provisions of the Trust Deed, the Investment Management and Collateral Administration Agreement or any other Transaction Document to comply with changes in the EU Retention Requirements or which result from the implementation of the implementing technical standards relating thereto or any subsequent risk retention legislation or official guidance or corresponding retention requirements under the UCITS Directive;

(xxviii) 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*);

(xxix) 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 including, without limitation, the applicable Rating Requirements;

(xxx) subject to Rating Agency Confirmation (other than to the extent otherwise permitted pursuant to Condition 14(c)(xxv) (*Modification and Waiver*) above), to amend, modify or supplement any Hedge Agreement to the extent necessary to allow the Issuer or the relevant Hedge Counterparty to comply with any enactment, promulgation, execution or ratification of, or any change in or amendment to, any law or regulation (or in the application or official interpretation of any law or regulation) that occurs after the parties enter into the Hedge Agreement, *provided that* Rating Agency Confirmation shall not be required in the event that the relevant Hedge Agreement will be a Form Approved Hedge following such amendment, modification or supplement;

(xxxi) to evidence the succession of another person to the Issuer and the assumption by any such successor person of the covenants of the Issuer in the Transaction Documents and in the Notes, provided that any such successor issuer shall not have a worse position than the Issuer in respect of any tax, legal or regulatory requirement or tax treatment;

(xxxii) subject to certification of the necessity of such amendment by the Issuer to the Trustee (upon which certification the Trustee shall be entitled to rely absolutely and without enquiry or liability) to amend, modify or otherwise accommodate changes to any Transaction Document relating to the administrative procedures for reaffirmation of ratings on the Notes as required by the rating criteria of the Rating Agencies;

(xxxiii) to accommodate the settlement of the Notes in book entry form through the facilities of DTC and/or Euroclear and/or Clearstream, Luxembourg;

(xxxiv) to change the date within the month on which reports are required to be delivered;

(xxxv) to make any changes necessary to prevent the Issuer from becoming an investment company or being required to register as an investment company under the Investment Company Act;

(xxxvi) to make any modification or amendment determined by the Issuer (in consultation with reputable international legal counsel knowledgeable 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 the Volcker Rule thereunder;

(xxxvii) to conform the provisions of the Trust Deed or any other Transaction Document or other document delivered in connection with the Notes to the Offering Circular;

(xxxviii) to modify the Transaction Documents to comply with or implement the Securitisation Regulation;

(xxxix) to make any change necessary to prevent the Issuer from becoming an investment company or being required to register as an investment company under the Investment Company Act; and

(xl) to modify the restrictions on and procedures for resales and other transfers of Notes and to make any other modification of any of the provisions of the Trust Deed or any other Transaction Document to reflect any changes in the Foreign Safe Harbor or corresponding exemption (or the

interpretation thereof) to enable the Issuer to continue relying upon such exemption from compliance with the U.S. Risk Retention Rules.

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 Investment Manager without the Investment 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 (xiv) and (xvi) (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 (xv) or (xvii) above in which the Trustee may, without the consent or sanction of any of the Noteholders or any other Secured Party (other than the Investment Manager, if applicable), 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, powers, authorisations, discretions, 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 (xv) or (xvii) above, under no circumstances shall the Trustee be required to give such consent on less than 21 days' notice and the Trustee shall be entitled to obtain expert advice, at the expense of the Issuer, and rely on such advice in connection with determining whether or not to give such consent (if applicable or required) as it sees fit.

(d) Substitution

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require (without the consent of the Noteholders of any Class), to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Notes of each Class, if required for taxation purposes, provided that such substitution would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders of any Class. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders, but subject to receipt of Rating Agency Confirmation (subject to receipt of such information and/or opinions as the Rating Agency may require), to a change of the law governing the Notes and/or the Trust Deed, provided that such change would not in the opinion of the Trustee be materially prejudicial to the interests of the Noteholders of any Class. Any substitution agreed by the Trustee pursuant to this Condition 14(d)

(*Substitution*) shall be binding on the Noteholders, and shall be notified by the Issuer to the Noteholders as soon as practicable in accordance with Condition 16 (*Notices*).

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 the Irish Stock Exchange, any material amendments or modifications to the Conditions, the Trust Deed or such other conditions made pursuant to Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) shall be notified to the Irish Stock Exchange.

(e) Entitlement of the Trustee and Conflicts of Interest

In connection with the exercise of its trusts, powers, duties and discretions (including but not limited to those referred to in this Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*)), the Trustee shall have regard to the interests of each Class of Noteholders as a Class and shall not have regard to the consequences of such exercise for individual Noteholders of such Class and the Trustee shall not be entitled to require, nor shall any Noteholder be entitled to claim, from the Issuer, the Trustee or any other person any indemnification or payment in respect of any tax consequence of any such exercise upon individual Noteholders except to the extent already provided for in Condition 9 (*Taxation*).

In considering the interests of Noteholders while the Global Certificates are held on behalf of a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its account holders with entitlements to each Global Certificate and may consider such interests as if such account holders were the holders of any Global Certificate.

The Trust Deed provides that in the event of any conflict of interest between or among the holders of the Class 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, 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 have no regard to the interests of any Secured Party other than the Noteholders or, at any time, to the interests of any other person.

15. Indemnification of the Trustee

The Trust Deed contains provisions for the indemnification of the Trustee and for its relief from responsibility in certain circumstances, including provisions relieving it from instituting proceedings to enforce repayment or to enforce the security constituted by or pursuant to the Trust Deed, unless indemnified and/or secured and/or prefunded to its satisfaction. The Trustee is entitled to enter into business transactions with the Issuer or any other party to any Transaction Document and any entity related to the Issuer or any other party to any Transaction Document without accounting for any profit. The Trustee is exempted from any liability in respect of any loss or theft or reduction in value of the Collateral, from any obligation to insure, or to monitor the provisions of any insurance arrangements in respect of, the Collateral (for the avoidance of doubt, under the Trust Deed the Trustee is under no such obligation) and from any claim arising from the fact that the Collateral is held by the Custodian or is otherwise held in safe custody by a bank or other custodian. The Trustee shall not be responsible for the performance by the Custodian of any of its duties under the Agency and Account Bank Agreement or for the performance by the Investment Manager of any of its duties under the Investment Management and Collateral Administration Agreement, for the performance by the Collateral Administrator of its duties under the Investment Management and Collateral 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 Investment 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 the Irish Stock Exchange and the rules of the Irish Stock Exchange so require) shall be sent to the Company Announcements Office of the Irish Stock Exchange or such other process as the Irish Stock Exchange may require. Any such notice shall be deemed to have been given to the Noteholders (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 the Irish Stock Exchange, when such notice is filed in the Company Announcements Office of the Irish Stock Exchange or such other process as the Irish Stock Exchange may require.

The Trustee shall be at liberty to sanction some other method of giving notice to the Noteholders (or a category of them) if, in its opinion, such other method is reasonable having regard to market practice then prevailing and to the rules of the stock exchange on which the Notes are then listed and provided that notice of such other method is given to the Noteholders in such manner as the Trustee shall require.

Notwithstanding the above, so long as any Notes are represented by a Global Certificate and such Global Certificate is held on behalf of a clearing system, notices to Noteholders may be given by delivery of the relevant notice to that clearing system for communication by it to entitled account holders in substitution for delivery thereof as required by the Conditions of such Notes provided that such notice is also made to the Company Announcements Office of the Irish Stock Exchange for so long as such Notes are listed on the Global Exchange Market of the Irish Stock Exchange and the rules of the Irish Stock Exchange so require. Such notice will be deemed to have been given to the Noteholders on the date of delivery of the relevant notice to the relevant clearing system.

17. Additional Issuances

(a) The Issuer may at any time during the Reinvestment Period, subject (other than in the case of an issuance of the Subordinated Notes required in order to cure or prevent a Retention Deficiency, where the approval of the Subordinated Noteholders shall not be required) to the approval of the Subordinated Noteholders acting by Ordinary Resolution and the prior written approval of the Investment Manager and 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 (unless otherwise provided), and will use the proceeds of sale thereof to purchase additional Collateral Obligations and, if applicable, enter into additional Hedge Transactions in connection with the Issuer's issuance of, and making payments on, the Notes and ownership of and disposition of the Collateral Obligations, provided that the following conditions are met:

(i) such additional issuances in relation to the applicable Class of Notes may not exceed 100.0 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 the Class X Notes) and issued in a proportionate amount among the Classes so that the relative proportions of aggregate principal amount of the Classes of Notes (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 Condition 17(b) (*Additional Issuances*) 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) (x) each Interest Coverage Test will be satisfied or, if not satisfied, will be maintained or improved, and (y) each Par Value Ratio will remain the same or increase, in each case 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 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 Condition 17 (*Additional Issuances*) shall not apply to any additional issuance of Subordinated Notes if such issuance is required in order to prevent or cure a Retention Deficiency for any reason including, but not limited to, where such Retention Deficiency or such breach will occur due to an additional issuance of any Class of Notes;

(viii) (so long as the existing Notes of the Class of Notes to be issued are listed on the Global Exchange Market of the Irish Stock Exchange) the additional Notes of such Class to be issued are in accordance with the requirements of the Irish Stock Exchange and are listed on the Global Exchange Market of the Irish Stock Exchange (for so long as the rules of the Irish Stock Exchange so requires);

(ix) such additional issuances are in accordance with all applicable laws including, without limitation, the securities and banking laws and regulations of Ireland and do not adversely affect the Irish tax position of the Issuer;

(x) any issuance of additional Notes would not result in non–compliance by the Investment Manager with the EU Retention Requirements; and

(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 A Notes, Class B Notes, Class C Notes and Class D Notes will be treated, and any additional Class E Notes should be treated, as indebtedness for U.S. federal income tax purposes, provided, however, that the advice of tax counsel described in this Condition 17(a)(xi) (*Additional Issuances*) will not

be required with respect to any additional Notes that bear a different International Securities Identification Number (or equivalent identifier) from the Notes of the same Class that were issued on the Issue Date and are Outstanding at the time of the additional issuance provided further, however, that any issuance of additional Notes that are not fungible for U.S. federal income tax purposes with existing Notes shall have a different International Securities Identification Number (or equivalent identifier).

(b) The Issuer may also, from time to time, 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 (i) to the approval of the Subordinated Noteholders acting by Ordinary Resolution or (ii) 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, and which, in each case, 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 Issuer must notify the Rating Agencies then rating any Notes of such additional issuance;

(v) the holders of the Subordinated Notes shall have been notified in writing 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 Condition 17(b)(v) (*Additional Issuances*) shall not apply to any additional issuance of the Subordinated Notes if such issuance is required in order to prevent or cure a Retention Deficiency for any reason including, but not limited to, where such Retention Deficiency or such breach will occur due to an additional issuance of any Class of Notes;

(vi) such additional issuance is in accordance with all applicable laws including, without limitation, the securities and banking laws and regulations of Ireland and do not adversely affect the Irish tax position of the Issuer;

(vii) (so long as the existing Subordinated Notes are listed on the Global Exchange Market of the Irish Stock Exchange) the additional Subordinated Notes to be issued are in accordance with the requirements of the Irish Stock Exchange and are listed on the Global Exchange Market of the Irish Stock Exchange (for so long as the rules of the Irish Stock Exchange so requires); and

(viii) any issuance of additional Subordinated Notes would not result in non–compliance by the Investment Manager with the EU Retention Requirements.

(c) In addition to Condition 17(a) and (b) (*Additional Issuances*) above, the Issuer may at any time during the Reinvestment Period, subject to the approval of the Subordinated Noteholders acting by Ordinary Resolution and subject to the separate approval in writing of the Investment Manager, create and issue new Notes having substantially the same terms and conditions as existing Classes of Notes (subject as provided below), and will use the proceeds of sale thereof to purchase additional Collateral 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 new class or classes of Notes will be subordinate in the payment of interest and principal to the most junior Class of Notes then Outstanding (other than the Subordinated Notes);

(ii) such new Notes must be issued for a cash sale price and the net proceeds invested in Collateral Obligations or, pending such investment, during the Initial Investment Period deposited in the Unused Proceeds Account or, thereafter, deposited in the Principal Account and, in each case, invested in Eligible Investments;

(iii) (subject to Condition 17(c)(i) (*Additional Issuances*) above, the terms (other than the date of issuance, the issue price, the rate of interest, and the date from which interest will accrue) of such new Notes must be substantially identical to the terms of previously issued Notes, provided that such new Notes may be unsecured notwithstanding that the previously issued Notes are secured;

(iv) the Issuer must notify the Rating Agencies then rating any Notes of such new issuance;

(v) (x) each Interest Coverage Test will be satisfied or, if not satisfied, will be maintained or improved, and (y) each Par Value Ratio will remain the same or increase, in each case after giving effect to such additional issuance of new Notes compared to what they were immediately prior to such additional issuance of new Notes;

(vi) (so long as the existing Notes are listed on the Global Exchange Market of the Irish Stock Exchange) the new Notes to be issued are in accordance with the requirements of the Irish Stock Exchange and are listed on the Global Exchange Market of the Irish Stock Exchange (for so long as the rules of the Irish Stock Exchange so requires);

(vii) such new issuances are in accordance with all applicable laws including, without limitation, the securities and banking laws and regulations of Ireland and do not adversely affect the Irish tax position of the Issuer; and

(viii) any issuance of new Notes would not result in non–compliance by the Investment Manager with the EU Retention Requirements.

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. 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 Administration Agreement is governed by and shall be construed in accordance with Irish law.

(b) Jurisdiction

The courts of England are to have jurisdiction to settle any disputes (whether contractual or non–contractual) which may arise out of or in connection with the Notes and accordingly any legal action or proceedings arising out of or in connection with the Notes ("**Proceedings**") may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts and waives any objection to Proceedings in any such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the Noteholders and the Trustee and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) Agent for Service of Process

The Issuer appoints Maples and Calder (having its office on the date hereof at 11th Floor, 200 Aldersgate Street, London, EC1A 4HD, United Kingdom) as its agent in England to receive service of process in any Proceedings in England based on any of the Notes. If for any reason the Issuer does not have such agent in England, it will promptly appoint a substitute process agent and notify the Trustee and the Noteholders of such appointment. Nothing herein shall affect the right to service of process in any other manner permitted by law.

USE OF PROCEEDS

The 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 €352,162,650. Such proceeds will be used by the Issuer on the Issue Date to finance the acquisition of certain Collateral Obligations the Issuer entered into a commitment to purchase prior to the Issue Date from the Retention Holder, with such purchase being effected on the Issue Date. The remaining proceeds shall be deposited into the Unused Proceeds Account and, *inter alia*, used to purchase (or enter into agreements to purchase) additional Collateral Obligations (in accordance with the terms of the Investment Management and Collateral Administration Agreement).

FORM OF THE NOTES

References below to Notes and to the Global Certificates and the Definitive Certificates representing such Notes are to each respective Class of Notes, except as otherwise indicated.

Initial Issue of Notes

The Regulation S Notes of each Class will be represented on issue by a Regulation S Global Certificate deposited with, and registered in the name of, a nominee for 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 D Notes, the Class E 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 for 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*". In the case of each Class of Notes, a beneficial interest in a Regulation S Global Certificate may be transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate in denominations greater than or equal to the minimum denominations applicable to interests in such Rule 144A Global Certificate only upon receipt by the Transfer Agent of a written certification (in the form provided in the Trust Deed) to the effect that the transferor reasonably believes that the transferee is a QIB/QP and that such transaction is in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. Beneficial interests in the Rule 144A Global Certificates may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate only upon receipt by the Transfer Agent of a written certification (in the form provided in the Trust Deed) from the transferor to the effect that the transfer is being made in an offshore transaction to a non–U.S. Person and in accordance with Regulation S.

Any beneficial interest in a Regulation S Global Certificate that is transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate will, upon transfer, cease to be an interest in such Regulation S Global Certificate and become an interest in the Rule 144A Global Certificate, and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in a Rule 144A Global Certificate for as long as it remains such an interest. Any beneficial interest in a Rule 144A Global Certificate that is transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate will, upon transfer, cease to be an interest in a Rule 144A Global Certificate and become an interest in the Regulation S Global Certificate and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in a Regulation S Global Certificate for so long as it remains such an interest. No service charge will be made for any registration of transfer or exchange of Notes, but the Transfer Agent may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

A purchaser or a transferee of a Class E Note, a Class F Note or a Subordinated Note will be deemed to represent (among other things) that it is not and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of) a Benefit Plan Investor or a Controlling Person. If a transferee is unable to make such deemed representation, such transferee may not acquire such Class E Note, Class F Note or Subordinated Note unless such transferee: (i) obtains the written consent of the

Issuer (which consent may be subject to such transferee making applicable tax declarations); (ii) provides an ERISA certificate to the Issuer as to its status as a Benefit Plan Investor or Controlling Person (substantially in the form of Annex B (*Form of ERISA Certificate*) and as set out in the Trust Deed); and (iii) unless the written consent of the Issuer to the contrary is obtained, holds such Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate. Any Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate shall be registered in the name of the holder thereof.

Each purchaser and transferee understands and agrees that no transfer of an interest in Class E Notes, Class F Notes or Subordinated Notes will be permitted or recognised if it would cause the 25 per cent. Limitation to be exceeded with respect to the Class E Notes, Class F Notes or Subordinated Notes (determined separately by Class).

The Notes are not issuable in bearer form.

IM Voting Notes, IM Non-Voting Notes and IM Non-Voting Exchangeable Notes

A beneficial interest in a Rule 144A Global Certificate in the form of IM Exchangeable Non-Voting Notes may be transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate in the form of IM Non-Voting Notes or an entity that is not an Affiliate of the transferor who takes delivery in the form of an interest in a Rule 144A Global Certificate in the form of IM Voting Notes, in each case in denominations greater than or equal to the minimum denominations applicable to interests in such Rule 144A Global Certificate only upon receipt by a Transfer Agent of a written transfer request (in the form provided in the Trust Deed) from the transferor.

A beneficial interest in a Rule 144A Global Certificate in the form of IM Voting Notes may be transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate in the form of IM Non-Voting Notes or IM Exchangeable Non-Voting Notes in denominations greater than or equal to the minimum denominations applicable to interests in such Rule 144A Global Certificate only upon receipt by a Transfer Agent of a written transfer request (in the form provided in the Trust Deed) from the transferor.

A beneficial interest in a Regulation S Global Certificate in the form of IM Exchangeable Non-Voting Notes may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate in the form of IM Non-Voting Notes or an entity that is not an Affiliate of the transferor who takes delivery in the form of an interest in a Regulation S Global Certificate in the form of IM Voting Notes in denominations greater than or equal to the minimum denominations applicable to interests in such Regulation S Global Certificate, in each case only upon receipt by a Transfer Agent of a written transfer request (in the form provided in the Trust Deed) from the transferor.

A beneficial interest in a Regulation S Global Certificate in the form of IM Voting Notes may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate in the form of IM Non-Voting Notes or IM Exchangeable Non-Voting Notes in denominations greater than or equal to the minimum denominations applicable to interests in such Regulation S Global Certificate only upon receipt by a Transfer Agent of a written transfer request (in the form provided in the Trust Deed) from the transferor.

A Noteholder holding a beneficial interest in a Global Certificate representing Notes in the form of IM Exchangeable Non-Voting Notes may request by the delivery to a Transfer Agent of a written request that such beneficial interest be exchanged for a beneficial interest in a Global Certificate representing Notes in the form of IM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of such Noteholder, as provided above.

Beneficial interests in a Global Certificate representing Notes in the form of IM Exchangeable Non-Voting Notes shall not be exchanged for a beneficial interest in a Global Certificate representing Notes in the form of IM Voting Notes in any other circumstances.

Beneficial interests in a Global Certificate representing Notes in the form of IM Non-Voting Notes shall not be exchangeable at any time for a beneficial interest in a Global Certificate representing Notes in the form of IM Voting Notes or IM Exchangeable Non-Voting Notes.

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 Notes, Class F Notes or Subordinated Notes 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 (which consent may be subject to such transferee making applicable tax declarations); and (ii) the transferee has provided the Issuer with an ERISA certificate substantially in the form of Annex B (*Form of ERISA Certificate*) and as set out in the Trust Deed.

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 in registered definitive form 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 (which consent may be subject to such transferee making applicable tax declarations) and a duly completed ERISA certificate substantially in the form of Annex B (*Form of ERISA Certificate*) and as set out in the Trust Deed. Upon the transfer, exchange or replacement of a Class E Note, Class F Note or Subordinated Note in registered definitive form 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.

Exchange of Definitive Certificates for Interests in Global Certificates

Regulation S

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

Each person who becomes an owner of a beneficial interest in a Regulation S Global Certificate will be deemed to have represented and agreed to the representations set forth in this Offering Circular relating to such Notes under the heading "*Transfer Restrictions*".

Rule 144A

If a holder of Class E Notes, Class F Notes or Subordinated Notes represented by a Definitive Certificate wishes at any time to transfer its interest in such Notes to a person who wishes to take delivery thereof in the form of a beneficial interest in a Rule 144A Global Certificate, such holder may effect such transfer only upon receipt by the Registrar of: (a) notification from the common depositary for Euroclear and Clearstream, Luxembourg of the Rule 144A Global Certificate that the appropriate credit entry has been made in the accounts of the relevant participants of Euroclear and Clearstream, Luxembourg (but in no case for less than the minimum authorised denomination applicable to Notes of such Class); and (b) a certificate in the form of part 6 (*Form of Definitive Certificate to Rule 144A Global Certificate Transfer Certificate*) of schedule 4 (*Transfer, Exchange and Registration Documentation*) of the Trust Deed or in such other form as the Registrar, relying upon the advice of counsel, may deem substantially similar in legal effect (in each case, copies of which are provided to the Registrar as applicable) given by the proposed transferee.

Each person who becomes an owner of a beneficial interest in a Rule 144A Global Certificate will be deemed to have represented and agreed to the representations set forth in this Offering Circular relating to such Notes under the heading "*Transfer Restrictions*".

BOOK ENTRY CLEARANCE PROCEDURES

The information set out below has been obtained from sources that the Issuer believes to be reliable, but prospective investors are advised to make their own enquiries as to such procedures. 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 Investment Manager, the Arranger, the Initial Purchaser or any Agent party to the Agency and Account Bank Agreement (or any Affiliate of any of the above, or any person by whom any of the above is controlled for the purposes of the Securities Act), will have any responsibility for the performance by the Clearing Systems or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described below.

Euroclear and Clearstream, Luxembourg

Custodial and depositary links have been established between Euroclear and Clearstream, Luxembourg to facilitate the initial issue of the Notes and cross–market transfers of the Notes associated with secondary market trading (see "*Settlement and Transfer of Notes*" below).

Euroclear and Clearstream, Luxembourg each hold securities for their customers and facilitate the clearance and settlement of securities transactions through electronic book entry transfer between their respective accountholders. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions which clear through or maintain a custodial relationship with an accountholder of either system. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective customers may settle trades with each other. Their customers are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Investors may hold their interests in such Global Certificates directly through Euroclear or Clearstream, Luxembourg if they are accountholders ("**Direct Participants**") or indirectly ("**Indirect Participants**" and together with Direct Participants, "**Participants**") through organisations which are accountholders therein.

Book Entry Ownership

Euroclear and Clearstream, Luxembourg

Each Regulation S Global Certificate and each Rule 144A Global Certificate will have an ISIN and a Common Code and will be registered in the name of, and deposited with, a nominee for 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. 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 Moody's and "AAAsf" from Fitch; the Class A Notes "Aaa(sf)" from Moody's and "AAAsf" from Fitch; the Class B-1 Notes: "Aa2(sf)" from Moody's and "AAsf" from Fitch; the Class B-2 Notes: "Aa2(sf)" from Moody's and "AAsf" from Fitch; the Class C-1 Notes: "A2(sf)" from Moody's and "Asf" from Fitch; the Class C-2 Notes: "A2(sf)" from Moody's and "Asf" from Fitch; the Class D Notes: "Baa2(sf)" from Moody's and "BBBsf" from Fitch; the Class E Notes: "Ba2(sf)" from Moody's and "BBsf" from Fitch; and the Class F Notes: "B2(sf)" from Moody's and "B-sf" from Fitch. The Subordinated Notes being offered hereby will not be rated.

The ratings assigned to the Rated Notes by Moody's address the expected loss posed to investors by the legal final maturity date of the Rated Notes. The ratings assigned to the Class 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.

In respect of any Notes that are subject to a Refinancing in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*), the ratings assigned to the Notes will not necessarily continue to be assigned to the Refinancing Obligations issued pursuant thereto.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the applicable rating agency.

Moody's Ratings

Moody's Ratings address the expected loss posed to investors by the legal and final maturity on the Maturity Date.

Moody's analysis of the likelihood that each Collateral Obligation will default is based on historical default rates for similar debt obligations, the historical volatility of such default rates (which increases as obligations with lower ratings are added to the Portfolio) and an additional default assumption to account for future fluctuations in defaults. Moody's then determines the level of credit protection necessary to achieve the expected loss associated with the rating of the structured securities, taking into account the expected volatility of the default rate of the Portfolio based on the level of diversification by region, issuer and industry. There can be no assurance that the actual default rates on the Collateral Obligations held by the Issuer will not exceed the rates assumed by Moody's in its analysis.

In addition to these quantitative tests, Moody's Ratings take into account qualitative features of a transaction, including the experience of the Investment Manager, the legal structure and the risks associated with such structure and other factors that Moody's deems relevant.

Fitch Ratings

The ratings assigned to the Rated Notes by Fitch are based upon Fitch's statistical analysis of historical default rates on debt obligations with similar characteristics to the Collateral 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 Investment 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 defer from those assumed by Fitch.

In addition to those quantitative tests, Fitch ratings take into account qualitative features of a transaction, including the experience of the Investment Manager, the legal structure and the risks associated with such structure and other factors that Fitch deems relevant.

RULE 17G–5 AND SECURITISATION REGULATION COMPLIANCE

THE ISSUER, IN ORDER TO PERMIT THE RATING AGENCIES TO COMPLY WITH THEIR OBLIGATIONS UNDER RULE 17G–5 PROMULGATED UNDER THE EXCHANGE ACT ("**RULE 17G–5**"), HAS AGREED TO POST (OR HAVE ITS AGENT POST) ON A PASSWORD–PROTECTED INTERNET WEBSITE (THE "**RULE 17G–5 WEBSITE**"), AT THE SAME TIME SUCH INFORMATION IS PROVIDED TO THE RATING AGENCIES, ALL INFORMATION (WHICH WILL NOT INCLUDE ANY REPORTS FROM THE ISSUER'S INDEPENDENT PUBLIC ACCOUNTANTS) THAT THE ISSUER (OR OTHER PARTIES ON ITS BEHALF, INCLUDING THE INVESTMENT MANAGER) PROVIDES TO THE RATING AGENCIES FOR THE PURPOSES OF DETERMINING THE INITIAL CREDIT RATING OF THE RATED NOTES OR UNDERTAKING CREDIT RATING SURVEILLANCE OF THE RATED NOTES; PROVIDED, HOWEVER, THAT, PRIOR TO THE OCCURRENCE OF AN EVENT OF DEFAULT, WITHOUT THE PRIOR WRITTEN CONSENT OF THE INVESTMENT MANAGER NO PARTY OTHER THAN THE ISSUER OR CITIBANK, N.A., LONDON BRANCH AS INFORMATION AGENT MAY PROVIDE INFORMATION TO THE RATING AGENCIES ON THE ISSUER'S BEHALF. ON THE ISSUE DATE, THE ISSUER WILL REQUEST THE INFORMATION AGENT, IN ACCORDANCE WITH THE INVESTMENT MANAGEMENT AND COLLATERAL ADMINISTRATION AGREEMENT, TO ASSIST THE ISSUER IN COMPLYING WITH CERTAIN OF THE POSTING REQUIREMENTS UNDER RULE 17G–5 (IN SUCH CAPACITY, THE "**INFORMATION AGENT**"). ANY NOTICES OR REQUESTS TO, OR ANY OTHER WRITTEN COMMUNICATIONS WITH OR WRITTEN INFORMATION PROVIDED TO, THE RATING AGENCIES, OR ANY OF ITS OFFICERS, DIRECTORS OR EMPLOYEES, PURSUANT TO, IN CONNECTION WITH OR RELATED, DIRECTLY OR INDIRECTLY, TO THE TRUST DEED, THE INVESTMENT MANAGEMENT AND COLLATERAL ADMINISTRATION AGREEMENT, ANY TRANSACTION DOCUMENT RELATING THERETO, THE PORTFOLIO OR THE NOTES, WILL BE IN EACH CASE FURNISHED DIRECTLY TO THE RATING AGENCIES AFTER A COPY HAS BEEN DELIVERED TO THE INFORMATION AGENT OR THE ISSUER FOR POSTING TO THE RULE 17G–5 WEBSITE.

IN THE EVENT THAT THE SECURITISATION REGULATION APPLIES IN THE FORM THAT COMES INTO FORCE, THE ISSUER HAS AGREED TO ASSUME THE COSTS OF COMPLIANCE AND MAKING AMENDMENTS TO THE TRANSACTION DOCUMENTS. IN SUCH CIRCUMSTANCES THE ISSUER WILL PROCURE THAT A WEBSITE IS ESTABLISHED AND MAINTAINED FOR THE PURPOSES OF ENSURING COMPLIANCE WITH THE SECURITISATION REGULATION.

THE ISSUER

General

The Issuer is a designated activity company which was incorporated under the laws of Ireland on 6 May 2014 under the Companies Acts 1963-2014 which have been repealed and replaced by the Companies Act 2014 under the name St. Paul's CLO V Limited (now known as St. Paul's CLO V DAC) with a registered number of 543452. The Issuer has a registered office of 32 Molesworth Street, Dublin 2, Ireland; telephone: +353 1 697 3200 and facsimile: +353 1 697 3300.

Corporate Purpose of the Issuer

The constitution of the Issuer (as currently in effect) provides under Clause 3 that the objects of the Issuer contain, amongst others, the following objects:

(a) To carry on the business of financing and re-financing whether asset backed or not (including, without limitation, financing and re-financing of financial assets), with or without security in whatever currency including, without limitation, financing or re-financing by way of loan, acceptance credits, bonds, commercial paper, euro medium term notes, eurobonds, credit and derivative-linked securities, securitisation, synthetic securitisation, collateralised debt obligations, limited recourse secured note issuance, bank placements, leasing, hire purchase, credit sale, conditional sale, factoring, discounting, note issue facilities and programmes (including credit and derivative-linked), project financing, bond issuances, participation and syndications, assignment, novation, sub-participation or other appropriate methods of finance and to discount mortgage receivables, loan receivables, and lease rentals for persons wherever situated in any currency whatsoever, and to acquire or enter into by purchase, lease, hire or otherwise and to sell or hire or otherwise deal in financial assets or instruments (including, without limitation, debentures, debenture stock, bonds, notes, eurobonds, credit default, interest rate, currency or any other type of swaps and hedges (including, without limitation, credit, equity, currency, commodity and interest rate derivatives)) and to do all of the foregoing as principal, agent or broker.

(b) To appoint and act through any agents, administrators, contractors or delegates in any part of the world in connection with the undertaking and business of the Issuer (including, without limitation, in connection with the management, monitoring, servicing, administration, processing and enforcement of the Issuer's assets and/or any related security) on such terms and subject to such conditions as the Directors of the Issuer think fit.

(c) To purchase, acquire by any means, hold and create, enter into any arrangement relating to, deal and participate in, underwrite and sell or dispose of by any means, securities, financial and swap instruments and rights of all kinds including, without limitation, foreign currencies, shares, stocks, gilts, equities, debentures, debenture stock, bonds, notes, commercial paper, risk management instruments, money market deposits, money market instruments, investment instruments, loans, credit default swaps or hedges, interest rate swaps or hedges, foreign currency swaps or hedges, caps, collars, floors, options and such other financial and swap instruments and rights and securities as are similar to, or are derivatives of any of the foregoing.

(d) To raise or borrow money on such terms and in such manner as the directors of the Issuer think fit including, without limitation, by the creation and issue of listed or unlisted notes, bonds, eurobonds, debentures, debt instruments, shares or other securities irrespective of whether the repayment of which or the payment of interest or dividends thereon is referenced or linked to a portfolio of assets, property or revenues in which the Issuer has a legal or beneficial interest therein and to secure on such terms and in such manner as the directors of the Issuer think fit, any such indebtedness or obligation of the Issuer, by mortgage, charge, pledge, assignment, trust or any other means involving the creation of security over all or any part of the undertaking, assets, property and revenues of the Issuer of whatever kind both present and future.

Business Activity

Prior to the Issue Date, the Issuer issued the Original Notes in respect of which it entered into a number of agreements. On the Issue Date, such Original Notes will be redeemed in full and the amounts owing under the related agreements will be fully repaid 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 issue of the Original Notes, the entry into of certain warehouse arrangements in respect thereof, 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 Notes, the Subscription Agreement, the Agency and Account Bank Agreement, the Trust Deed, the Retention Undertaking Letter, the Investment Management and Collateral Administration Agreement, the Administration Agreement, each Hedge Agreement, any Reporting Delegation Agreement, the Collateral Acquisition Agreements and the other documents and agreements entered into in connection with the issue of the Notes and the purchase of the Portfolio. The Issuer was incorporated with a view to being a special purpose vehicle whose purpose would be to issue asset backed securities.

Management

The current directors (the "**Directors**") are:

Name	**Occupation**	**Business Address**
Sean O'Sullivan	Company Director	32 Molesworth Street, Dublin 2, Ireland
Padraic Doherty	Company Director	32 Molesworth Street, Dublin 2, Ireland

Pursuant to the Administration Agreement, the Administrator provides corporate and administrative services to the Issuer. Either party may terminate the Administration Agreement by giving not less than one month's written notice.

Capital and Shares

The authorised share capital of the Issuer is €100,000 divided into 100,000 ordinary shares of €1.00 each (the "**Shares**"). The Issuer has issued one share, which is fully paid up and held by MaplesFS Trustees Ireland Limited (the "**Share Trustee**") under the terms of a discretionary charitable trust established under Irish law pursuant to a declaration of trust made by the Share Trustee.

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 thousand ordinary registered shares of €1.00	1

Loan Capital	€
Class X Notes	1,000,000
Class A Notes	201,000,000
Class B-1 Notes	36,000,000
Class B-2 Notes	16,000,000
Class C-1 Notes	12,500,000
Class C-2 Notes	7,500,000
Class D Notes	19,500,000
Class E Notes	23,500,000
Class F Notes	10,000,000
Subordinated Notes	38,400,000
Total Capitalisation	365,400,001

Indebtedness

The Issuer has no indebtedness as at the date of this Offering Circular, other than that which the Issuer has incurred in respect of the Original Notes (which will be repaid in full on the Issue Date) or shall incur in relation to the transactions contemplated herein.

Holding Structure

The entire issued share capital of the Issuer is directly held by the Share Trustee.

None of the Investment Manager, the Collateral Administrator, the Trustee, the Arranger, the Initial Purchaser or any company affiliated with any of them, directly or indirectly, owns any of the share capital of 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*)).

Financial Statements

Audited financial statements are prepared by the Issuer on an annual basis. The Issuer will not prepare interim financial statements. The financial year of the Issuer ends on 31 March in each year.

Each year, a copy of the audited profit and loss account and balance sheet of the Issuer together with the report of the Directors and the auditors thereon is required to be filed in the Irish Companies Registration Office within 28 days of the annual return date of the Issuer and is available for inspection. The profit and loss account and the balance sheet of the Issuer can be obtained free of charge from the registered office of the Issuer.

The auditors of the Issuer are KPMG of 1 Stokes Place, Dublin 2, Ireland. KPMG is authorised by The Institute of Chartered Accountants in Ireland (ICAI).

DESCRIPTION OF THE INVESTMENT MANAGER

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

Intermediate Capital Managers Limited

General

Intermediate Capital Managers Limited ("**ICML**"), a wholly owned subsidiary of Intermediate Capital Group plc ("**ICG**"), will act as the investment manager to the Issuer pursuant to the Investment Management and Collateral Administration Agreement. ICML was incorporated on 12 December 1988. ICML's registered address is Juxon House, 100 St. Paul's Churchyard, London EC4M 8BU.

ICML is regulated by the Financial Conduct Authority for the conduct of investment business in the United Kingdom.

In addition to acting as the Investment Manager to the Issuer, ICML has, since September 1999, acted as the investment manager or adviser to Eurocredit Opportunities I PLC; Eurocredit Opportunities Parallel Funding I Limited; Eurocredit CDO I, B.V.; Eurocredit CDO II, B.V.; Eurocredit CDO III, B.V.; Eurocredit CDO IV, B.V.; Eurocredit V PLC; Eurocredit CDO VI PLC; Eurocredit CDO VII plc; Eurocredit CDO VIII Limited; Eurocredit Investment Fund 1 PLC; Eurocredit Investment Fund 2 PLC; Confluent 1 Limited; St. Paul's CLO I B.V.; ICG Eos Loan Fund I, Limited; Promus I B.V.; Promus II B.V.; Intermediate Finance I plc, Intermediate Finance II plc, St. Paul's CLO II Designated Activity Company, St. Paul's CLO III Designated Activity Company, St. Paul's CLO IV Designated Activity Company, St. Paul's CLO VI Designated Activity Company and St. Paul's CLO VII Designated Activity Company as well as a number of mezzanine and other funds.

Intermediate Capital Group plc

ICG is a specialist asset manager providing private debt, mezzanine finance, leveraged credit and minority equity managing over €22.0bn of assets in third party funds and proprietary capital. As of 30 September 2016, ICG had a total of 275 employees, 151 of whom were investment professionals or directors. Its experienced investment team operates from a head office in London with strong local networks in Paris, Madrid, Stockholm, Frankfurt, Amsterdam, Hong Kong, Sydney, New York, Tokyo and Singapore. It is registered in England, company number 2234775, it is listed on the London Stock Exchange and is a member of the FTSE 250 and is authorised and regulated by the UK Financial Conduct Authority.

Further information is available at www.icgplc.com.

Services Agreement between ICML and ICG

In order to enable ICML to perform its obligations under the Investment Management and Collateral Administration Agreement, ICML has entered into a services agreement with ICG, under which ICG agrees to make available to ICML the key senior personnel, and to provide to ICML the administrative services, including the services of ICG's Global Investment Committee, the members of which are the directors of ICG (information about whom is given below), which ICML requires to carry out its obligations under the Investment Management and Collateral Administration Agreement.

Christophe Evain

Christophe Evain is the Chief Executive of ICG. He joined ICG in 1994 and was instrumental in establishing ICG's business activities in the U.S., France and Asia. Prior to ICG, Christophe was at Banque de Gestion Privée in Paris, where he worked as an assistant director in the Acquisition Finance group. Prior to this, Christophe worked for Credit Lyonnais and National Westminster Bank in the U.S. and Paris, in their Corporate Banking and Structured Finance groups, respectively. Christophe is a graduate of Paris-Dauphine University. Mr Evain will be retiring from ICG in July 2017 and will be replaced as Chief Executive by Benoit Durteste.

Philip Keller

Philip Keller joined ICG in 2006 and is the Finance Director of ICG. Philip is responsible for ICG's finance function and infrastructure teams. Prior to joining ICG, Philip held finance directorship positions at GlaxoSmithkline (1995-1997) and Johnson&Johnson (1998-2000) and, from 2000 until 2006, was Finance Director at ERM, a global environmental consultancy business and previous investee company of ICG. Philip is a graduate of Durham University and a qualified Chartered Accountant.

Benoit Durteste

Benoit Durteste is Head of European Mezzanine and a Fund Manager for ICG Recovery Fund 2008 and Fund V. He joined ICG in September 2002 from Swiss Re where he worked as a managing director in the Structured Finance division in London. Prior to Swiss Re, Benoit worked in the Leveraged Finance division of BNP Paribas for six years and as a CFO of a GECC portfolio company for GE Capital in London. Benoit is a graduate of the Ecole Supérieure de Commerce de Paris.

Zak Summerscale

Zak Summerscale joined ICG in 2016 as the Head of Credit Fund Management for Europe and Asia Pacific. Zak has 20 years' experience in managing secured loan, high yield and distressed strategies and joins from Babson Capital where he spent 15 years. Before joining Babson Capital, Zak was Portfolio Manager for a European high yield fund at New Flag Asset Management. Zak is a graduate of Durham University.

Michelle De Angelis

Michelle De Angelis joined ICG in 2010 and the Investment Committee as of January 1, 2016. Ms De Angelis is a Senior Credit Analyst in London and a member of the CFM European Liquid Products Investment Committee. She is a Senior Credit Analyst and has covered the consumer, food, media, retail, and telecom sectors. Prior to joining ICG Group, Ms De Angelis worked for over five years at Fitch Ratings, where she oversaw the team responsible for European leveraged finance issuer ratings. Ms De Angelis started her career at Deutsche Bank, where she worked in various roles over seven years, most recently on telecom leveraged loan and high yield deal execution. Ms De Angelis is a graduate of the University of Bath with a first class degree in European Studies, German and Italian.

Benjamin Edgar

Benjamin Edgar joined ICG in July 2015 as a Portfolio Manager and Co-head of European Loans. Prior to joining ICG, Benjamin was a Managing Director of CVC Credit Partners Investment Management Ltd. He was a Founding Partner of CVC Cordatus (a predecessor to CVC Credit Partners) in 2006 and a Member of the European Investment Committee. Benjamin was part of the team who co-structured and co-managed the CLO platform in addition to a private Credit Opportunities fund raised in April 2009. His role also led him to focus on originating illiquid special situation opportunities, transactions for the direct lending business and broadly syndicated capital markets transactions. Benjamin has over 16 years of combined credit portfolio management and structured finance experience. Prior to CVC, he was with Alcentra, where he was responsible for analysing, investing, and monitoring the technology, media, and cable assets across a variety of debt funds. Prior to this, he spent five years within the debt products group of Deutsche Bank focusing on structuring and syndicating leveraged finance transactions from senior to subordinated debt instruments. Benjamin holds a BComm from Griffith University, Australia.

Michael Curtis

Michael joined ICG in 2015 as a Portfolio Manager and Co-head of European Loans. Prior to joining ICG, Michael was Portfolio Manager and Director of 3i Debt Management responsible for investing across the capital structure, primarily in European leveraged loans, high yield bonds and structured credit. Michael has been active in the European credit markets for over sixteen years, and prior to 3i was at Alpstar Capital, a specialist credit fund business he helped to build from a €25m start-up to a multi-billion asset manager. Michael was a partner of the firm, member of the Investment Committee and head of Alpstar's loan business where he was responsible for portfolio management, credit research, monitoring and trading. During his time at Alpstar, Michael managed a variety of fund structures including hedge funds, CLOs and long only vehicles investing across the full credit spectrum from performing leveraged loans to distressed debt. Prior to Alpstar, Michael spent five years in leveraged finance and restructuring at CIBC World Markets in London. Michael holds a BSc in Economics from University College London.

THE RETENTION REQUIREMENTS

The information appearing in the section entitled "Retention Requirements" below consists of a summary of certain provisions of the Retention Undertaking Letter and does not purport to be complete and is qualified by reference to the detailed provisions of such letter.

Retention Requirements

On the Issue Date, the Retention Holder will sign the Retention Undertaking Letter addressed to the Issuer, the Trustee (for the benefit of the Noteholders), the Collateral Administrator, the Investment Manager, the Arranger and the Initial Purchaser, which will contain limited recourse and non-petition provisions in respect of the Retention Holder broader than those contained in the Trust Deed in respect of the Issuer.

Pursuant to the Eligibility Criteria, the Issuer may only acquire a Collateral Obligation if either (i) the Originator Requirement is satisfied, or (ii) if the Originator Requirement is not satisfied, such Collateral Obligation is acquired from the Retention Holder.

Pursuant to the Retention Undertaking Letter, the Retention Holder will undertake and agree:

(a) undertake to acquire on the Issue Date and retain in its capacity as originator on an ongoing basis for so long as any Class of Notes remains Outstanding, a material net economic interest in the first loss tranche of not less than 5 per cent. of the nominal value of the securitised exposures through the purchase and retention of Subordinated Notes with an original Principal Amount Outstanding (such original Principal Amount Outstanding calculated as of the date of issuance of such Subordinated Notes) such that the aggregate purchase price thereof equals or exceeds 5 per cent. of the Collateral Principal Amount (the "**Retention Notes**");

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

(c) subject to any regulatory requirements, agree to take such further reasonable action, provide such information (subject to any duty of confidentiality and at the cost and expense of the party seeking such information) and enter into such other agreements as may reasonably be required to satisfy the EU Retention Requirements as of (i) the Issue Date and (ii) following the Issue Date, solely as regards the provision of information in the possession of the Retention Holder;

(d) agree to:

  (i) confirm in writing (which may be by email) promptly upon the request of the Trustee, the Collateral Administrator, the Investment Manager, the Initial Purchaser, the Arranger or the Issuer, in each case, to such party making such request; and

  (ii) confirm in writing (which may be by email) to the Collateral Administrator on a monthly basis,

  its continued compliance with the covenants set out at paragraphs (a) and (b) above;

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

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

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

(f) agree that it shall promptly notify the Issuer, the Trustee, the Investment Manager, the Collateral Administrator, the Initial Purchaser and the Arranger if for any reason it:

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

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

(iii) any of the representations made by the Retention Holder in the Retention Undertaking Letter fail to be true on any date;

(g) represent that:

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

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

(h) acknowledge and confirm that the Retention Holder established the transaction contemplated by the Transaction Documents and appointed the Initial Purchaser to provide certain specific services in order to assist with such establishment.

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

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

DESCRIPTION OF THE RETENTION HOLDER AND ITS BUSINESS

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

NP Europe Loan Management I Designated Activity Company will act as originator and retention holder (in such capacity, the "**Retention Holder**") for the purposes of the EU Retention Requirements.

General

The Retention Holder was incorporated as a designated activity company in Ireland under the Companies Act 2014 of Ireland (as amended) (the "**Companies Act 2014**") on 23 October 2015 with registration number 570564. The registered office and principal place of business of the Retention Holder is 2nd Floor, 1-2 Victoria Buildings, Haddington Road, Dublin 4, Ireland. The statutory records of the Retention Holder are kept at this address. The Retention Holder operates and issues shares in accordance with its Constitution and the Companies Act 2014 and ordinances and regulations made thereunder and has no subsidiaries or employees. The Retention Holder has an unlimited life.

The Retention Holder has commenced operations and its annual report and accounts will be prepared according to IFRS.

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

Investment activity

The Retention Holder has been established in order to invest in series of investment portfolios consisting of debt obligations in the form of senior, mezzanine and second lien loans, high yield bonds, floating rate notes and other similar credit assets, CLO securities, investments in CLO warehouse facilities by way of debt and/or equity and other related investments (any such assets held by the Retention Holder from time to time being "**Originator Assets**").

As at the date of this Offering Circular, the Retention Holder's aggregate investments in Originator Assets is approximately EUR 120,000,000 in aggregate principal amount.

The Retention Holder's investment strategy is to provide investors with exposure to a loan origination and investment business. The investment objective of the Retention Holder is to generate attractive risk-adjusted returns from its investments through the origination and/or purchase of Originator Assets. Such objective is intended to be achieved by way of a long term investment strategy in Originator Assets. As part of this strategy, the Retention Holder intends to utilise the CLO market as a means of obtaining exposure to a diversified pool of Originator Assets.

Originator Assets which are not sold to CLOs are intended to be held by the Retention Holder until maturity, but may be sold prior to maturity based on the Retention Holder's assessment and management of the credit, market value and liquidity risk of its investments from time to time and in accordance with the Retention Holder's investment strategy. The Retention Holder intends to invest predominantly in Originator Assets of primarily European obligors, although it will have the ability to acquire Originator Assets elsewhere.

In respect of Originator Assets sold, or to be sold, by the Originator to the Issuer, the Originator intends that it will have been exposed to the credit risk in respect of such Originator Assets for a period of not less than 30 days.

Share Capital

The current share capital of the Retention Holder consists of the following:

Share Class	Number issued	Nominal Value of each share	Share Premium
Ordinary	1	€1	N/A
Class A	5	€1	€5,000,000
Class B	5	€1	€5,000,000
Class C	5	€1	€501,395

Profit Participating Notes

The Retention Holder issued a total of (i) EUR 89,199,995 Series I profit participating notes on 1 February 2016 and EUR 3,305,000 Series I profit participating notes on 16 April 2016; (ii) EUR 109,739,995 Series II profit participating notes in 2017 and (iii) EUR 10,998,600 Series IIb profit participating notes in 2017, for use in connection with its investment strategy. The Retention Holder may issue further profit participating notes from time to time. The risks and cash flows on the profit participating notes reflect an aggregate investment in the Retention Holder and its investment portfolios, so economically reflect an equity investment in the Retention Holder.

Debt financing

The Retention Holder may from time to time raise debt financing on full recourse terms to allow it to accumulate Originator Assets and seek to meet its investment objectives.

Compensation

In consideration for the Retention Holder's role in establishing the CLO transaction described herein, the Investment Manager has agreed to rebate to the Retention Holder a portion of the Investment Management Fees that it earns in its capacity as Investment Manager to the Issuer. For further information, see "*Risk Factors—Conflicts of Interest—Certain Conflicts of Interest Involving or Relating to the Investment Manager and its Affiliates*".

Corporate Governance and Management

The Retention Holder is self-managed. While the Retention Holder shall have the support of a number of service providers, including the Portfolio Adviser, purchase and sale decisions will be made by the Retention Holder on a case by case basis in a manner which seeks to meet the Retention Holder's business and investment strategies for the benefit of its investors.

The management structure of the Retention Holder consists of the following:

(a) Board of Directors

The Retention Holder's board (the "**Board**") has been appointed in a non-executive capacity and delegates the day-to-day management and operations of the Retention Holder to a portfolio management team (the "**Portfolio Management Team**") (see under (c) below) and an investment committee (the "**Investment Committee**") (see under (d) below). The role of the Board is to review the performance of the Portfolio Management Team and the Investment Committee in executing the Retention Holder's investment strategy.

As at the date of this Offering Circular, the directors of the Retention Holder (excluding any duly appointed alternates) are as follows:

Jonathan Dorfman

Jonathan Dorfman is a Senior Managing Partner and CIO of Napier Park Global Capital ("**Napier Park**") whose business address is Napier Park Global Capital (US) LP, 280 Park Avenue, 3rd Floor,

New York, NY 10017, United States. Napier Park separated from Citigroup's alternative investment arm, Citi Capital Advisors ("**CCA**"), in February 2013. Mr. Dorfman was previously Co-CEO and CIO of CCA. He was a co-founder of Carlton Hill Global Capital ("**CHGC**"), a specialized asset management firm that was acquired by Citi in 2007. Prior to establishing CHGC in 2005, Mr. Dorfman spent 20 years at Morgan Stanley in the Fixed Income Division. He worked in Tokyo and London for 17 years and served as a Managing Director for 8 years. While at Morgan Stanley, Mr. Dorfman held numerous senior management positions including Global Risk Manager (Principal Risk Taking) – Global Corporate Credit Group, Co-Head of the Global Investment Grade Credit Group, Head of Global Credit Derivative and Asset Swap Trading, and Head of European Credit Derivative and Asset Swap trading. Mr. Dorfman spent the first 10 years of his career at Morgan Stanley as a member of the Global Derivative Products Group. Among the innovators and early risk takers in the credit default swap, credit index (Tracers and CDX) and tranched risk credit markets, Mr. Dorfman served as an ISDA committee member responsible for the first standardized credit default swap contract. Mr. Dorfman earned a BSE degree, magna cum laude, from the Wharton School of Business at the University of Pennsylvania in 1984.

Michael Micko

Michael Micko is Head of the multi-award winning European credit strategies group at Napier Park Global Capital and the sole managing director (gérant) of Napier Park Global Capital GmbH. His business address is Bahnhofstrasse 1, 8808 Pfaffikon, Switzerland. Mr. Micko brings 23 years of relevant experience and joined CCA, the predecessor of Napier Park, in 2004. Prior to that he headed high yield strategy at Mellon Newton Investment Management. Previously, Mr. Micko was an investment banker in London at Deutsche Bank and Bankers Trust International focusing on Leverage Finance, and he also held the role as Treasurer of a listed corporate high yield issuer. He has an MBA from The Richard Ivey School, Canada (1991), has attended London Business School, and holds ME (Industrial Engineering) (1988) and BS (Electrical Engineering) (1987) degrees from the University of Alberta, Canada.

Anne Flood

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

Brendan Byrne

Brendan is the Finance Director of Intertrust Management Ireland and is the Director responsible for financial control of the business itself and the provision of client accounting and tax compliance services to a wide variety of structures established by private equity funds, collateral managers, investment banks, aviation leasing companies and alternative investment funds. Brendan joined Intertrust from Capita Asset Services in 2016, where he had been Head of Finance across its debt solutions and corporate administration business in the UK and Ireland. Previously Brendan held the position of Financial Controller with AIB Capital Markets in its International Financial Services division. Brendan provides non-executive directorship services to companies engaged in structured finance, aviation leasing and finance, as well as a range of corporate and holding company structures. Brendan is a member of both the Association of Certified Chartered Accountants and the Irish Tax Institute and holds a Bachelor of Commerce from University College Dublin.

(b) Assigned Personnel

The Retention Holder has entered into a portfolio advisory agreement (the "**PAA**") with Napier Park Global Capital (US) LP (the "**Portfolio Advisor**"), pursuant to which the Portfolio Advisor is appointed by the Retention Holder to provide (together with certain of its affiliates) certain service support, credit research and analysis services in connection with the origination and ongoing management of the Originator Assets by the Retention Holder.

The Portfolio Advisor has provided certain assigned personnel (the "**Assigned Personnel**") to enable the Retention Holder to make necessary business and investment decisions and carry on the day-to-day management of the Originator Assets.

(c) Portfolio Management Team

The Portfolio Management Team of the Retention Holder will consist of Assigned Personnel. As at the date of this Offering Circular, this consists of Martin Hornbuckle, Jun (Julia) He, Mohammed El-Khazzar, Amit Sanghani and Dores Schembri.

The Portfolio Management Team will be responsible for, among other things

(i) the day-to-day management and operations of the Retention Holder;

(ii) researching and presenting investment and hedging proposals for consideration by the Investment Committee and the Board; and

(iii) following approval of any such investment and/or hedging proposals, negotiating and executing the required documents to purchase or sell assets or enter into hedges within the parameters provided by the Investment Committee.

(d) Investment Committee

The Investment Committee was established by the Board in order to consider and approve investment and hedging proposals from the Portfolio Management Team. Decisions of the Investment Committee must be made by a clear majority of Investment Committee Members, provided that the Committee Chairman has voted in favour of the relevant decision. As at the date of this Offering Circular, the Investment Committee consists of Gerry Grimes, as the Committee Chairman, Martin Hornbuckle, Jun (Julia) He and Mohammed El-Khazzar.

The duties of the Investment Committee are:

(i) to receive, consider and, if it deems appropriate, approve investment and/or hedging proposals, including any related financing made by the Portfolio Management Team;

(ii) to have overall responsibility for oversight of portfolio management and credit decisions;

(iii) to review periodically its own performance, and review annually its constitution and rules, to ensure it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval; and

(iv) to approve the establishment of CLO transactions by the Retention Holder.

As at the date of this Offering Circular, the Investment Committee consists of:

Gerry Grimes (Committee Chairman)

Gerry Grimes has over 30 years investment management and banking experience. Mr. Grimes previously worked in the Central Bank of Ireland in a number of senior investment positions, including Head of Reserve Management. He was a founder and Managing Director of Allied Irish Capital Management Ltd, where he managed a group of investment professionals with c USD 1.4 bn under management, across a range of asset classes.

Mr. Grimes is an independent director of investment funds/special purpose vehicles and also lectures in Risk Management at University College Cork. He holds a First Class Honours Degree in Economics

and History from University College Dublin and the Diploma for Non Executive Directors from the Financial Times/Pearson. He is a past Deputy President of AIMA, the leading representative body for the global alternative asset management industry.

Martin Hornbuckle

Martin Hornbuckle is a Portfolio Manager for European Credit Strategies at Napier Park. Prior to joining CCA in 2008, Mr. Hornbuckle spent 15 years in roles focused on the European credit markets, including four years in the loan group at JPMorgan Chase, five years as Co-Head of European High Yield Research at DLJ / CSFB (where he was consistently one of the top-ranked analysts in investor polls), two years as Head of Credit Strategy at the Royal Bank of Scotland and, most recently, three years as a Partner at Picus Capital, a European credit hedge fund. He is formerly a Fellow of the Chartered Association of Certified Accountants and holds a B.A. (First) in Physics from Oxford University (1990).

Jun (Julia) He

Jun (Julia) He is a Portfolio Manager for European Credit Strategies at Napier Park. Prior to joining CCA in 2004, Mrs. He worked for Alcentra Ltd (formerly Barclays Capital Asset Management), in London, where she was an analyst focusing on high yield, stressed and distressed debt for CDO portfolios. She started her career at HSBC in China in 1995 as a corporate banking analyst and subsequently worked in the Treasury Department at Dow Chemical (China). She holds a B.A. in Economics and International Finance from Shanghai Jiao Tong University in China (1995) and an M.B.A. from City University Business School in London (2000).

Mohammed El-Khazzar

Mohammed El-Khazzar is a Portfolio Manager for European Credit Strategies at Napier Park. Prior to joining CCA in 2012, Mr. El-Khazzar worked at AXA Investment Managers in Paris where he was a credit analyst in the structured finance division focusing on the leveraged loans market. His responsibilities at AXA included providing trading ideas in primary and secondary markets as well as portfolio monitoring. Prior to joining AXA IM he spent two years as an auditor at Deloitte in Casablanca where he serviced a large number of clients in different industries. He holds a Masters Degree in Finance and Strategy from Sciences Po Paris (2008).

Market risk reduction strategy

With a view to effectively managing its access to wholesale funding and exposure to unnecessary market price volatilities of its portfolios, the Retention Holder is likely to enter into a significant number of (A) forward purchase agreements ("**NP Forward Purchase Agreements**") and/or (B) funded participations ("**Funded Participations**") with CLO issuers in respect of certain Originator Assets. Such NP Forward Purchase Agreements and Funded Participations may be entered into at the same time or shortly after the origination or acquisition of the relevant Originator Assets by the Retention Holder, at a later date, or not at all. Settlement of any such NP Forward Purchase Agreements entered into prior to the closing of the relevant CLO will be conditional upon:

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

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

If the conditions in a NP Forward Purchase Agreement are not fulfilled at the relevant settlement date then the relevant assets which are the subject of such NP Forward Purchase Agreement will remain as part of the Retention Holder's investments.

The Issuer, the Retention Holder and a third party from which the Retention Holder acquired particular assets from in the primary market or in the secondary market (a "**Market Seller**") may also enter into a multilateral netting agreement (each a "**Netting Agreement**") with respect to the purchase of Originator Assets, which shall provide for the relevant Market Seller to enter into the assignment or transfer agreement required to effect the transfer of such assets directly to the Issuer. Pursuant to the Netting Agreement, the Issuer shall, on the date of

settlement, pay the purchase price for the relevant Originator Assets to the Retention Holder, which the Retention Holder shall correspondingly pay to the Market Seller.

Notwithstanding the above, the Retention Holder may from time to time, depending on its funding requirements or objectives set by the Board:

(a) hold Originator Assets to maturity;

(b) sell Originator Assets to the market; or

(c) sell Originator Assets into CLOs as described above.

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

(a) the availability of CLO funding generally;

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

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

(d) the Retention Holder's view on the desired constitution of its own portfolio;

(e) decisions by the Retention Holder on the potential yield it may achieve from holding Originator Assets directly as opposed to through CLO investments; and/or

(f) any other factors the Retention Holder considers relevant for the effective management of the Originator Assets.

Acquisition of Originator Assets on the Issue Date

On 14 August 2017, as part of the liquidation of the Issuer's entire asset portfolio (the "**Sale Portfolio**") for the purposes of redeeming the Original Notes, the Issuer and the Retention Holder entered into a forward sale agreement whereby:

(a) the Retention Holder agreed, on an unconditional basis, to purchase the Sale Portfolio, on the date being two Business Days prior to the Issue Date (the "**Sale Date**");

(b) settlement of such sale on the Sale Date will be effected by way of equitable transfer; and

(c) the purchase price for the Sale Portfolio will be determined based on the current market value of the Sale Portfolio on or around the time of entry into the forward sale agreement and will be paid in full by the Retention Holder to the Issuer on the Sale Date.

The Retention Holder will partially finance the purchase price for the Sale Portfolio by way of the Bridge Financing.

On the Issue Date, the Retention Holder will sell to the Issuer, by way of a NP Forward Purchase Agreement, Originator Assets which will constitute the Issuer's entire portfolio as at the Issue Date (the "**Issue Date Portfolio"**). The purchase price for the Issue Date Portfolio will be, for a significant portion of the relevant assets, the price at which the Retention Holder acquired the relevant assets. It is expected that the assets constituting each of the Sale Portfolio and the Issue Date Portfolio will be substantially, but not entirely, similar. Furthermore, if an asset forming part of the Sale Portfolio does not satisfy the Eligibility Criteria as at the Issue Date then it will not be able to form part of the Issue Date Portfolio. To the extent an Originator Asset formed part of both the Sale Portfolio and the Issue Date Portfolio, as a result of the above transactions, the Retention Holder will have held both credit and default risk (and, in respect of a portion of the relevant assets, market value risk) during the 30 calendar days prior to the Issue Date.

THE PORTFOLIO

The following description of the Portfolio consists of a summary of certain provisions of the Investment Management and Collateral Administration Agreement which does not purport to be complete and is qualified by reference to the detailed provisions of such agreement. 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.

Introduction

Pursuant to the Investment Management and Collateral Administration Agreement, the Investment 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 Investment Manager.

Acquisition of Collateral Obligations

The Investment Manager will determine and will use reasonable endeavours to cause to be acquired by the Issuer a portfolio of Collateral Obligations during the Initial Investment Period, the Reinvestment Period and thereafter (including, but not limited to, Collateral Obligations purchased on or prior to the Issue Date. The Issuer anticipates that, by the Issue Date, it will have purchased or committed to purchase Collateral Obligations, the Aggregate Principal Balance of which is equal to at least €317,475,000 which is approximately 90 per cent. of the Target Par Amount. The proceeds of the 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 Collateral Obligations from the Retention Holder on the Issue Date; and (b) certain fees, costs and expenses incurred in connection with the issue of the Notes and anticipated to be payable by the Issuer following completion of the issue of the Notes, will be deposited in the Expense Reserve Account and the Unused Proceeds Account on the Issue Date. The Investment Manager acting on behalf of the Issuer shall use commercially reasonable endeavours to purchase Collateral Obligations with an Aggregate Principal Balance (together with Collateral Obligations previously acquired) equal to at least the Target Par Amount out of the Balance standing to the credit of the Unused Proceeds Account during the Initial Investment Period.

The Issuer does not expect and is not required to satisfy the Collateral Quality Tests, Portfolio Profile Tests, the Coverage Tests or the Reinvestment Overcollateralisation Test prior to the Effective Date. The Investment Manager may declare that the Initial Investment Period has ended and the Effective Date has occurred prior to 20 October 2017 (or if such day is not a Business Day, the next following Business Day), subject to the Effective Date Determination Requirements being satisfied.

Prior to the third Determination 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 Investment Manager (acting on behalf of the Issuer), provided that as at such date: (i) no more than 1.0 per cent. of the Target Par Amount may be transferred to the Interest Account in aggregate and without duplication, from the Unused Proceeds Account and/or the Principal Account (pursuant to paragraph (5) of Condition 3(j)(i) (*Principal Account*)), and (ii) after giving effect to such transfer, (A) the Collateral Principal Amount equals or exceeds the Target Par Amount (provided that, for such purposes the Principal Balance of each Defaulted Obligation will be the lower of its Moody's Collateral Value and Fitch Collateral Value), and (B) 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 an Aggregate Principal Balance which equals or exceeds the Target Par Amount, copies of which shall be forwarded to the Issuer, the Trustee, the Investment Manager and the Rating Agencies (provided that, for the purposes of determining the Aggregate Principal Balance as provided above, any repayments or prepayments of any Collateral Obligations subsequent to the Issue Date which have not been reinvested shall be disregarded and the Principal Balance of a Collateral Obligation which is a Defaulted Obligation will be the lower of its Moody's Collateral Value and its Fitch Collateral Value) and within 15 Business Days following the Effective Date the

Issuer will provide, or cause the Investment Manager to provide, to (i) the Collateral Administrator (with a copy to the Investment 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, the Coverage Tests (other than the Interest Coverage Tests) and the Reinvestment Overcollateralisation Test by reference to such Collateral Obligations, and (ii) the Trustee, notice in writing that the Issuer has received such accountants' certificate. The accountants' certificate shall specify the procedures undertaken to review data and re–computations relating to such recalculations.

The Investment 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 Moody's Condition is satisfied then such Rating Agency Confirmation shall be deemed to have been given by Moody's. If the Effective Date Moody's Condition is not satisfied within 20 Business Days following the Effective Date, the Investment Manager shall promptly notify Moody's. If (i) both (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 (x) the Investment Manager (acting on behalf of the Issuer) does not present a Rating Confirmation Plan to the Rating Agencies, or (y) the Investment Manager (acting on behalf of the Issuer) presents a Rating Confirmation Plan to the Rating Agencies and Rating Agency Confirmation is not received in respect of such Rating Confirmation Plan upon request therefor by the Investment Manager; or (ii) the Effective Date Moody's Condition is not satisfied and following a request therefor from the Investment Manager following the Effective Date, Rating Agency Confirmation from Moody's is not received, an Effective Date Rating Event shall have occurred, *provided that* any downgrade or withdrawal of the Initial Ratings of the Rated Notes which is not directly related to a request for confirmation thereof or which occurs after confirmation thereof by the Rating Agencies shall not constitute an Effective Date Rating Event. If an Effective Date Rating Event has occurred and is continuing on the Business Day prior to the Payment Date next following the Effective Date, the Rated Notes shall be redeemed, pursuant to Condition 7(e) (*Redemption upon Effective Date Rating Event*) on such Payment Date and thereafter on each Payment Date (to the extent required) out of Interest Proceeds and thereafter out of Principal Proceeds subject to the Priorities of Payment, until the earlier of (x) the date on which the Effective Date Rating Event is no longer continuing and (y) the date on which the Rated Notes have been redeemed in full (subject, in the case of an Optional Redemption of the Rated Notes in whole, to the right of holders of any Class of Rated Notes, acting by way of Unanimous Resolution, 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). The Investment 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 Investment 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 Investment Manager (acting on behalf of the Issuer) is under no obligation whatsoever to present a Rating Confirmation Plan to the Rating Agencies.

Eligibility Criteria

Each Collateral Obligation must, at the time of entering into a binding commitment to acquire such obligation by, or on behalf of, the Issuer, satisfy the following criteria (the "**Eligibility Criteria**") as determined by the Investment Manager in its reasonable discretion:

(a) it is a Secured Senior Obligation, 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:

(i) is either (I) denominated in Euro or (II) is denominated in a Qualifying Currency and either (x) if such Collateral Obligation was purchased in the Primary Market, is denominated in a Qualifying Unhedged Obligation Currency, within 180 calendar days of the settlement of the purchase by the Issuer of such Collateral Obligation, and otherwise (y) no later than the settlement date of the acquisition thereof, the Issuer (or the Investment 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 Non–Euro Obligation and otherwise complies

with the requirements set out in respect of Non–Euro Obligations in the Investment Management and Collateral Administration Agreement; and

(ii) is not convertible into or payable in any other currency;

(c) it is not a Defaulted Obligation, a Credit Risk Obligation or a Deferring Security;

(d) it is not a lease (including, for the avoidance of doubt, a financial lease);

(e) it is not a Structured Finance Security or a Synthetic Security;

(f) it provides for a fixed amount of principal payable in cash on scheduled payment dates and/or at maturity and does not by its terms provide for earlier amortisation or prepayment in each case at a price of less than par;

(g) it is not a Zero Coupon Security;

(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 of interest to the Issuer will not be subject to withholding tax or other similar tax (other than U.S. withholding tax on commitment fees, amendment fees, waiver fees, consent fees, letter of credit fees, extension fees, or similar fees) imposed by any jurisdiction unless either (i) 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 (and in the case of Participations, neither payments to the Selling Institution nor payments to the Issuer will be subject to withholding tax imposed by any jurisdiction unless the Obligor is required to make "gross–up" payments that compensate the Issuer directly or indirectly in full for any such withholding on an after–tax basis), (ii) such withholding can be eliminated, on completion of procedural formalities, by application being made under an applicable double tax treaty or otherwise or (iii) if subparagraphs (i) and (ii) above do not apply, the Minimum Weighted Average Spread Test, based on payments received by the Issuer on an after-tax basis, is satisfied, or if not satisfied, is maintained or improved after such purchase;

(j) other than in the case of a Corporate Rescue Loan, it has a Fitch Rating of not lower than "CCC" and a Moody's Rating of not lower than "Caa3";

(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 subject to limited recourse provisions similar to those set out in the Trust Deed; (iv) which are owed to the agent bank in relation to the performance of its duties under a Collateral Obligation; (v) which may arise as a result of an undertaking to participate in a financial restructuring of a Collateral Obligation where such undertaking is contingent upon the redemption in full of such Collateral Obligation on or before the time by which the Issuer is obliged to enter into the restructured 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 (vi) which are Delayed Drawdown Collateral Obligation or Revolving Obligations which are fully collateralised, provided that, in respect of sub–paragraph (v) only, the imposition of any present or future, actual or contingent, monetary liabilities or obligations of the Issuer following such restructuring shall not exceed the redemption amounts from such restructured Secured Senior Obligation, second lien loan or similar obligation;

(m) it will not require the Issuer or the Collateral to be registered as an investment company under the Investment Company Act;

(n) it is not a debt obligation that pays scheduled interest less frequently than semi–annually (other than, for the avoidance of doubt, PIK Securities);

(o) it is not a debt obligation which pays interest only and does not require the repayment of principal;

(p) it is not subject to a tender offer, voluntary redemption, exchange offer, conversion or other similar action for a price less than its par amount plus all accrued and unpaid interest;

(q) the Collateral Obligation Stated Maturity thereof falls prior to the Maturity Date of the Notes;

(r) its acquisition by the Issuer will not result in the imposition of stamp duty or stamp duty reserve tax or similar tax or duty payable by or otherwise recoverable from the Issuer, unless such stamp duty or stamp duty reserve tax or similar tax or duty has been included in the purchase price of such Collateral Obligation;

(s) 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 Investment Manager on behalf of the Issuer) has notified the Trustee 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;

(t) is an obligation of an Obligor or Obligors Domiciled in a Non–Emerging Market Country (as determined by the Investment Manager acting on behalf of the Issuer);

(u) it has not been called for, and is not subject to a pending redemption;

(v) it is capable of being sold, assigned or participated to, and held by, the Issuer, together with any associated security, without any breach of applicable selling restrictions, contractual provisions or legal or regulatory requirements and the Issuer does not require any authorisations, consents (other than those which it reasonably believes will be obtained), approvals or filings (other than such as have been obtained or effected) as a result of or in connection with any such sale, assignment, participation or holding under any applicable law;

(w) it is not a Step–Down Coupon Security;

(x) it is not an obligation whose acquisition by the Issuer will cause the Issuer to be deemed to have participated in a primary loan origination in the United States;

(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 is a "qualifying asset" for the purposes of Section 110 of the TCA;

(bb) it must require the consent of more than 50.0 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;

(cc) it is not a Collateral Obligation with an Obligor domiciled in a country with a Moody's local currency country risk ceiling below "A3";

(dd) it is not a debt obligation of an Obligor in respect of which the initial total potential indebtedness (including (i) to the extent that a Collateral Obligation is part of a security or credit facility, indebtedness of the entire security or credit facility of which such Collateral Obligation is part and (ii) the maximum available amount or total commitment under any revolving or delayed funding loans) of the relevant Obligor and/or its Affiliates under all respective loan agreements and other Underlying Instruments governing such Obligor's and/or its Affiliates indebtedness has an aggregate principal

amount (whether drawn or undrawn) of less than EUR 100 million at the time at which the Issuer entered into a binding commitment to purchase such debt obligation;

(ee) it is not an Equity Security, including any obligation convertible into an Equity Security;

(ff) it is not a letter of credit;

(gg) it shall have been acquired by the Issuer for a purchase price of not less than 60.0 per cent. of the par value thereof, unless such obligation is a Swapped Non-Discount Obligation; and

(hh) either (i) the Originator Requirement is satisfied, or (ii) if the Originator Requirement is not satisfied, such Collateral Obligation is acquired from the Retention Holder.

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 Investment Manager on behalf of the Issuer entered into a binding agreement to purchase such obligation.

For the avoidance of doubt, a security that is a Step–Up Coupon Security and that otherwise meets the Eligibility Criteria shall be eligible.

"**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.

"**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.

"**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 Investment 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), (q),

(u), (v), (w) and (bb) thereof, it is not a pre–funded letter of credit and it has a Fitch Rating and a Moody's 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.

Management of the Portfolio

Overview

The Investment Manager (acting on behalf of the Issuer) is permitted, in certain circumstances and, subject to certain requirements, to 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 Investment Manager) thereof in Substitute Collateral Obligations. The Investment 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 Investment Manager of the reasons and the extent to which such criteria are not so satisfied, maintained or improved.

The Investment 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 Investment Management and Collateral 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 Investment 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 Investment Manager may undertake on behalf of the Issuer are subject to the Issuer's monitoring of the performance of the Investment Manager under the Investment Management and Collateral Administration Agreement.

The Investment Manager will acknowledge pursuant to the terms of the Investment Management and Collateral Administration Agreement the Collateral Obligations purchased on or prior to the Issue Date shall, subject to any limitations or restrictions set out in the Investment Management and Collateral Administration Agreement, fall within the Investment Manager's duties and obligations pursuant to the terms of the Investment Management and Collateral Administration Agreement.

Sale of Issue Date Collateral Obligations

The Investment 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 (provided that such transfer would not cause a Retention Deficiency) 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 Investment Manager (acting on behalf of the Issuer), subject to, within the Investment Manager's knowledge (without the need for inquiry or investigation), no Event of Default having occurred which is continuing.

The Investment Manager may use commercially reasonable endeavours to effect the sale of any Equity Securities in the Portfolio.

Terms and Conditions applicable to the Sale of Exchanged Securities

Any Exchanged Security may be sold at any time by the Investment Manager in its discretion (acting on behalf of the Issuer), subject to, within the Investment 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 Investment 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 Investment Manager on its behalf may dispose of any Collateral Obligations (or any other asset) at any time if it determines that the acquisition or holding of such Collateral Obligation (or other assets) violates or may in the future violate the U.S. Investment Restrictions.

The Issuer or the Investment 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, a Non-Eligible Issue Date Collateral Obligation, a Collateral Obligation which did not satisfy the Eligibility Criteria on the date upon which the Issuer entered into a binding commitment to purchase it or an Exchanged Security, each of which may only be sold in the circumstances provided above) at any time ("**Discretionary Sales**") provided:

(a) no Event of Default has occurred which is continuing (in the case of the Investment Manager, to its knowledge, without the need for inquiry or investigation);

(b) following the Effective Date, 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 30 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); and

(c) either:

(i) during the Reinvestment Period, the Investment Manager reasonably believes prior to such sale that it will be able to enter into one or more binding commitments to reinvest all or a portion of the proceeds of such sale in accordance with the Reinvestment Criteria; or

(ii) at any time either (1) following the expiry of the Reinvestment Period, the Sale Proceeds from such sale are at least sufficient to maintain or improve the Adjusted Collateral Principal Amount (as mentioned above before such sale) or (2) after giving effect to such sale, the Aggregate Principal Balance outstanding of all Collateral Obligations (excluding the Collateral Obligation being sold but including, without duplication, the expected Sale Proceeds of such sale and, for which purpose, the Principal Balance of each Defaulted Obligation shall be its Market Value) plus, without duplication, the Balances 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 on Eligible Investments) will be greater than (or equal to) the Reinvestment Target Par Balance.

For the purposes of determining the percentage of Collateral Obligations sold during any such period, the amount of any Collateral Obligations sold will be reduced to the extent of any purchases of Collateral Obligations of the same obligor (which are *pari passu* or senior to such sold Collateral Obligation) so long as any such Collateral Obligation was sold with the intention of purchasing a Collateral Obligation of the same obligor (which would be *pari passu* or senior to such sold Collateral Obligation); *provided that* for the purposes of such determination, Secured Senior Loans and Secured Senior Bonds shall be deemed to be *pari passu*.

Sale of Assets which do not constitute Collateral Obligations

If an asset did not satisfy the Eligibility Criteria on the date upon which the Issuer entered into a binding commitment to purchase it, the Investment Manager shall use commercially reasonable efforts to sell such asset. The related proceeds shall constitute Sale Proceeds and may be reinvested in accordance with and subject to the Reinvestment Criteria or credited to the Principal Account pending such reinvestment.

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 Investment 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 4.8 (*Sale of Collateral Prior to Maturity Date*) of the Investment Management and Collateral Administration Agreement but without regard to the limitations set out in clause 4.9 (*Reinvestment of Collateral Obligations – During the Reinvestment Period*) and schedule 3 (*Reinvestment Criteria*) of the Investment Management and Collateral Administration Agreement (which will include any limitations or restrictions set out in the Conditions and the Trust Deed).

Reinvestment of Collateral Obligations

"**Reinvestment Criteria**" means, during the Reinvestment Period, the criteria set out under "*During the Reinvestment Period*" below and, following the expiry of the Reinvestment Period, the criteria set out below under "*Following the Expiry of the Reinvestment Period*". The Reinvestment Criteria (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

The Reinvestment Criteria (other than the Eligibility Criteria) shall not apply prior to the Effective Date. During the Reinvestment Period, the Investment 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 and 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 Reinvestment Criteria set out below must be satisfied:

(a) to the Investment Manager's knowledge (without the need for inquiry or investigation), no Event of Default has occurred that is continuing at the time of such purchase;

(b) such obligation is a Collateral Obligation;

(c) on and after the Effective Date (or in the case of the Interest Coverage Tests, on and after the Determination Date immediately preceding the second Payment Date) the Coverage Tests are satisfied or if (other than with respect to the reinvestment of any proceeds received upon the sale of, or as a recovery on, any Defaulted Obligation) as calculated immediately prior to any purchase of a Substitute Collateral Obligation any Coverage Test was not satisfied, the coverage ratio relating to such test will be maintained or improved after giving effect to such reinvestment;

(d) in the case of a Substitute Collateral Obligation purchased with Sale Proceeds of a Credit Risk Obligation or a Defaulted Obligation either:

  (i) the Aggregate Principal Balance of all Substitute Collateral Obligations purchased with such Sale Proceeds shall at least equal such Sale Proceeds; or

(ii) the Aggregate Principal Balance of all Collateral Obligations (for which purpose the Principal Balance of each Defaulted Obligation shall be multiplied by its Market Value) 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

(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 and provided, for such purpose the Principal Balance of each Defaulted Obligation shall be multiplied by its Market Value); and (B) Balances 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 the Sale Proceeds of either a Credit Improved Obligation or a Discretionary Sale either:

(i) 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) 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 and provided, for such purpose the Principal Balance of each Defaulted Obligation shall be multiplied by its Market 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 greater than the Reinvestment Target Par Balance;

(f) in the case of a Substitute Collateral Obligation that is an Unhedged Collateral Obligation, the sum of: (A) the Aggregate Principal Balance of all Collateral Obligations (excluding all of the Unhedged Collateral Obligations being sold but including, without duplication, the Unhedged Collateral Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Obligations and provided, for such purpose the Principal Balance of each Defaulted Obligation shall be multiplied by its Market 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 greater than the Reinvestment Target Par Balance;

(g) either:

(i) each of the Portfolio Profile Tests and the Collateral Quality Tests will be satisfied; or

(ii) as calculated immediately prior to any purchase of a Substitute Collateral Obligation, if any of the Portfolio Profile Tests or Collateral Quality Tests are not satisfied such tests will be maintained or improved after giving effect to such reinvestment;

(h) no Retention Deficiency would occur as a direct result of, and immediately after giving effect to, any such reinvestment; and

(i) either (i) the Originator Requirement is satisfied immediately after giving effect to such reinvestment, or (ii) if the Originator Requirement is not satisfied, such Collateral Obligation is acquired from the Retention Holder,

provided that, for the avoidance of doubt, with respect to any Collateral Obligations for which the trade date has occurred during the Reinvestment Period but which settle after such date, the purchase of such Collateral Obligations shall be treated as a purchase made during the Reinvestment Period for purposes of the Trust Deed.

Following the Expiry of the Reinvestment Period

Following the expiry of the Reinvestment Period, Sale Proceeds from the sale of Credit Risk Obligations and Credit Improved Obligations and Unscheduled 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) provided that the acquisition of such novated or substitute Collateral Obligation received in relation to an Offer shall be subject to the satisfaction of paragraph (d) below), only, may be reinvested by the Investment 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 equals or exceeds (1) the Aggregate Principal Balance of the related Collateral Obligations that produced such Unscheduled Principal Proceeds or Sale Proceeds or (2) the amount of such Sale Proceeds, as the case may be;

(b) the Moody's Maximum Weighted Average Rating Factor Test is satisfied after giving effect to such reinvestment;

(c) immediately after giving effect to such reinvestment, not more than 7.5 per cent. of the Collateral Principal Amount shall consist of CCC Obligations;

(d) the Weighted Average Life Test is satisfied immediately after giving effect to such reinvestment;

(e) 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, as the case may be, provided that where such Substitute Collateral Obligation is purchased pursuant to a Trading Plan, this paragraph (e) shall be satisfied if the Collateral Obligation Stated Maturity of the Substitute Collateral Obligations purchased pursuant to such Trading Plan is (calculated on a weighted average basis with respect to each such Substitute Collateral Obligation's Principal Balance) the same as or earlier than the Collateral Obligation Stated Maturity of the Collateral Obligations that produced such Unscheduled Principal Proceeds or Sale Proceeds, as the case may be;

(f) in the case of a Substitute Collateral Obligation that is an Unhedged Collateral Obligation, the sum of: (A) the Aggregate Principal Balance of all Collateral Obligations (excluding all of the Unhedged Collateral Obligations being sold but including, without duplication, the Unhedged Collateral Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Obligations and provided, for such purpose the Principal Balance of each Defaulted Obligation shall be multiplied by its Market 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 greater than the Reinvestment Target Par Balance;

(g) after giving effect to such reinvestment, not more than 7.5 per cent. of the Collateral Principal Amount shall consist of obligations which are Caa Obligations;

(h) a Restricted Trading Period is not currently in effect;

(i) either: (i) each of the Portfolio Profile Tests and the Collateral Quality Tests (except the Weighted Average Life Test, the Moody's Maximum Weighted Average Rating Factor Test and the Moody's Minimum Diversity Test) are satisfied after giving effect to such reinvestment; or (ii) if any such test

was not satisfied immediately prior to such investment, such test will be maintained or improved after giving effect to such reinvestment;

(j) each of the Coverage Tests are satisfied both before and after giving effect to such reinvestment;

(k) to the Investment Manager's knowledge (without the need for inquiry or investigation), no Event of Default has occurred that is continuing at the time of such purchase;

(l) no Retention Deficiency would occur as a direct result of, and immediately after giving effect to, any such reinvestment; and

(m) either (i) the Originator Requirement is satisfied immediately after giving effect to such reinvestment, or (ii) if the Originator Requirement is not satisfied, such Collateral Obligation is acquired from the Retention Holder.

Following the expiry of the Reinvestment Period, any Unscheduled Principal Proceeds and any Sale Proceeds from the sale of Credit Risk Obligations and Credit Improved Obligations that have not been reinvested as provided above prior to the end of the Due Period in which such proceeds were received shall be paid into the Principal Account and disbursed in accordance with the Principal Priority of Payments on the following Payment Date (subject as provided at the end of this paragraph), save that the Investment Manager (acting on behalf of the Issuer) may in its discretion procure that Unscheduled Principal Proceeds and Sale Proceeds from the sale of any Credit Risk Obligations and Credit Improved Obligations are paid into the Principal Account and designated for reinvestment in Substitute Collateral Obligations, in which case such Principal Proceeds shall not be so disbursed in accordance with the Principal Priority of Payments for so long as they remain so designated for reinvestment but for no longer than thirty calendar days following their receipt by the Issuer; provided that, in each case where any of the applicable Reinvestment Criteria are not satisfied as of the Payment Date 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, the Investment 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 Investment Manager of such auction, the Issuer will provide notice (in such form as is prepared by the Investment Manager) to the Noteholders of an auction, setting forth in reasonable detail a description of each Unsaleable Asset and the following auction procedures:

(a) any Noteholder may submit a written bid to purchase for cash 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) and, for any Unsaleable Asset for which one or more bids are received, the Investment Manager on behalf of the Issuer will deliver such Unsaleable Asset to the highest bidder against payment in cash of the bid price;

(b) each bid must include an offer to purchase for a specified amount of cash on a proposed settlement date no later than 20 Business Days after the date of the auction notice;

(c) if no Noteholder submits such a bid within the time period specified under clause (a) above, unless the Investment Manager determines that delivery in kind is not legally permissible or commercially practicable, the Issuer will provide notice thereof to each Noteholder and the Investment Manager shall offer to deliver (at such Noteholder's expense) a *pro rata* portion (as determined by the Investment Manager) of each unsold Unsaleable Asset to the Noteholders or beneficial owners of the most senior Class that provide delivery instructions to the Investment Manager 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 Investment Manager will distribute the Unsaleable Assets on a *pro rata* basis to the extent possible and the Investment Manager will select by lottery the Noteholder or beneficial owner to whom the remaining amount will be delivered; and

(d) if no such Noteholder or beneficial owner provides delivery instructions to the Investment Manager, the Investment Manager will take such action (if any) to dispose of the Unsaleable Asset, which may be by donation to a charity, abandonment or other means.

For the avoidance of doubt, any sale or delivery or other transfer or disposal of an Unsaleable Asset in the circumstances contemplated above shall not affect the Principal Amount Outstanding of any Notes.

Notwithstanding any of the requirements as described above for sales of Collateral Obligations or the reinvestment of Collateral Obligations, the Issuer shall have the right to effect the sale or purchase of any Collateral Obligation (provided, in the case of a purchase of a Collateral Obligation, such purchase must comply with the applicable tax requirements, if any) (x) that has been consented to by the Controlling Class acting by Ordinary Resolution and (y) of which each Rating Agency and the Trustee has been notified.

"**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 Investment 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 Investment Manager certifies to the Trustee that (x) it has made commercially reasonable endeavours to dispose of such obligation for at least 90 days and (y) in its commercially reasonable judgement such obligation is not expected to be saleable in the foreseeable future.

Amendments to Collateral Obligations

The Issuer (or the Investment 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 18 months prior to the Maturity Date of the Rated Notes and (b) the Weighted Average Life Test is satisfied; *provided that* paragraph (b) shall not apply and the Issuer (or the Investment Manager on behalf of the Issuer) may, but shall not be required to, vote in favour of a Maturity Amendment, notwithstanding the requirements of paragraph (b) not being satisfied if, in the reasonable judgement of the Investment Manager, (x) voting in favour of such Maturity Amendment would not be likely to have an adverse effect on the Issuer or the Noteholders and (y) the Collateral Obligation Stated Maturity of the Collateral Obligation that is the subject to such Maturity Amendment is not later than the date which is 18 months prior to the Maturity Date of the Rated Notes (it being agreed that the foregoing proviso shall not apply if the Principal Balance of the Collateral Obligation that is the subject of such Maturity Amendment, when added to the Principal Balance of each Collateral Obligation that has previously been the subject of a Maturity Amendment and to which this proviso has been applied by the Issuer or the Investment Manager in voting in favour of such Maturity Amendment, exceeds 15 per cent. of the Target Par Amount). If the Issuer or the Investment Manager (on behalf of the Issuer) has not voted in favour of a Maturity Amendment which would contravene the requirements of this paragraph but by way of scheme of arrangement or otherwise, the Collateral Obligation Stated Maturity has been extended, the Issuer (or the Investment Manager acting on its behalf) may but shall not be required to sell such Collateral Obligation provided that in any event the Investment 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 Investment 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.

With respect to the purchase of any Collateral Obligation for which the trade date has occurred prior to the end of the Reinvestment Period but the settlement date for which the Investment Manager reasonably expects will occur after the end of the Reinvestment Period, to the extent such Collateral Obligation would be purchased using (x) Principal Proceeds consisting of scheduled distributions of principal, only that portion of such Principal Proceeds that the Investment Manager reasonably expects will be received prior to the end of the

Reinvestment Period may be used to effect such purchase and such Collateral Obligation will be treated as having been purchased by the Issuer prior to the end of the Reinvestment Period for purposes of the Reinvestment Criteria and (y) Sale Proceeds received by the Issuer after the end of the Reinvestment Period, if such Sale Proceeds are in settlement of a sale or disposition that occurred (on a trade date basis) prior to the end of the Reinvestment Period, such Sale Proceeds may be used to effect such purchase and the related additional Collateral Obligation will be treated as having been purchased by the Issuer prior to the end of the Reinvestment Period for purposes of the Reinvestment Criteria.

Reinvestment Overcollateralisation Test

If, on any Determination Date after the Effective Date during the Reinvestment Period only, 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 (W) 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 Investment Manager (acting on behalf of the Issuer) (i) into the Principal Account as Principal Proceeds (provided that to do so would not cause a Retention Deficiency); or (ii) in redemption of the Notes in accordance with the Note Payment Sequence.

Designation for Reinvestment

After the expiry of the Reinvestment Period, the Investment Manager shall, one Business Day following each Determination Date, notify the Issuer and the Collateral Administrator in writing of all Principal Proceeds which the Investment Manager determines in its discretion (acting on behalf of the Issuer, and subject to the terms of Investment Management and Collateral 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; provided that any such designation shall only remain in effect until the later to occur of (i) 30 days following receipt of the Principal Proceeds so designated by the Issuer and (ii) the last day of the Due Period within which the relevant Principal Proceeds were received by the Issuer, following which time if no trade has been entered into by the Issuer the settlement of which requires the application of such Principal Proceeds, such Principal Proceeds shall be applied in accordance with the Priorities of Payment on the immediately following Payment Date.

The Investment 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; and (ii) 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 Investment Manager (acting on behalf of the Issuer) but subject to the terms of the Investment Management and Collateral 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 Investment Manager acting in its sole discretion, any proposed investment (whether a single Collateral Obligation or a group of Collateral Obligations) identified by the Investment Manager as such at the time (the "**Initial Trading Plan Calculation Date**") when compliance with the Reinvestment Criteria is required to be calculated (a "**Trading Plan**") may be evaluated after giving effect to all sales and reinvestments proposed to be entered into within the 10 Business Days following the date of determination of such compliance (such period, the "**Trading Plan Period**"); provided that: (i) 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 (calculated for this purpose on the basis that the Principal Balance of each Defaulted Obligation shall be the lower of its Moody's Collateral Value and its Fitch Collateral Value) as of the first day of the Trading Plan Period; (ii) no Trading Plan Period may include a Payment Date; (iii) no more than one Trading Plan may be in effect at any time during a Trading Plan Period; and (iv) 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 (i) whether any particular Collateral Obligation is a Discount Obligation, or (ii) whether Eligibility Criteria (gg) has been satisfied in respect of any Collateral 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, together with all other Collateral Obligations in the Portfolio, 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 purpose of calculating compliance with that criterion.

Eligible Investments

The Issuer or the Investment 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 any Counterparty Downgrade Collateral Account, the Unfunded Revolver Reserve Account, the Collection Account and the Payment Account). For the avoidance of doubt, Eligible Investments may be sold by the Issuer or the Investment Manager (acting on behalf of the Issuer) at any time.

Collateral Enhancement Obligations

The Investment Manager (acting on behalf of the Issuer) may, from time to time, purchase Collateral Enhancement Obligations independently or as part of a unit with the Collateral Obligations being so purchased.

All funds required in respect of the purchase price of any Collateral Enhancement Obligations, and all funds required in respect of the exercise price of any rights or options thereunder, may only be paid out of the balance standing to the credit of the Supplemental Reserve Account at the relevant time and the proceeds from additional issuances of Subordinated Notes pursuant to Condition 17(b) (*Additional Issuances*) or by means of an Investment 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 interest payable in respect of the Subordinated Notes which the Investment 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, Reinvestment Amounts, Contributions, Collateral Enhancement Obligation Proceeds and such Investment Manager Advances as the Investment Manager makes into the Supplemental Reserve Account in its discretion.

Collateral Enhancement Obligations may be sold at any time and all Collateral Enhancement Obligation Proceeds received by the Issuer shall be deposited into the Supplemental Reserve Account for allocation in accordance with Condition 3(j)(vi) (*Supplemental Reserve Account*). Collateral Enhancement Obligations and any income or return generated thereby are not taken into account for the purposes of determining satisfaction of, or required to satisfy, any of the Coverage Tests, Portfolio Profile Tests, Reinvestment Overcollateralisation Test or Collateral Quality Tests.

Exercise of Warrants and Options

The Investment 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 Investment Management and Collateral Administration Agreement requires that the Investment 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.

Revolving Obligations and Delayed Drawdown Collateral Obligations

The Investment 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 Euro) 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 Investment Manager acting on its behalf, may direct that amounts standing to the credit of the Unfunded Revolver Reserve Account be deposited with a third party from time to time as collateral for any reimbursement or indemnification obligations owed by the Issuer to any other lender in connection with a Revolving Obligation or a Delayed Drawdown Collateral Obligation, as applicable and upon receipt of an Issuer Order (as defined in the Investment Management and Collateral Administration Agreement) the Trustee shall be deemed to have released such amounts from the security granted thereover pursuant to the Trust Deed.

Participations

The Investment 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.

The Issuer and the Retention Holder shall use commercially reasonable efforts to elevate each Participation entered into pursuant to the Originator Participation Deed to an Assignment in respect of the applicable Collateral Obligation as soon as reasonably practicable.

Assignments

The Investment 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 Investment Manager acting on behalf of the Issuer shall have complied, to the extent within their control, with any requirements relating to such Assignment set out in the relevant loan documentation for such Collateral Obligation (including, without limitation, with respect to the form of such Assignment and obtaining the consent of any person specified in the relevant loan documentation).

Bivariate Risk Table

The following is the bivariate risk table (the "**Bivariate Risk Table**") and as referred to in "*Portfolio Profile Tests*" below and "*Participations*" above. For the purposes of the limits specified in the Bivariate Risk Table, the individual third party credit exposure limit shall be determined by reference to the Aggregate Principal Balance of all Participations (excluding any Defaulted Obligations and any Participations granted pursuant to the Originator Participation Deed) entered into by the Issuer with the same counterparty (such amount in respect of such entity, the "**Third Party Exposure**") and the applicable percentage limits shall be determined by reference to the lower of the Fitch or Moody's ratings applicable to such counterparty 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

Rating of Selling Institution	Individual Third Party Credit Exposure Limit*	Aggregate Third Party Credit Exposure Limit*
Fitch		
AAA	3%	5%
AA+	3%	5%
AA	3%	5%
AA–	3%	5%
A+	3%	5%
A	3%	5%
A– or below	0%	0%

Long–Term/Short Term Senior Unsecured Debt Rating of Selling Institution	Individual Third Party Credit Exposure Limit*	Aggregate Third Party Credit Exposure Limit*
Moody's		
Aaa	3%	5%
Aa1	3%	5%
Aa2	3%	5%
Aa3	3%	5%
A1	3%	5%
A2 and P–1	3%	5%
A2 (without a Moody's short–term rating of at least P–1) or below	0%	0%

* As a percentage of the Collateral Principal Amount (excluding any Defaulted Obligations) the aggregate third party credit exposure limit shall be determined by reference to the aggregate of the third party credit exposure of all such counterparties which share the same rating level or have a lower rating level, as indicated in the Bivariate Risk Table.

Portfolio Profile Tests and Collateral Quality Tests

Measurement of Tests

The Portfolio Profile Tests and the Collateral Quality Tests will be used as criteria for purchasing Collateral Obligations. The Collateral Administrator will measure the Portfolio Profile Tests and the Collateral Quality Tests on each Measurement Date (save as otherwise provided herein).

Substitute Collateral Obligations in respect of which a binding commitment has been made to purchase such Substitute Collateral Obligations but such purchase has not been settled shall nonetheless be deemed to have been purchased for the purposes of the Portfolio Profile Tests, the Collateral Quality Tests 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 obligations which are Secured Senior Obligations (which term, for the purposes of this paragraph (a), shall comprise the aggregate of the Aggregate Principal Balance of the Secured Senior Obligations and the Balances standing to the credit of the Principal Account and the Unused Proceeds Account including any Eligible Investments acquired with such Balances (excluding accrued interest thereon), 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 the purposes of this paragraph (b), shall comprise 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 30.0 per cent. of the Collateral Principal Amount shall consist of obligations which are Senior Secured Bonds;

(d) 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;

(e) in the case of Collateral Obligations which are not Secured Senior Obligations, not more than 1.5 per cent. of the Collateral Principal Amount shall be the obligations of any one such Obligor;

(f) in the case of Collateral Obligations which are Corporate Rescue Loans, not more than 2.0 per cent. of the Collateral Principal Amount shall be the obligations of any one such Obligor;

(g) not more than 2.5 per cent. of the Collateral Principal Amount shall be the obligations of any one Obligor, provided that the obligations of three Obligors may each represent up to 3.0 per cent. of the Collateral Principal Amount;

(h) not more than 30.0 per cent. of the Collateral Principal Amount shall consist of Non–Euro Obligations;

(i) not more than 5.0 per cent. of the Collateral Principal Amount shall consist of Participations;

(j) not more than 5.0 per cent. of the Collateral Principal Amount shall consist of Current Pay Obligations;

(k) 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;

(l) not more than 7.5 per cent. of the Collateral Principal Amount shall consist of obligations which are CCC Obligations;

(m) not more than 7.5 per cent. of the Collateral Principal Amount shall consist of obligations which are Caa Obligations;

(n) not more than 5.0 per cent. of the Collateral Principal Amount shall consist of Bridge Loans;

(o) not more than 5.0 per cent. of the Collateral Principal Amount shall consist of Corporate Rescue Loans;

(p) not more than 5.0 per cent. of the Collateral Principal Amount shall consist of obligations which are PIK Securities;

(q) not more than 10.0 per cent. of the Collateral Principal Amount shall consist of obligations which are Fixed Rate Collateral Obligations;

(r) not more than 10.0 per cent. of the Collateral Principal Amount shall consist of obligations comprising any one Fitch industry category provided that (i) the three largest Fitch industry classifications may not comprise in aggregate more than 40.0 per cent. of the Collateral Principal Amount, (ii) one Fitch industry may comprise up to 17.5 per cent. of the Collateral Principal Amount, (iii) two Fitch industries may each comprise up to 15.0 per cent. of the Collateral Principal Amount and (iv) three Fitch industries may each comprise up to 12.0 per cent. of the Collateral Principal Amount;

(s) not more than 10.0 per cent. of the Collateral Principal Amount shall consist of obligations whose Moody's Rating is derived from an S&P rating;

(t) 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 currency ceiling below "AAA" by Fitch;

(u) 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 Moody's local currency country risk ceiling of between "A1" and "A3" unless Rating Agency Confirmation from Moody's is obtained;

(v) the limits set forth in the Bivariate Risk Table determined by reference to the ratings of Selling Institutions shall be satisfied;

(w) not more than 30.0 per cent. of the Collateral Principal Amount shall consist of Cov–Lite Loans;

(x) not more than 2.5 per cent. of the Collateral Principal Amount shall consist of Unhedged Collateral Obligations;

(y) not more than 5.0 per cent. of the Collateral Principal Amount shall consist of obligations in respect of which the initial total potential indebtedness at issuance (including (i) to the extent that a Collateral Obligation is a part of a security or credit facility, indebtedness of the entire security or credit facility of which such Collateral Obligation is part and (ii) the maximum available amount or total commitment under any revolving or delayed funding loans) of the relevant Obligor and/or its Affiliates under all respective loan agreements and other Underlying Instruments governing such Obligor's and/or its

Affiliates' indebtedness has an aggregate principal amount (whether drawn or undrawn) of equal to or more than €100,000,000 and less than €200,000,000 (or its equivalent in any currency);

(z) no more than 5.0 per cent. of the Collateral Principal Amount may consist of loans originated by the Investment Manager or an Affiliate of the Investment Manager, provided that for the purposes of this calculation (1) loans that are syndicated to an initial lender group of greater than five, and (2) senior tranches of loans not originated by the Investment Manager or an Affiliate of the Investment Manager where mezzanine tranches of the loans were originated by the Investment Manager or an Affiliate of the Investment Manager, shall in either case not be counted as originated by the Investment Manager or an Affiliate of the Investment Manager, provided that for the purposes of (1) above where the Investment Manager or an Affiliate thereof manages funds holding 40 per cent or more of such loan, such loan will be deemed as originated by the investment manager;

(aa) not more than 20.0 per cent. of the Collateral Principal Amount shall be the obligations of the ten Obligors with the highest Aggregate Principal Balance;

(bb) not more than 5.0 per cent. of the Collateral Principal Amount shall comprise Step-Up Coupon Securities; and

(cc) not more than 15.0 per cent. of the Collateral Principal Amount shall be the obligations of Portfolio Companies.

"**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 a Moody's Rating and a Fitch Rating or, if the Bridge Loan is not rated by Moody's and Fitch, Rating Agency Confirmation has been obtained.

"**Portfolio Company**" means any company that is controlled by the Investment Manager, an Affiliate thereof, or an account, fund, client or portfolio established and controlled by the Investment Manager or an Affiliate thereof.

"**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 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 where for such purposes the Principal Balance of each Defaulted Obligation shall be multiplied by its Market Value. The applicable limits shall be determined by reference to the Collateral Principal Amount (for the purposes of which the Principal Balance of each Defaulted Obligation shall be multiplied by its Market Value in accordance with the definition of Collateral Principal Amount). Obligations for which the Issuer (or the Investment 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 Investment 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.

Further, for the purposes of calculating compliance with the Portfolio Profile Tests:

(a) in the case of sub–paragraph (a) thereof, the relevant percentage shall be rounded up to the nearest 0.1 per cent; and

(b) in the case of any other sub–paragraph, each relevant percentage shall be rounded down to the nearest 0.1 per cent.

Collateral Quality Tests

The Collateral Quality Tests will consist of each of the following:

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

  (i) the Moody's Minimum Diversity Test;

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

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

(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 Investment Management and Collateral Administration Agreement.

Moody's Test Matrix

Subject to the provisions provided below, on or after the Effective Date, the Investment Manager will have the option to elect which of the cases set forth in the matrix set out below (the "**Moody's Test Matrix**") shall be applicable for purposes of the Moody's Maximum Weighted Average Rating Factor Test, the Moody's Minimum Diversity Test and the Minimum Weighted Average Spread Test. For any given case:

1. the applicable column for performing the Moody's Minimum Diversity Test will be the column (or linear interpolation between two adjacent columns, as applicable) in which the elected case is set out;

2. the applicable row for performing the Minimum Weighted Average Spread Test will be the row in which the elected test is set out (or a linear interpolation between the two rows containing the values closest to the elected test, as applicable); and

3. the applicable row and column for performing the Moody's Maximum Weighted Average Rating Factor Test will be the row and column in which the elected case is set out (or a linear interpolation between the two rows containing the values closest to the elected test and/or a linear interpolation between two adjacent columns, as applicable).

On the Effective Date, the Investment Manager will be required to elect which case shall apply initially. Thereafter, on two Business Days' notice to the Issuer, the Trustee, the Collateral Administrator and Moody's, the Investment Manager may elect to have a different case apply, provided that the Moody's Minimum Diversity Test, the Moody's Maximum Weighted Average Rating Factor Test, the Moody's Minimum Weighted Average Recovery Rate Test and the Minimum Weighted Average Spread Test applicable to the case to which the Investment Manager desires to change are satisfied or, in the case of any tests that are not satisfied, are closer to being satisfied. In no event will the Investment Manager be obliged to elect to have a different case apply. The Moody's Test Matrix may be amended and/or supplemented and/or replaced by the Investment Manager subject to Rating Agency Confirmation from Moody's.

Moody's Test Matrix

Minimum Weighted Average Spread	Minimum Diversity Score													
	20	24	28	30	32	34	36	38	40	44	48	52	56	60
2.50%	1960	2020	2070	2090	2110	2120	2140	2150	2170	2190	2210	2230	2250	2260
2.60%	2020	2090	2150	2180	2200	2220	2240	2250	2270	2290	2310	2330	2350	2370
2.70%	2060	2160	2230	2270	2290	2310	2330	2350	2370	2400	2420	2440	2460	2470
2.80%	2110	2220	2290	2300	2330	2350	2370	2390	2400	2430	2450	2470	2490	2500
2.90%	2150	2270	2350	2380	2410	2440	2470	2490	2500	2530	2550	2580	2590	2610
3.00%	2190	2310	2390	2430	2460	2490	2520	2540	2560	2600	2640	2660	2690	2710
3.10%	2230	2350	2440	2470	2510	2540	2560	2590	2610	2650	2680	2700	2710	2730
3.20%	2260	2390	2490	2520	2560	2590	2610	2640	2660	2700	2740	2770	2800	2820
3.30%	2290	2430	2530	2570	2600	2630	2660	2680	2710	2750	2780	2820	2850	2870
3.40%	2310	2460	2570	2610	2640	2670	2700	2730	2750	2800	2830	2860	2890	2920
3.50%	2340	2500	2610	2650	2690	2720	2750	2780	2800	2840	2880	2910	2940	2970
3.60%	2360	2530	2640	2700	2730	2770	2790	2820	2840	2890	2920	2950	2970	2990
3.70%	2390	2560	2680	2720	2770	2810	2840	2860	2890	2930	2970	2990	3010	3030
3.80%	2420	2580	2710	2750	2800	2850	2880	2900	2920	2940	2970	3000	3020	3040
3.90%	2460	2610	2740	2780	2840	2880	2910	2950	2970	3010	3040	3060	3080	3100
4.00%	2490	2640	2760	2810	2870	2900	2940	2980	3010	3060	3090	3130	3160	3180
4.10%	2520	2680	2790	2850	2900	2940	2980	3010	3050	3090	3130	3170	3200	3220
4.20%	2550	2710	2820	2880	2930	2970	3010	3040	3080	3130	3170	3210	3240	3260
4.30%	2570	2740	2850	2910	2960	3000	3040	3070	3110	3170	3210	3250	3280	3300
4.40%	2600	2770	2880	2940	2980	3030	3070	3100	3140	3200	3250	3290	3320	3340
4.50%	2630	2800	2910	2970	3010	3060	3100	3130	3170	3230	3280	3320	3350	3380
4.60%	2650	2820	2940	3000	3040	3090	3130	3160	3200	3260	3310	3350	3380	3420
4.70%	2680	2850	2970	3030	3070	3120	3160	3190	3230	3290	3340	3380	3410	3450
4.80%	2700	2870	2990	3050	3100	3140	3180	3210	3250	3310	3360	3400	3440	3480
4.90%	2730	2900	3020	3080	3130	3170	3210	3240	3280	3340	3390	3430	3470	3510
5.00%	2760	2930	3050	3110	3150	3200	3240	3270	3310	3360	3420	3460	3500	3540
5.10%	2790	2960	3080	3130	3180	3230	3270	3300	3340	3390	3450	3490	3530	3570
5.20%	2810	2980	3100	3160	3200	3250	3290	3330	3360	3410	3470	3510	3560	3590
5.30%	2840	3000	3130	3190	3230	3280	3320	3360	3390	3440	3490	3530	3560	3590
5.40%	2860	3030	3160	3210	3260	3300	3340	3380	3410	3470	3530	3570	3620	3640

5.50%	2890	3060	3180	3240	3280	3330	3370	3410	3440	3500	3560	3600	3650	3680
5.60%	2910	3080	3210	3260	3310	3350	3400	3430	3460	3530	3580	3630	3670	3710
5.70%	2940	3110	3240	3290	3340	3380	3430	3460	3490	3560	3610	3660	3700	3730
5.80%	2960	3130	3260	3310	3360	3410	3450	3490	3520	3590	3640	3690	3720	3760
5.90%	2990	3160	3290	3340	3390	3430	3470	3520	3550	3610	3660	3710	3750	3790
6.00%	3010	3180	3310	3360	3410	3460	3490	3540	3570	3640	3690	3730	3770	3810

Fitch Test Matrix

Subject to the provisions provided below, on or after the Effective Date, the Investment Manager will have the option to elect which of the cases set forth in the matrix set out below (the "**Fitch Test Matrix**") 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 applicable. For any given case:

(1) the applicable column for performing the Fitch Maximum Weighted Average Rating Factor Test will be the column (or linear interpolation between two adjacent columns, as applicable) in the Fitch Test Matrix selected by the Investment Manager;

(2) the applicable row for performing the Minimum Weighted Average Spread Test will be the row in the Fitch Test Matrix selected by the Investment Manager (or linear interpolation between the two rows with the closest values, as applicable); and

(3) the applicable column and row for performing the Fitch Minimum Weighted Average Recovery Rate Test will be the column and row in the Fitch Test Matrix selected by the Investment Manager in relation to (1) and (2) above (or a linear interpolation between the two rows with the closest values and/or a linear interpolation between the two adjacent columns, as applicable).

On the Effective Date, the Investment Manager will be required to elect which case shall apply initially. Thereafter, on two Business Days' notice to the Issuer, the Collateral Administrator and Fitch, the Investment Manager may elect to have a different case apply, provided that the Fitch Maximum Weighted Average Rating Factor Test, the Fitch Minimum Weighted Average Recovery Rate Test and the Minimum Weighted Average Spread Test applicable to the case to which the Investment Manager desires to change are satisfied or, in the case of any tests that are not satisfied, are closer to being satisfied. The Fitch Test Matrix may be amended and/or supplemented and/or replaced by the Investment Manager subject to Rating Agency Confirmation from Fitch.

Fitch Test Matrix

Fitch Minimum Weighted Average Spread	**Fitch Maximum Weighted Average Rating Factor**										
	29	30	31	32	33	34	35	36	37	38	39
2.50%	69.6%	70.9%	72.2%	73.4%	74.8%	76.7%	78.9%	80.4%	81.9%	83.1%	84.3%
2.70%	65.8%	67.1%	68.4%	70.2%	72.2%	75.1%	77.3%	79.0%	80.7%	82.0%	83.2%
2.90%	63.1%	65.0%	66.5%	68.4%	70.4%	73.3%	75.7%	77.4%	79.4%	80.8%	82.1%
3.10%	61.2%	63.1%	64.5%	66.5%	68.5%	71.5%	74.0%	75.9%	77.9%	79.6%	81.0%
3.30%	59.4%	61.4%	62.8%	64.6%	66.7%	69.6%	72.3%	74.3%	76.5%	78.2%	79.8%
3.50%	57.3%	59.7%	61.3%	63.0%	65.0%	68.0%	70.6%	72.6%	74.9%	76.7%	78.4%
3.70%	55.4%	57.7%	59.5%	61.4%	63.4%	66.4%	69.0%	71.0%	73.3%	75.2%	77.0%
3.90%	53.3%	55.8%	57.6%	59.7%	61.8%	64.8%	67.4%	69.4%	71.7%	73.7%	75.5%
4.10%	51.3%	53.8%	55.7%	58.0%	60.1%	63.1%	65.7%	67.6%	69.9%	71.9%	73.8%
4.30%	49.6%	52.1%	53.9%	56.2%	58.4%	61.4%	64.0%	65.9%	68.3%	70.2%	72.2%
4.50%	47.9%	50.4%	52.2%	54.4%	56.6%	59.8%	62.5%	64.5%	66.9%	68.9%	70.9%
4.70%	46.0%	48.6%	50.5%	52.7%	55.1%	58.4%	61.1%	63.1%	65.5%	67.6%	69.6%

Fitch Minimum Weighted Average Spread	Fitch Maximum Weighted Average Rating Factor										
	29	30	31	32	33	34	35	36	37	38	39
4.90%	44.1%	46.7%	48.7%	51.0%	53.4%	56.9%	59.7%	61.8%	64.2%	66.2%	68.3%
5.10%	42.2%	44.9%	46.9%	49.1%	51.7%	55.4%	58.3%	60.5%	62.9%	64.9%	66.8%

The Fitch Maximum Weighted Average Rating Factor Test

"**Fitch Maximum Weighted Average Rating Factor Test**" means that test that will be satisfied, on any Measurement Date from (and including) the Effective Date, if the Fitch Weighted Average Rating Factor as at such date is less than or equal to the applicable level in the applicable Fitch Test Matrix.

"**Fitch Weighted Average Rating Factor**" is the number determined by summing the products obtained by multiplying the Principal Balance of each Collateral Obligation, excluding Defaulted Obligations, by its Fitch Rating Factor, dividing such sum by the Aggregate Principal Balance of all such Collateral Obligations, excluding Defaulted Obligations, and rounding the result down to the nearest two decimal places.

"**Fitch Rating Factor**" means, in respect of any Collateral Obligation, the number set forth in the table below opposite the Fitch Rating in respect of such Collateral Obligation. The following table provides certain probabilities of default relating to Fitch Rating Factors. The information is subject to change and any probabilities of default in respect of Fitch Rating Factors may not at any time necessarily reflect the below table.

Fitch Rating	Fitch Rating Factor
AAA	0.19
AA+	0.35
AA	0.64
AA-	0.86
A+	1.17
A	1.58
A-	2.25
BBB+	3.19
BBB	4.54
BBB-	7.13
BB+	12.19
BB	17.43
BB-	22.80
B+	27.80
B	32.18
B-	40.60
CCC+	62.80
CCC	62.80
CCC-	62.80
CC	100.00
C	100.00
D	100.00

The Fitch Minimum Weighted Average Recovery Rate Test

"**Fitch Minimum Weighted Average Recovery Rate Test**" means the test that will be satisfied in respect of the Notes on any Measurement Date from (and including) the Effective Date, if the Fitch Weighted Average Recovery Rate is greater than or equal to the applicable level in the applicable Fitch Test Matrix.

"**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, excluding Defaulted Obligations, by the Fitch Recovery Rate in relation thereto and dividing such sum by the Aggregate Principal Balance of all Collateral Obligations, excluding Defaulted Obligations, and rounding up to the nearest 0.1 per cent.

"**Fitch Recovery Rate**" means, with respect to a Collateral Obligation, the recovery rate determined in accordance with paragraphs (i) to (iii) below or (in any case) such other recovery rate as Fitch may notify the Investment Manager from time to time:

(i) 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 Investment Manager, the recovery rate corresponding to such recovery rating in the table below (unless a specific recovery rate (expressed as a percentage) is provided by Fitch):

Fitch recovery rating	Fitch recovery rate (%)
RR1.....	95
RR2.....	80
RR3.....	60
RR4.....	40
RR5.....	20
RR6.....	5

(ii) if such Collateral Obligation has no public Fitch recovery rating, no recovery rating is assigned by Fitch in the context of provision by Fitch of a credit opinion to the Investment Manager and has a public S&P recovery rating, the recovery rate corresponding to such recovery rating in the table below:

S&P recovery rating	Fitch recovery rate (%)
1+.....	95
1.....	95
2.....	80
3.....	60
4.....	40
5.....	20
6	5

and

(iii) if such Collateral Obligation has no public Fitch recovery rating, no recovery rating is assigned by Fitch in the context of provision by Fitch of a credit opinion to the Investment Manager and has no public S&P recovery rating, (x) if such Collateral Obligation is a Secured Senior Bond, the recovery rate applicable to such Secured Senior Bond shall be the recovery rate corresponding to the Fitch recovery rating of "RR3" in the table above and (y) 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 Obligation, "Moderate Recovery" if it is an Unsecured Senior Loan or High Yield Bond and otherwise "Weak Recovery", and shall fall into the country group corresponding to the country in which the Obligor thereof is Domiciled:

	United States	**Group A**	**Group B**	**Group C**	**Group D**
Strong Recovery.....	80	75	75	45	35
Moderate Recovery.....	45	45	45	30	25
Weak Recovery.....	20	20	20	5	5

The country group of a Collateral Obligation shall be determined, by reference to the country where the Obligor thereof is Domiciled, in accordance with the below:

Group A: Australia, Canada, Denmark, Finland, Germany, Iceland, Japan, Korea, Netherlands, Norway, Puerto Rico, United Kingdom, United States of America.

Group B: Austria, Barbados, Belgium, Czech Republic, France, Hong Kong, Ireland, Israel, Italy, Mexico, New Zealand, Portugal, Singapore, Spain, Sweden, Taiwan, Cyprus.

Group C: Bahamas, Bosnia & Herzegovina, Botswana, Brazil, Bulgaria, China, Columbia, Croatia, Estonia, Greece, Jamaica, Latvia, Luxembourg, Malaysia, Mauritius, Moldova, Montenegro, Philippines, Poland, Romania, Serbia, Seychelles, Slovakia, Slovenia, South Africa, Switzerland, Thailand, Tunisia, Uruguay.

Group D: Argentina, Azerbaijan, Bahrain, Belarus, Cabo Verde, Chile, Costa Rica, Dominican Republic, Ecuador, Egypt, El Salvador, Grenada, Guatemala, Hungary, India, Indonesia, Jordan, Kazakhstan, Kuwait, Lebanon, Lithuania, Macedonia, Maldives, Malta, Morocco, Namibia, Nigeria, Oman, Panama, Papua New Guinea, Paraguay, Peru, Russia, Saudi Arabia, Sri Lanka, Turkey, Ukraine, United Arab Emirates, Vietnam.

Moody's Minimum Diversity Test

The "**Moody's Minimum Diversity Test**" will be satisfied as at any Measurement Date from (and including) the Effective Date, if the Diversity Score equals or exceeds the number set forth in the column entitled "Minimum Diversity Score" in the applicable Moody's Test Matrix based upon the applicable "row/column" combination chosen by the Investment Manager (or interpolating between the two rows containing the closest values and/or two adjacent columns (as applicable)).

The "**Diversity Score**" is a single number that indicates collateral concentration and correlation in terms of both issuer and industry concentration and correlation. It is similar to a score that Moody's uses to measure concentration and correlation for the purposes of its ratings. A higher Diversity Score reflects a more diverse portfolio in terms of the issuer and industry concentration. The Diversity Score for the Collateral Obligations is calculated by summing each of the Industry Diversity Scores which are calculated as follows and rounding the result up to the nearest whole number (provided that no Defaulted Obligations shall be included in the calculation of the Diversity Score or any component thereof):

(a) an "**Average Principal Balance**" is calculated by summing the Obligor Principal Balances and dividing by the sum of the aggregate number of issuers and/or borrowers represented;

(b) an "**Obligor Principal Balance**" is calculated for each Obligor represented in the Collateral Obligations by summing the Principal Balances of all Collateral Obligations (excluding Defaulted Obligations) issued by such Obligor, provided that if a Collateral Obligation has been sold or is the subject of an optional redemption or Offer, and the Sale Proceeds or Unscheduled Principal Proceeds from such event have not yet been reinvested in Substitute Collateral Obligations or distributed to the Noteholders or the other creditors of the Issuer in accordance with the Priorities of Payment, the Obligor Principal Balance shall be calculated as if such Collateral Obligation had not been sold or was not subject to such an optional redemption or Offer;

(c) an "**Equivalent Unit Score**" is calculated for each Obligor by taking the lesser of (i) one and (ii) the Obligor Principal Balance for such Obligor divided by the Average Principal Balance;

(d) an "**Aggregate Industry Equivalent Unit Score**" is then calculated for each of the 32 Moody's industrial classification groups by summing the Equivalent Unit Scores for each Obligor in the industry (or such other industrial classification groups and Equivalent Unit Scores as are published by Moody's from time to time); and

(e) an "**Industry Diversity Score**" is then established by reference to the Diversity Score Table shown below (or such other Diversity Score Table as is published by Moody's from time to time) (the "**Diversity Score Table**") for the related Aggregate Industry Equivalent Unit Score. If the Aggregate Industry Equivalent Unit Score falls between any two such scores shown in the Diversity Score Table, then the Industry Diversity Score is the lower of the two Diversity Scores in the Diversity Score Table.

For purposes of calculating the Diversity Scores any Obligors Affiliated with one another will be considered to be one Obligor.

Diversity Score Table

Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score
0.0000	0.0000	5.0500	2.7000	10.1500	4.0200	15.2500	4.5300
0.0500	0.1000	5.1500	2.7333	10.2500	4.0300	15.3500	4.5400
0.1500	0.2000	5.2500	2.7667	10.3500	4.0400	15.4500	4.5500
0.2500	0.3000	5.3500	2.8000	10.4500	4.0500	15.5500	4.5600
0.3500	0.4000	5.4500	2.8333	10.5500	4.0600	15.6500	4.5700
0.4500	0.5000	5.5500	2.8667	10.6500	4.0700	15.7500	4.5800
0.5500	0.6000	5.6500	2.9000	10.7500	4.0800	15.8500	4.5900
0.6500	0.7000	5.7500	2.9333	10.8500	4.0900	15.9500	4.6000
0.7500	0.8000	5.8500	2.9667	10.9500	4.1000	16.0500	4.6100
0.8500	0.9000	5.9500	3.0000	11.0500	4.1100	16.1500	4.6200
0.9500	1.0000	6.0500	3.0250	11.1500	4.1200	16.2500	4.6300
1.0500	1.0500	6.1500	3.0500	11.2500	4.1300	16.3500	4.6400
1.1500	1.1000	6.2500	3.0750	11.3500	4.1400	16.4500	4.6500
1.2500	1.1500	6.3500	3.1000	11.4500	4.1500	16.5500	4.6600
1.3500	1.2000	6.4500	3.1250	11.5500	4.1600	16.6500	4.6700
1.4500	1.2500	6.5500	3.1500	11.6500	4.1700	16.7500	4.6800
1.5500	1.3000	6.6500	3.1750	11.7500	4.1800	16.8500	4.6900
1.6500	1.3500	6.7500	3.2000	11.8500	4.1900	16.9500	4.7000
1.7500	1.4000	6.8500	3.2250	11.9500	4.2000	17.0500	4.7100
1.8500	1.4500	6.9500	3.2500	12.0500	4.2100	17.1500	4.7200
1.9500	1.5000	7.0500	3.2750	12.1500	4.2200	17.2500	4.7300
2.0500	1.5500	7.1500	3.3000	12.2500	4.2300	17.3500	4.7400
2.1500	1.6000	7.2500	3.3250	12.3500	4.2400	17.4500	4.7500
2.2500	1.6500	7.3500	3.3500	12.4500	4.2500	17.5500	4.7600
2.3500	1.7000	7.4500	3.3750	12.5500	4.2600	17.6500	4.7700
2.4500	1.7500	7.5500	3.4000	12.6500	4.2700	17.7500	4.7800
2.5500	1.8000	7.6500	3.4250	12.7500	4.2800	17.8500	4.7900
2.6500	1.8500	7.7500	3.4500	12.8500	4.2900	17.9500	4.8000
2.7500	1.9000	7.8500	3.4750	12.9500	4.3000	18.0500	4.8100
2.8500	1.9500	7.9500	3.5000	13.0500	4.3100	18.1500	4.8200
2.9500	2.0000	8.0500	3.5250	13.1500	4.3200	18.2500	4.8300
3.0500	2.0333	8.1500	3.5500	13.2500	4.3300	18.3500	4.8400
3.1500	2.0667	8.2500	3.5750	13.3500	4.3400	18.4500	4.8500
3.2500	2.1000	8.3500	3.6000	13.4500	4.3500	18.5500	4.8600
3.3500	2.1333	8.4500	3.6250	13.5500	4.3600	18.6500	4.8700
3.4500	2.1667	8.5500	3.6500	13.6500	4.3700	18.7500	4.8800
3.5500	2.2000	8.6500	3.6750	13.7500	4.3800	18.8500	4.8900
3.6500	2.2333	8.7500	3.7000	13.8500	4.3900	18.9500	4.9000
3.7500	2.2667	8.8500	3.7250	13.9500	4.4000	19.0500	4.9100
3.8500	2.3000	8.9500	3.7500	14.0500	4.4100	19.1500	4.9200
3.9500	2.3333	9.0500	3.7750	14.1500	4.4200	19.2500	4.9300
4.0500	2.3667	9.1500	3.8000	14.2500	4.4300	19.3500	4.9400
4.1500	2.4000	9.2500	3.8250	14.3500	4.4400	19.4500	4.9500
4.2500	2.4333	9.3500	3.8500	14.4500	4.4500	19.5500	4.9600
4.3500	2.4667	9.4500	3.8750	14.5500	4.4600	19.6500	4.9700
4.4500	2.5000	9.5500	3.9000	14.6500	4.4700	19.7500	4.9800
4.5500	2.5333	9.6500	3.9250	14.7500	4.4800	19.8500	4.9900
4.6500	2.5667	9.7500	3.9500	14.8500	4.4900	19.9500	5.0000
4.7500	2.6000	9.8500	3.9750	14.9500	4.5000		
4.8500	2.6333	9.9500	4.0000	15.0500	4.5100		
4.9500	2.6667	10.0500	4.0100	15.1500	4.5200		

Moody's Maximum Weighted Average Rating Factor Test

The "**Moody's Maximum Weighted Average Rating Factor Test**" will be satisfied as at any Measurement Date from (and including) the Effective Date, if the Adjusted Weighted Average Moody's Rating Factor as at such Measurement Date is equal to or less than the sum of (i) the number set forth in the applicable Moody's Test Matrix at the intersection of the applicable "row/column" combination chosen by the Investment Manager (or interpolating between the two rows containing the closest values and/or two adjacent columns (as

applicable)) (acting on behalf of the Issuer) as at such Measurement Date plus (ii) the Moody's Weighted Average Recovery Adjustment plus (iii) the Moody's Weighted Average Spread Adjustment, provided however that the sum of (i) plus (ii) plus (iii) may not exceed 3,900.

The "**Moody's Weighted Average Rating Factor**" is determined by summing the products obtained by multiplying the Principal Balance of each Collateral Obligation, excluding Defaulted Obligations, by its Moody's Rating Factor, dividing such sum by the Aggregate Principal Balances of all such Collateral Obligations, excluding Defaulted Obligations, and rounding the result down to the nearest whole number.

The "**Moody's Weighted Average Spread Adjustment**" means, as of any date of determination, the greater of (a) zero and (b) an amount equal to the product of (i) 0.90 per cent. minus the Applicable Margin of the Class A Notes and (ii) 25,000.

The "**Moody's Rating Factor**" relating to any Collateral Obligation is the number set forth in the table below opposite the Moody's Default Probability Rating of such Collateral Obligation.

Moody's Default Probability Rating	Moody's Rating Factor	Moody's Default Probability Rating	Moody's Rating Factor
Aaa	1	Ba1	940
Aa1	10	Ba2	1,350
Aa2	20	Ba3	1,766
Aa2	40	B1	2,220
A1	70	B2	2,720
A2	120	B3	3,490
A3	180	Caa1	4,770
Baa1	260	Caa2	6,500
Baa2	360	Caa3	8,070
Baa3	610	Ca or lower	10,000

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

(a) zero; and

(b) the product of:

(i) (A) the Weighted Average Moody's Recovery Rate as of such Measurement Date multiplied by 100 minus (B) 43; and

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

(1) 65 if the Weighted Average Spread (expressed as a percentage) is less than 3.40 per cent.;

(2) 70 if the Weighted Average Spread (expressed as a percentage) is equal to or greater than 3.40 per cent. but below 4.10 per cent.; and

(3) 75 in all other cases; and

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

(1) 0.10 per cent. if the Weighted Average Spread (expressed as a percentage) is below 3.60 per cent.;

(2) 0.15 per cent. if the Weighted Average Spread (expressed as a percentage) is equal to or greater than 3.60 per cent. but below 4.60 per cent.;

(3) 0.20 per cent. if the Weighted Average Spread (expressed as a percentage) is equal to or greater than 4.60 per cent. but below 5.30 per cent.; and

(4) 0.25 per cent. in all other cases,

provided that if the Weighted Average Moody's Recovery Rate for purposes of determining the Moody's Weighted Average Recovery Adjustment is greater than 60 per cent., then such Weighted Average Moody's Recovery Rate shall equal 60 per cent. unless Rating Agency Confirmation from Moody's is received, provided further that the amount specified in clause (b)(i) above may only be allocated once on any Measurement Date and the Investment Manager shall designate to the Collateral Administrator in writing on each such date the portion of such amount that shall be allocated to clause (b)(ii)(A) above and the portion of such amount that shall be allocated to clause (b)(ii)(B) above (it being understood that, absent an express designation by the Investment Manager, all such amounts shall be allocated to clause (b)(ii)(A) above).

"**Adjusted Weighted Average Moody's Rating Factor**" means, as of any Measurement Date, a number equal to the Moody's Weighted Average Rating Factor determined in the following manner: for purposes of determining a Moody's Default Probability Rating, Moody's Rating or Moody's Derived Rating in connection with determining the Moody's Weighted Average Rating Factor for purposes of this definition, the last paragraph of the definition of each of "Moody's Default Probability Rating", "Moody's Rating" and "Moody's Derived Rating" shall be disregarded, and instead each applicable rating on credit watch by Moody's that is on (a) positive watch will be treated as having been upgraded by one rating subcategory, (b) negative watch will be treated as having been downgraded by two rating subcategories and (c) negative outlook will be treated as having been downgraded by one rating subcategory and rounding the result down to the nearest whole number.

Moody's Minimum Weighted Average Recovery Rate Test

The "**Moody's Minimum Weighted Average Recovery Rate Test**" will be satisfied, as at any Measurement Date from (and including) the Effective Date, if the Weighted Average Moody's Recovery Rate is greater than or equal to (i) 43 per cent. minus (ii) the Moody's Weighted Average Rating Factor Adjustment, provided however that the result of (i) minus (ii) may not be less than 35 per cent.

The "**Weighted Average Moody's Recovery Rate**" means, as of any Measurement Date, the number, expressed as a percentage, obtained by summing the products obtained by multiplying the Principal Balance of each Collateral Obligation (excluding Defaulted Obligations) by its corresponding Moody's Recovery Rate and dividing such sum by the Aggregate Principal Balance (excluding Defaulted Obligations) and rounding the result up to the nearest 0.1 per cent.

The "**Moody's Recovery Rate**" means, in respect of each Collateral Obligation, the Moody's recovery rate determined in accordance with the Investment Management and Collateral Administration Agreement or as so advised or published by Moody's from time to time. Extracts of the Moody's Recovery Rate applicable under the Investment Management and Collateral Administration Agreement are set out in Annex A (*Moody's Recovery Rates*) of this Offering Circular.

The "**Moody's Weighted Average Rating Factor Adjustment**" means an amount, expressed as a percentage, as of any Measurement Date equal to the greater of:

(a) zero; and

(b) the number obtained by dividing:

(i) (A) the number set forth in the applicable Moody's Test Matrix at the intersection of the applicable "row/column" combination chosen by the Investment Manager (acting on behalf of the Issuer) (or interpolating between the two rows containing the closest values and/or two adjacent columns (as applicable)), as at such Measurement Date minus (B) the Adjusted Weighted Average Moody's Rating Factor; by

(ii) 60;

and dividing the result by 100.

Weighted Average Life Test

The "**Weighted Average Life Test**" will be satisfied on any Measurement Date if the Weighted Average Life as of such date is less than the Maximum Weighted Average Life.

"**Maximum Weighted Average Life**" means, on any Measurement Date, the greater of (A) the number of years (rounded up to the nearest one hundredth thereof) during the period from such Measurement Date to 20

February 2026, and (B) the number of years (rounded up to the nearest one hundredth thereof) during the period from the end of the Reinvestment Period to 20 February 2026.

"**Weighted Average Life**" is, as of any Measurement Date with respect to all of the relevant Collateral Obligations other than, in each case, any Defaulted Obligations, the number of years following such date obtained by summing the products obtained by:

a) multiplying (i) the Average Life at such time of each such Collateral Obligation by (ii) the Principal Balance of such Collateral Obligation,

and *dividing* such sum by:

b) the Aggregate Principal Balance at such time of all Collateral Obligations other than Defaulted Obligations.

"**Average Life**" is, on any Measurement Date with respect to any Collateral Obligation, the quotient obtained by dividing (a) the sum of the products of (i) 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 (ii) the respective amounts of principal of such scheduled distributions by (b) 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 Weighted Average Coupon Adjustment Percentage 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 greater of:

(a) the weighted average spread (expressed as a percentage) applicable to the current Fitch Test Matrix selected by the Investment Manager (or interpolating between the two rows containing the closest values and/or two adjacent columns (as applicable)); and

(b) the weighted average spread (expressed as a percentage) applicable to the current applicable Moody's Test Matrix based upon the option chosen by the Investment Manager (or interpolating between the two rows containing the closest values and/or two adjacent columns (as applicable)) reduced by the Moody's Weighted Average Recovery Adjustment, provided such reduction may not reduce the Minimum Weighted Average Spread below 2.50 per cent.

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) 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 excluding Defaulted Obligations and Deferring Securities,

in each case for the purposes of calculating the Weighted Average Spread;

(i) the spread of any Collateral Obligation shall exclude:

(A) any amount which the Issuer or the Investment 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) any interest that will be withheld because of tax reasons and which is neither grossed up nor recoverable under any applicable double tax treaty; and

(ii) (A) 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

(B) 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 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 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 Currency Hedge 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), (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 Principal Balance of such Currency Hedge Obligation; and

(d) in the case of each Floating Rate Collateral Obligation which is an Unhedged Collateral 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), the Haircut Percentage of the current per annum rate at which the Unhedged Collateral Obligation pays interest over LIBOR or such other floating rate index upon which the Unhedged Collateral Obligation pays interest, multiplied by the Unhedged Principal Balance of such Unhedged Collateral Obligation,

provided that for such purpose:

(i) a Fixed Rate Collateral Obligation which is subject to an Interest Rate Hedge Transaction which swaps the fixed rate on such Collateral Obligation for a floating rate shall be treated as a Floating Rate Collateral Obligation with a stated spread and index equal to the stated floating rate payable by the applicable Interest Rate Hedge Counterparty to the Issuer under such Interest Rate Hedge Transaction; and

(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.

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 EURIBOR (or such other floating rate of interest) and zero, applicable in respect of such Collateral Obligation on such Measurement Date.

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.

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

(a) the EURIBOR applicable to the Rated Notes during the Accrual Period in which such Measurement Date occurs; by

(b) the amount (not less than zero) equal to (i) the Aggregate Principal Balance of the Collateral Obligations (excluding (x) for any Deferring Security, any interest that has been deferred and capitalised thereon and (y) 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 Principal Balance of (i) any Currency Hedge Obligation shall be an amount equal to the Euro equivalent of the outstanding principal amount of the reference Currency Hedge Obligation, converted into Euro at the Currency Hedge Transaction Exchange Rate and (ii) any Unhedged Collateral Obligation shall be an amount equal to the Unhedged Principal Balance of the Unhedged Collateral Obligation.

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, in each case excluding Defaulted Obligations and Deferring Securities, and which product may, for the avoidance of doubt, be negative.

The "**Reference Weighted Average Fixed Coupon**" is 6.00 per cent.

The "**Weighted Average Fixed Coupon**", as of any Measurement Date, is the number expressed as a percentage obtained by dividing:

(a) the amount equal to the Aggregate Coupon; by

(b) an amount equal to the Aggregate Principal Balance of all Fixed Rate Collateral Obligations as of such Measurement Date, in each case excluding Defaulted Obligations and Deferring Securities,

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, the amount of coupon relating to any Collateral Obligation shall exclude any amount in respect of which the Issuer or the Investment Manager has actual knowledge that payment will not be made when due by the Obligor thereunder (including, for the avoidance of doubt, any amount of coupon that is payable at such Obligor's discretion or that is subject to deferral in accordance with the terms of the applicable Underlying Instruments).

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:

(a) with respect to any Fixed Rate Collateral Obligation which is a Currency Hedge Obligation, and excluding Defaulted Obligations, Deferring Securities and the unfunded portion of any Delayed Drawdown Collateral Obligations and Revolving Obligations, the product of (x) stated fixed rate payable by the applicable Currency Hedge Counterparty to the Issuer under the related Currency Hedge Transaction and (y) the Principal Balance of such Currency Hedge Obligation;

(b) with respect to any Fixed Rate Collateral Obligation which is an Unhedged Collateral Obligation and excluding Defaulted Obligations, Deferring Securities and the unfunded portion of any Delayed Drawdown Collateral Obligations and Revolving Obligations, the Haircut Percentage of the current per annum coupon at which such Collateral Obligation pays interest, multiplied by the Unhedged Principal Balance of such Unhedged Collateral Obligation; and

(c) with respect to all other Fixed Rate Collateral Obligations and excluding Defaulted Obligations, Deferring Securities and the unfunded portion of any Delayed Drawdown Collateral Obligations and Revolving Obligations, the sum of the products obtained by multiplying, in the case of each Fixed Rate Collateral Obligation (including, for any 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 Principal Balance of such Collateral Obligation *provided* that for such purpose:

(i) a Floating Rate Collateral Obligation which is subject to an Interest Rate Hedge Transaction which swaps the floating rate on such Collateral Obligation for a fixed rate shall be treated as a Fixed Rate Collateral Obligation with a stated coupon equal to the stated fixed rate payable by the applicable Interest Rate Hedge Counterparty to the Issuer under such Interest Rate Hedge Transaction; and

(ii) a Fixed Rate Collateral Obligation which is subject to an Interest Rate Hedge Transaction which swaps the fixed rate on such Collateral Obligation for a floating rate shall be disregarded.

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.

Rating Definitions

Moody's Ratings Definitions

"**Moody's Default Probability Rating**" means, with respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) if the Obligor of such Collateral Obligation has a CFR, then such CFR;

(b) if not determined pursuant to clause (a) above, if the Obligor of such Collateral Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Assigned Moody's Rating on such obligation as selected by the Investment Manager in its sole discretion;

(c) if not determined pursuant to clauses (a) or (b) above, if the Obligor of such Collateral Obligation has one or more senior secured obligations with an Assigned Moody's Rating, then the Moody's rating that is one subcategory lower than the Assigned Moody's Rating on any such senior secured obligation as selected by the Investment Manager in its sole discretion;

(d) if not determined pursuant to clauses (a), (b), or (c) above, if a credit estimate has been assigned to such Collateral Obligation by Moody's upon the request of the Issuer, the Investment Manager or an Affiliate of the Investment Manager, then the Moody's Default Probability Rating is such credit estimate as long as such rating estimate or a renewal for such rating estimate has been issued or provided by Moody's in each case within the 15 month period preceding the date on which the

Moody's Default Probability Rating is being determined; *provided* that if such rating estimate has been issued or provided by Moody's for a period (x) longer than 13 months but not beyond 15 months, the Moody's Default Probability Rating will be one subcategory lower than such rating estimate and (y) beyond 15 months, the Moody's Default Probability Rating will be deemed to be "Caa3";

(e) if not determined pursuant to clauses (a), (b), (c) or (d) above, the Moody's Derived Rating; and

(f) if not determined pursuant to clause (a), (b), (c), (d) or (e) above, the Collateral Obligation will be deemed to have a Moody's Default Probability Rating of "Caa3".

For purposes of calculating a Moody's Default Probability Rating, each applicable rating on credit watch by Moody's with positive or negative implication at the time of calculation will be treated, respectively, as having been upgraded or downgraded by one rating subcategory, as the case may be.

"**Assigned Moody's Rating**" means the monitored publicly available rating or the unpublished monitored loan rating or the credit estimate expressly assigned to a debt obligation (or facility) by Moody's.

"**CFR**" means, with respect to an Obligor of a Collateral Obligation, if such Obligor has a corporate family rating by Moody's, then such corporate family rating; *provided*, if such Obligor does not have a corporate family rating by Moody's but any entity in the Obligor's corporate family does have a corporate family rating, then the CFR is such corporate family rating.

"**Moody's Derived Rating**" means, with respect to a Collateral Obligation whose Moody's Rating or Moody's Default Probability Rating is determined as the Moody's Derived Rating, the rating as determined in the manner set forth below:

(a) with respect to any Corporate Rescue Loan and (solely for purposes of determining the Adjusted Weighted Average Moody's Rating Factor) any Current Pay Obligation, the Moody's Rating or Moody's Default Probability Rating of such Collateral Obligation shall be the rating which is one subcategory below the facility rating (whether public or private) of such Corporate Rescue Loan or Current Pay Obligation, as applicable, rated by Moody's;

(b) if not determined pursuant to clause (a) above, then by using any one of the methods provided below:

(i) pursuant to the table below:

Type of Collateral Obligation	S&P Rating (Public and Monitored)	Collateral Obligation Rated by S&P	Number of Subcategories Relative to Moody's Equivalent of S&P Rating
Not Structured Finance Obligation	≥ "BBB–"	Not a Loan or Participation Interest in Loan	–1
Not Structured Finance Obligation	≤ "BB+"	Not a Loan or Participation Interest in Loan	–2
Not Structured Finance Obligation		Loan or Participation Interest in Loan	–2

(ii) if such Collateral Obligation is not rated by S&P but another security or obligation of the obligor has a public and monitored rating by S&P (a "parallel security"), then the rating of such parallel security will at the election of the Investment Manager be determined in accordance with the table set forth in sub–clause (b)(i) above, and the Moody's Derived Rating for purposes of the definitions of Moody's Rating and Moody's Default Probability Rating (as applicable) of such Collateral Obligation will be determined in accordance with the methodology set forth in the following table (for such purposes treating the parallel security as if it were rated by Moody's at the rating determined pursuant to this sub–clause (b)(ii)):

Obligation Category of parallel security	Rating of parallel security	Number of subcategories relative to rated security rating
Senior secured obligation	greater than or equal to B2	–1
Senior secured obligation	less than B2	–2
Subordinated obligation	greater than or equal to B3	+1
Subordinated obligation	less than B3	0

(iii) or, if such Collateral Obligation is a Corporate Rescue Loan, no Moody's Derived Rating may be determined based on a rating by S&P or any other rating agency; and

(c) if not determined pursuant to clauses (a) or (b) above and such Collateral Obligation is not rated by Moody's or S&P and no other security or obligation of the issuer of such Collateral Obligation is rated by Moody's or S&P, and if Moody's has been requested by the Issuer, the Investment Manager or the issuer of such Collateral Obligation to assign a rating or rating estimate with respect to such Collateral Obligation but such rating or rating estimate has not been received, pending receipt of such estimate, the Moody's Derived Rating of such Collateral Obligation for purposes of the definitions of Moody's Rating or Moody's Default Probability Rating shall be (i) "B3" if the Investment Manager certifies to the Trustee and the Collateral Administrator that the Investment Manager believes that such estimate shall be at least "B3" and if the Aggregate Principal Balance of Collateral Obligations determined pursuant to this clause (c) and clause (a) above does not exceed 5 per cent. of the Collateral Principal Amount or (ii) otherwise, "Caa2".

For purposes of calculating a Moody's Derived Rating, each applicable rating on credit watch by Moody's with positive or negative implication at the time of calculation will be treated as having been upgraded or downgraded by one rating subcategory, as the case may be.

"**Moody's Rating**" means:

(a) with respect to a Collateral Obligation that is a Secured Senior Loan or a Secured Senior Bond:

(i) if such Collateral Obligation has an Assigned Moody's Rating, such Assigned Moody's Rating;

(ii) if such Collateral Obligation does not have an Assigned Moody's Rating but the Obligor of such Collateral Obligation has a CFR, then the Moody's rating that is one subcategory higher than such CFR;

(iii) if neither clause (i) nor (ii) above apply, if the Obligor of such Collateral Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Moody's rating that is two subcategories higher than the Assigned Moody's Rating on any such obligation as selected by the Investment Manager in its sole discretion;

(iv) if none of clauses (i) through (iii) above apply, at the election of the Investment Manager, the Moody's Derived Rating; and

(v) if none of clauses (i) through (iv) above apply, the Collateral Obligation will be deemed to have a Moody's Rating of "Caa3"; and

(b) with respect to a Collateral Obligation other than a Secured Senior Loan or a Secured Senior Bond:

(i) if such Collateral Obligation has an Assigned Moody's Rating, such Assigned Moody's Rating;

(ii) if such Collateral Obligation does not have an Assigned Moody's Rating but the Obligor of such Collateral Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Assigned Moody's Rating on any such obligation as selected by the Investment Manager in its sole discretion;

(iii) if neither clause (i) nor (ii) above apply, if such Collateral Obligation does not have an Assigned Moody's Rating but the Obligor of such Collateral Obligation has a CFR, then the Moody's rating that is one subcategory lower than such CFR;

(iv) if none of clauses (i), (ii) or (iii) above apply, if such Collateral Obligation does not have an Assigned Moody's Rating but the Obligor of such Collateral Obligation has one or more subordinated debt obligations with an Assigned Moody's Rating, then the Moody's rating that is one subcategory higher than the Assigned Moody's Rating on any such obligation as selected by the Investment Manager in its sole discretion;

(v) if none of clauses (i) through (iv) above apply, at the election of the Investment Manager, the Moody's Derived Rating; and

(vi) if none of clauses (i) through (v) above apply, the Collateral Obligation will be deemed to have a Moody's Rating of "Caa3".

For purposes of calculating a Moody's Rating, each applicable rating on credit watch by Moody's with positive or negative implication at the time of calculation will be treated as having been upgraded or downgraded by one rating subcategory, as the case may be.

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 Investment Manager following notification by the Investment 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 Investment 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 Investment Manager believing (in its reasonable judgement) that such credit assessment will be at least "B-" or the rating specified as applicable thereto by Fitch pending receipt of such credit assessment; or

(h) if such Collateral 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; and

(ii) otherwise the Issuer or the Investment 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 Investment Manager believing (in its reasonable judgement) that such credit assessment will be at least "B-" or the rating specified as applicable thereto by Fitch pending receipt of such credit assessment.

For the purposes of determining the Fitch Rating, the following definitions shall apply, provided always that (i) if a debt security or obligation of the Obligor has been in default during the past two years, the Fitch Rating of such Collateral Obligation shall be treated as "D", (ii) 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 (x) if the applicable Collateral Obligation has been put on rating watch negative or negative credit watch for possible downgrade by Fitch, then the rating used to determine the Fitch Rating above shall be one rating subcategory below such rating by Fitch, (y) if the applicable Collateral Obligation has been put on rating watch negative or negative credit watch for possible downgrade by Moody's or S&P, then in the case only where the Fitch Rating is derived from a rating assigned by Moody's or S&P, the rating used to determine the Fitch Rating above shall be one rating subcategory below such rating by Moody's or S&P (as applicable), and (z) notwithstanding the rating definition described above, Fitch reserves the right to use a credit opinion or a rating estimate for any Collateral Obligations at any time.

"**Fitch IDR Equivalent**" means, in respect of any rating described in the Fitch Rating Mapping Table, the equivalent Fitch Issuer Default Rating determined by increasing (or reducing, in the case of a negative number) such rating (or the nearest Fitch equivalent thereof) by the number of notches specified under "Mapping Rule" in the fourth column of the Fitch Rating Mapping Table.

"**Fitch Rating Mapping Table**" means the following table:

Rating Type	Applicable Rating Agency(ies)	Issue rating	Mapping Rule
Corporate family rating or long term issuer rating	Moody's	N/A	+0
Issuer credit rating	S&P	N/A	+0
Senior unsecured	Fitch, Moody's or S&P	Any	+0
Senior, senior secured or subordinated secured	Fitch or S&P	"BBB-" or above	+0
Senior, senior secured or subordinated secured	Fitch or S&P	"BB+" or above	-1
Senior, senior secured or subordinated secured	Moody's	"Ba1" or above	-1
Senior, senior secured or subordinated secured	Moody's	Below "Ba2" but at or above "Ca"	-2
Senior, senior secured or subordinated secured	Moody's	"Ca"	-1
Subordinated, junior subordinated or senior subordinated	Fitch, Moody's or S&P	"B+"/"B1" or above	+1
Subordinated, junior subordinated or senior subordinated	Fitch, Moody's or S&P	"B"/"B2" or below	+2

"**Insurance Financial Strength Rating**" means, in respect of a Collateral Obligation, the lower of any applicable public insurance financial strength rating by S&P or Moody's in respect thereof.

"**Moody's CFR**" means, in respect of a Collateral Obligation, a publicly available corporate family rating by Moody's in respect of the Obligor thereof.

"**Moody's 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.

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, the Class D Interest Coverage Test and the Class E Interest Coverage Test. The Coverage Tests will be used primarily to determine whether interest may be paid on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes, whether Principal Proceeds may be reinvested in Substitute Collateral Obligations, or whether Interest Proceeds which would otherwise be used to pay interest 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, the Class E Interest Coverage 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 (save for the Class F Par Value Test); (ii) in the case of the Class F Par Value Test, on and after the expiry of the Reinvestment Period, and (iii) 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.

Coverage Test and Ratio	Percentage at which Test is satisfied
Class A/B Par Value	129.4 %
Class A/B Interest Coverage	120.0 %
Class C Par Value	120.7 %
Class C Interest Coverage	110.0 %
Class D Par Value	114.1 %
Class D Interest Coverage	105.0 %
Class E Par Value	106.6 %
Class E Interest Coverage	102.0 %
Class F Par Value	103.7 %

DESCRIPTION OF THE INVESTMENT MANAGEMENT AND COLLATERAL ADMINISTRATION AGREEMENT

The following description of the Investment Management and Collateral Administration Agreement consists of a summary of certain provisions of the Investment Management and Collateral 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 Investment Management and Collateral Administration Agreement.

Introduction

The Issuer has appointed Intermediate Capital Managers Limited to provide investment management services pursuant to the Investment Management and Collateral Administration Agreement.

The Issuer has, in the Investment Management and Collateral Administration Agreement, delegated to the Investment Manager the discretion to select and manage the Portfolio. Pursuant to the Investment Management and Collateral Administration Agreement, the Issuer will delegate authority to the Investment Manager to carry out certain of its functions in relation to the Portfolio without the requirement for specific approval by the Issuer.

The following is a summary of the Investment Management and Collateral Administration Agreement and does not purport to be complete.

Acquisition and Sale of Portfolio

The duties of the Investment Manager with respect to the Portfolio include (amongst others):

(i) the selection and purchase (on behalf of the Issuer) of Collateral Obligations on or prior to the Issue Date and during the Initial Investment Period;

(ii) the investment of the amounts standing to the credit of the Accounts (other than the Unfunded Revolver Reserve Account, any Counterparty Downgrade Collateral Accounts, the Collection Account and the Payment Account) in Eligible Investments; and

(iii) the sale of certain of the Collateral Obligations and the reinvestment of the Principal Proceeds received in Substitute Collateral Obligations in accordance with the criteria set out in the Investment Management and Collateral Administration Agreement.

Pursuant to the Investment Management and Collateral Administration Agreement, the Investment Manager will represent that prior to the Issue Date, the Investment Manager (on behalf of the Issuer) identified, selected and assessed (subject to the Investment Manager exercising its customary standard of care) Collateral Obligations to be purchased by the Issuer.

The Investment Manager is required to monitor the Collateral Obligations with a view to seeking to determine whether any Collateral Obligation has become a Credit Risk Obligation or a Credit Improved Obligation or a Defaulted Obligation or otherwise converted into, or been exchanged for or otherwise become, an Exchanged Security, provided that, if it fails to do so, it will not have any liability to the Issuer except as specified in the Investment Management and Collateral Administration Agreement. No Noteholder shall have any recourse against any of the Issuer, the Investment Manager, any Agent or the Trustee for any loss suffered as a result of such failure.

Exercise of Rights in Respect of the Portfolio

Pursuant to the Investment Management and Collateral Administration Agreement, the Issuer authorises the Investment 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 Investment 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.

Fees

As compensation for the performance of its obligations under the Investment Management and Collateral Administration Agreement, the Investment Manager will be entitled to receive from the Issuer a Senior Management Fee, a Subordinated Management Fee and an Incentive Investment Management Fee, all subject to and in accordance with the Priorities of Payment (and in the case of the Incentive Investment Management Fee only, Condition 3(j)(vi) (*Supplemental Reserve Account*).

The Senior Management Fee, the Subordinated Management Fee and the Incentive Investment Management Fee are as defined in the Conditions of the Notes.

The Investment Manager may, at its discretion, (i) (in the case of any Investment Management Fee) irrevocably waive or designate for reinvestment, and (ii) (in the case of the Senior Management Fee and the Subordinated Management Fee only) defer payment, in each case, of some or all of such Investment Management Fees. Any amounts so waived, designated or deferred shall not accrue any interest.

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 accrue interest at a rate of EURIBOR for the applicable Accrual Period plus 2.0 per cent. and will be payable on subsequent Payment Dates on which funds are available therefor according to the Priorities of Payment.

See also "*Risk Factors – Certain Conflicts of Interest – Certain Conflicts of Interest Involving the Investment Manager and its Affiliates*".

Termination and Resignation

Under the Investment Management and Collateral Administration Agreement, the holders of the Subordinated Notes and the Controlling Class have certain rights in respect of the removal of the Investment Manager and appointment of a replacement Investment Manager.

No termination of the appointment of the Investment Manager under the Investment Management and Collateral Administration Agreement, and no resignation of the Investment Manager under the Investment Management and Collateral Administration Agreement (except in the circumstances where it has become illegal for the Investment Manager to carry on its duties under the Investment Management and Collateral Administration Agreement), will be effective unless an Eligible Successor has agreed in writing to assume all of the Investment Manager's duties and obligations thereunder.

"**Eligible Successor**" will mean an established institution (as determined by the Issuer) which:

(i) has demonstrated an ability to perform professionally and competently, duties similar to those falling to be performed by the Investment Manager and with a substantially similar (or better) level of expertise;

(ii) is legally qualified and has the regulatory capacity to act as Investment Manager under the Investment Management and Collateral Administration Agreement, as successor to the Investment Manager in the assumption of all of the responsibilities, duties and obligations of the Investment Manager thereunder;

(iii) will perform its duties under the Investment Management and Collateral Administration Agreement without causing adverse tax consequences to the Issuer or any Noteholder;

(iv) will not cause the Issuer or the Portfolio to be required to register as an "investment company" under the Investment Company Act;

(v) will not cause the Issuer to be resident in, or have a permanent establishment in, any jurisdiction other than Ireland, or deemed to be resident for tax purposes in, or have a permanent establishment in, or be engaged or deemed to be engaged in the conduct of a trade or business in, any jurisdiction other than Ireland;

(vi) has been approved by both the holders of the Controlling Class and the Subordinated Notes, each acting by Ordinary Resolution;

(vii) will not cause the Issuer, its directors or officers or the Investment Manager or its directors, officers or employees to register with the CFTC as a CPO or a CTA pursuant to the Commodity Exchange Act;

(viii) will not cause the Issuer to be in breach of any law or regulation applicable to the Issuer; and

(ix) except to the extent that the Retention Notes have not been transferred in accordance with the terms set out in "*Retention Requirements*", has given representations and covenants on substantially the same terms as the representations and covenants set out in "*Retention Requirements*".

Automatic Termination

The Investment Management and Collateral Administration Agreement will automatically terminate upon the earlier to occur of: (a) the payment in full of the Notes and all other Secured Obligations and the termination of the Trust Deed in accordance with its terms; (b) the liquidation of the Collateral and the final distribution of the proceeds of such liquidation as provided in the Trust Deed; and (c) 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 Investment Manager thereof.

Termination at Election of the Investment Manager

Resignation by the Investment Manager

The Investment Manager may resign at any time, upon 45 days' (or such shorter notice as is acceptable to the Issuer) written notice to the Issuer with a copy to each of the Trustee, the Principal Paying Agent, the Collateral Administrator, the Rating Agencies and each Hedge Counterparty.

Termination at Election of the Issuer

Termination for Cause

The Investment Manager may be removed for "cause" upon 10 days' prior written notice given by

(i) the Issuer at its own discretion; or

(ii) the Trustee if so directed (and subject to being indemnified and/or secured and/or prefunded to its satisfaction) by the Controlling Class and the Subordinated Noteholders, in each case, acting by Extraordinary Resolution,

provided that any Class X Notes, IM Exchangeable Non-Voting Notes or IM Non-Voting Notes and, other than in connection with an IM Replacement Resolution where the successor investment manager is not an Affiliate of the Investment Manager, any Notes held by the Investment Manager or an Investment Manager Related Person will have no voting rights with respect to any vote (or written direction or consent) in connection with the removal of the Investment Manager. Any such notice or direction may only be given if an Investment Manager Termination Event has occurred and is continuing.

Termination for Tax Reasons

If the appointment of the Investment Manager, or the performance of the Investment Manager's duties under the Investment Management and Collateral Administration Agreement or the appointment by the Investment Manager of an agent would or would likely cause (in the opinion of senior UK tax counsel) the Issuer to be subject to United Kingdom corporation tax by virtue of causing the Issuer to be carrying on a trade in the United Kingdom through a United Kingdom permanent establishment, the Investment Manager may, subject to certain conditions, be removed upon 30 days' prior written notice given by either the Issuer or the Trustee if so directed and subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction by either (A) by the Controlling Class or (B) by the Subordinated Noteholders, in either case acting by Extraordinary Resolution, provided that any Class X Notes, IM Exchangeable Non-Voting Notes or IM Non-Voting Notes and, other than in connection with an IM Replacement Resolution where the successor investment manager is not an Affiliate of the Investment Manager, any Notes held by the Investment Manager or an Investment Manager Related Person will have no voting rights with respect to any vote (or written direction or consent) in connection with such removal of the Investment Manager.

"**Investment Manager Termination Event**" means the occurrence at any time of any of the following events:

(a) the Investment Manager wilfully breaches, or wilfully takes any action which it knows is in breach of any material provision of the Investment Management and Collateral Administration Agreement (it being understood that any action or failure to act by the Investment Manager, including but not limited to, any decision to buy or sell a Collateral Obligation (including its poor economic performance), based on its good faith interpretation (and where appropriate based on advice from legal counsel) of the Investment Management and Collateral Administration Agreement will not be considered a wilful breach) which breach (i) is materially prejudicial to the interests of the Controlling Class (it being understood that failure to meet any Portfolio Profile Test, Collateral Quality Test, Reinvestment Overcollateralisation Test or Coverage Test is not a breach for purposes of this paragraph (a)), and (ii) if capable of being cured, is not cured within 30 days of the Investment Manager becoming aware of, or the Investment Manager receiving notice from the Issuer or the Trustee of, such breach or, if such breach is not capable of being cured within 30 days but is capable of being cured within a longer period, the Investment Manger 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);

(b) the Investment Manager breaches in any respect any material provision of the Investment Management and Collateral Administration Agreement as is applicable to it (other than as specified in paragraph (a) above (and it being understood that failure to meet any Portfolio Profile Test, Collateral Quality Test, Reinvestment Overcollateralisation Test or Coverage Test is not a breach for the purposes of this paragraph (b)) which breach (i) is materially prejudicial to the interests of the Noteholders of any Class and (ii) if capable of being cured, is not cured within 30 days of the Investment Manager becoming aware thereof or the Investment Manager's receipt of written notice of such breach form the Issuer or Trustee, or, if such breach is not capable of cure within 30 days but is capable of being cured within a longer period, the Investment Manager fails to cure such breach within the period in which a reasonably prudent person could cure such breach, but in no event greater than 90 days. Upon becoming aware of any such breach, the Investment Manager shall give written notice thereof to the Issuer and the Trustee;

(c) the failure of any representation or warranty made or given by the Investment Manager in or pursuant to the Investment Management and Collateral Administration Agreement or the Trust Deed to be correct in any material respect when made and such failure (i) is materially prejudicial to the interests of the Noteholders of any Class and (ii) if capable of being cured, is not cured within 30 days of the Investment Manager being aware thereof or the Investment Manager's receipt of written notice of such failure from the Issuer or Trustee, or, if such failure is not capable of cure within 30 days but is capable of being cured within a longer period, the Investment Manger fails to cure such breach within the period in which a reasonably prudent person could cure such failure, but in no event greater than 90 days;

(d) the Investment Manager is wound up or dissolved (other than pursuant to a consolidation, amalgamation or merger where a successor investment manager succeeds the Investment Manager and agrees to be bound by the terms of the Investment Management and Collateral Administration Agreement and the other Transaction Documents appropriate to the Investment Manger to the extent expressly contemplated under the subject to the terms of the Investment Management and Collateral Administration Agreement) or there is appointed over it or a substantial part of its assets a receiver, administrator, administrative receiver, trustee or similar officer; or the Investment Manager (i) ceases to be able to, or admits in writing that it is unable to pay its debts as they become due and payable, or makes a general assignment for the benefit of, or enters into any composition or arrangement with, its creditors generally; (ii) applies for or consents (by admission of material allegations of a petition or otherwise) to the appointment of a receiver, trustee, assignee, custodian liquidator or sequestrator (or other similar official) of the Investment 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 Investment Manager without such authorisation, consent or application and either continue undismissed for 60 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 a 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 Investment Manager without such authorisation, application or consent and remain undismissed for 60 days or result in adjudication of bankruptcy or insolvency or the issuance of an order for relief; or (iv) permits or suffers

all or any substantial part of its properties or assets to be sequestered or attached by court order and the order (if contested in good faith) remains undismissed for 60 days;

(e) the occurrence of an Event of Default specified in Condition 10(a)(i) or (ii) (*Events of Default*) which is directly the result of any act or omission of the Investment Manager resulting from a breach of its duties under the Investment Management and Collateral Administration Agreement and which is not cured within any applicable cure period set forth in the Conditions; or

(f) the occurrence of an act by the Investment Manager or any of its senior executive officers that constitutes fraud or criminal activity in the performance of the Investment Manager's obligations under the Investment Management and Collateral Administration Agreement, or the Investment Manager or any of its senior executive officers being found guilty of having committed a criminal offence materially related to the management of investments similar in nature and character to those which comprise the Collateral unless in the case of an indictment arising from practices that have become the subject of contemporaneous actions against multiple un-affiliated investment advisers in the same jurisdiction or regulatory region, such indictment has been cured or dismissed within 30 days.

If any of the events specified in paragraphs (a) through (f) above shall occur, the Investment Manager shall give prompt written notice thereof to the Issuer, the Trustee, the Rating Agencies and the holders of the Outstanding Notes in accordance with the conditions upon the Investment Manager becoming aware of the occurrence of such event.

Substitute Investment Manager

In the event the Investment Manager has resigned or has been removed while any of the Notes are outstanding, the Subordinated Noteholders (acting by Ordinary Resolution) shall nominate a substitute Investment Manager (the "**Substitute Investment Manager**") which is an established institution which is an Eligible Successor.

The nomination of the Substitute Investment Manager must be approved by: (i) the holders of the Controlling Class acting by Ordinary Resolution; and (ii) the Rating Agencies. If the holders of the Controlling Class do not consent to the nomination of the Substitute Investment Manager proposed by the Subordinated Noteholders, within 30 days of the nomination the holders of the Controlling Class (acting by Ordinary Resolution) shall nominate an alternative Substitute Investment Manager. The appointment of such alternative Substitute Investment Manager must be approved by: (i) the Subordinated Noteholders acting by Ordinary Resolution within 30 days of the nomination; and (ii) the Rating Agencies. If there is still no agreement on a Substitute Investment Manager, the Subordinated Noteholders or the Controlling Class, as the case may be, may nominate a Substitute Investment Manager provided that if a Substitute Investment Manager is nominated by the Subordinated Noteholders, the appointment of such Substitute Investment Manager must be approved by (i) the holders of the Controlling Class acting by Ordinary Resolution within 30 days of the nomination and if a Substitute Investment Manager is nominated by the holders of the Controlling Class, the appointment of such Substitute Investment Manager must be approved by the Subordinated Noteholders acting by Ordinary Resolution within 45 days of the nomination and (ii) in each case, the Rating Agencies. For the avoidance of doubt, any Class X Notes, IM Exchangeable Non-Voting Notes or IM Non-Voting Notes and, other than where such nominated Substitute Investment Manager is not an Affiliate of the Investment Manager any Notes held by the Investment Manager or an Investment Manager Related Person will have no voting rights with respect to any vote (or nomination or approval) in connection with the appointment of a Substitute Investment Manager.

The Senior Management Fee and the Subordinated Management Fee may be adjusted at the discretion of the Issuer (with the consent of the Trustee, Rating Agency Confirmation and an Extraordinary Resolution of each Class of Noteholders) in the event of a replacement or Substitute Investment Manager being appointed in place of the Investment Manager.

The Issuer shall immediately notify each Rating Agency and each Hedge Counterparty in writing in the event of any resignation or removal of the Investment Manager and in respect of the appointment of any successor Investment Manager.

Delegation by Investment Manager

The Investment Manager may perform any and all of its duties and exercise its rights and powers by or through any one or more agents, including any of its Affiliates, selected by the Investment Manager in accordance with the standard of care to which it is subject under the Investment Management and Collateral Administration

Agreement, subject to the Investment Manager ensuring that any such agent is subject to no less a standard of care. For the avoidance of doubt, notwithstanding any use by the Investment Manager of an agent, the Investment Manager will not be released from any of its obligations under the Investment Management and Collateral Administration Agreement nor from any liabilities it would otherwise have thereunder (and, for the avoidance of doubt it shall remain liable for such performance regardless of its use of, or performance by, any agent). The Investment Manager may not, however, assign or delegate any of its rights or responsibilities, nor permit Affiliates or third parties to perform services on its behalf, if such assignment, delegation or permission would cause the Issuer to be subject to tax (other than any withholding tax on any underlying obligation in the Portfolio) in any jurisdiction outside its jurisdiction of incorporation.

Amendments Affecting the Investment Manager

The Issuer has agreed in the Investment Management and Collateral Administration Agreement that it will not permit any amendment to the Notes, the Trust Deed, or any other Transaction Document that affects the obligations, rights or interests of the Investment Manager under the Investment Management and Collateral Administration Agreement or any other Transaction Document including, without limitation, the amount or priority of any fees or other amounts payable to the Investment Manager, to become effective unless the Investment Manager has been given prior written notice of such amendment and has consented thereto in writing.

Expenses of the Investment Manager

The Issuer will reimburse to the Investment Manager expenses properly incurred by the Investment Manager in the performance of its obligations under the Investment Management and Collateral Administration Agreement (including, but not limited to, the costs of acquisition and disposition of Collateral Obligations, any reasonable expenses incurred by it to engage legal counsel or consultants reasonably necessary in connection with the acquisition, disposition, default or restructuring of any Collateral Obligation and other matters arising in the performance of its duties under the Investment Management and Collateral Administration Agreement, together with any out-of-pocket costs or expenses incurred by the Investment Manager in connection with complying with the U.S. Risk Retention Rules and in each case any irrecoverable VAT payable by the Investment Manager thereon but excluding (i) any recoverable VAT or (ii) the purchase price of any Notes acquired by the Investment Manager to comply with the U.S. Risk Retention Rules or expenses related to financing such Notes, general compliance costs and expenses and any costs and expenses related to regulatory proceedings or litigation involving or related to the Investment Manager that are not directly attributable to the performance of its duties under the Investment Management and Collateral Administration Agreement) for which the Issuer has not otherwise paid on the Payment Date following receipt of an invoice from the Investment Manager in accordance with the Priorities of Payment.

Limits on Responsibility

The Investment Manager will not be responsible for any action taken by the Issuer or, as the case may be, not taken, at the direction of the Investment Manager. Without limiting the Investment Manager's indemnity described below, the Investment Manager, its directors, officers, shareholders, partners, members, agents and employees, and its Affiliates and their directors, officers, shareholders, partners, members, agents and employees, will not be liable to the Issuer, the Trustee, the Noteholders or any other Person for any losses, claims, damages, judgments, assessments, costs, taxes or other liabilities whatsoever (collectively, "**Liabilities**") incurred by the Issuer, the Trustee, the Noteholders or any other Person that arise out of or in connection with the performance by the Investment Manager of its duties under the Investment Management and Collateral Administration Agreement, except where such Liabilities arise (a) by reason of acts or omissions constituting bad faith, wilful misconduct or gross negligence (as such concept is interpreted by the New York courts) in the making of the representations or the performance of the obligations (including the services and duties) of the Investment Manager under the Investment Management and Collateral Administration Agreement, or (b) with respect to the information concerning the Investment Manager provided in writing by the Investment Manager for inclusion in this Offering Circular if such information contains any untrue statement of material fact or omits to state a material fact necessary in order to make the statements contained in the sections headed "*Risk Factors – Certain Conflicts of Interest – Certain Conflicts of Interest Involving the Investment Manager and its Affiliates*" and "*Description of the Investment Manager*" of this Offering Circular, in the light of the circumstances under which they were made, not misleading. Matters described in (a) and (b) above are collectively referred to as "**Investment Manager Breaches**".

Indemnity

Issuer Indemnity

The Issuer will indemnify and hold harmless (the Issuer in such case, the "**Indemnifying Party**") the Investment Manager from and against any and all Liabilities incurred by the Investment Manager and its Affiliates and each of the directors, officers, shareholders, partners, members, agents and employees of the Investment Manager (each such party, an "**Issuer Indemnified Party**"), and in addition will reimburse each such party for all properly incurred fees and expenses (including, without limitation, properly incurred fees and expenses of legal counsel, together, for the avoidance of doubt, with any irrecoverable VAT payable thereon) (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**"), caused by, or arising out of or in connection with, such Liabilities that have been incurred by the Issuer Indemnified Party as a result of the appointment or actions of the Investment Manager in its capacity as such; provided that no Issuer Indemnified Party will be indemnified for any Liabilities or Expenses it incurs as a result of (1) any acts or omissions by any Issuer Indemnified Party constituting an Investment Manager Breach and/or (2) any failure by the Investment Manager to comply with its obligations and responsibilities in respect of the EU Retention Requirements set out in the Retention Undertaking Letter or any such Issuer Indemnified Party being or becoming at any time a holder of any Notes or otherwise in respect of its holding of any Notes. Notwithstanding anything contained in the Investment Management and Collateral Administration Agreement to the contrary, the obligations of the Issuer in this regard will be payable solely out of the Collateral in accordance with the Priorities of Payment and will survive termination of the Investment Management and Collateral Administration Agreement and the Issuer shall pay to the Investment Manager all such indemnified amounts on account of such Liabilities and Expenses on behalf of the Investment Manager and each other Issuer Indemnified Party.

Issuer UK Tax Representative Indemnity

The Issuer will also agree to indemnify the Investment Manager against any Issuer UK Tax Representative Liabilities provided that this shall not apply to the extent that such liabilities would not have arisen but as a direct consequence of an Investment Manager Breach. In addition to any other notification requirements set out in the Investment Management and Collateral Administration Agreement, the Investment Manager agrees that it will inform the Issuer as soon as it becomes aware that any such Issuer UK Tax Representative Liabilities may be incurred.

"**Issuer UK Tax Representative Liability**" means any liability of the Issuer to UK corporation tax, UK income tax or UK diverted profits tax (and in each case interest and/or penalties thereon) which is:

(i) imposed on the Investment Manager and recoverable from the Investment Manager, under Chapter 6 of Part 22 of the Corporation Tax Act 2010, chapter 2B of Part 14 of the Income Tax Act 2007 and Part 1 of Schedule 16 to the Finance Act 2015; or

(ii) (within 30 days of the date on which all the then outstanding Notes are due to redeem) a liability to diverted profits tax which HM Revenue & Customs has indicated in writing that the Issuer is likely to be subject to and for which the Investment Manager has been advised that it would be liable were such diverted profits tax not paid by the Issuer (against the amount of diverted profits tax which HM Revenue & Customs has already claimed before making such indication in writing or otherwise that the Investment Manager has been advised by HM Revenue & Customs would fall due);

and in respect of each liability to UK corporation tax, UK income tax or UK diverted profits tax, any costs or expenses reasonably incurred by the Investment Manager in connection therewith (including, without limitation, properly incurred fees and expenses of legal counsel, together with any irrecoverable VAT payable thereon).

Investment Manager Indemnity

The Investment Manager will indemnify and hold harmless (the Investment Manager in such case, the "**Indemnifying Party**") the Issuer, the Trustee and the Collateral Administrator and each of their directors, officers, shareholders, members, employees and agents (such parties collectively in such case, the "**Investment Manager Indemnified Parties**") from and against any and all Liabilities and Expenses as are incurred in investigating, preparing, pursuing or defending any Actions, caused by, or arising out of or in connection with, any Investment Manager Breach except to the extent that such claim results directly from the fraud, wilful default or negligence of such Investment Manager Indemnified Party.

DESCRIPTION OF THE COLLATERAL ADMINISTRATOR

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

General

Virtus Group L.P. ("**Virtus**") provides fixed-income collateral administration services and data on structured and non-structured transactions across a broad spectrum of investment vehicles, including collateralised loan obligations (CLOs), Total Returns Swaps (TRS), hedge and private equity funds and separately managed accounts. Virtus also provides solutions for fixed-income asset managers looking to outsource their middle office requirements. For administrative services requiring a trustee or custodian function, such as CLOs, Virtus has partnered with Citibank Agency & Trust to offer a seamless and holistic administrative package. Established in 2005 and now with offices in Houston, London, New York, Austin and Shanghai, Virtus is one of the industry's leading CLO Collateral Administrators. Virtus administers over 10,000 loan facilities with total assets under administration over US$170bn billion across approximately 220 portfolios and approximately 75 managers.

Removal and Resignation

Removal without Cause

Subject to the Investment Management and Collateral Administration Agreement, the Collateral Administrator may be removed without cause, at any time upon 45 calendar days' prior written notice, by (i) the Issuer, or (ii) the Trustee (subject to it being indemnified and/or secured and/or pre-funded to its satisfaction) acting upon the directions of the Controlling Class acting by Extraordinary Resolution.

Removal with Cause

The Collateral Administrator may be removed for Cause by (i) the Issuer (with the written consent of the Trustee) or (ii) the Trustee (subject to it being indemnified and/or secured and/or pre-funded to its satisfaction) acting upon the directions of the Controlling Class acting by Extraordinary Resolution, upon written notice to the Collateral Administrator copied to the Issuer or Trustee (as applicable) and the Investment Manager upon not less than 10 calendar days' prior written notice. No such termination or removal shall be effective until the date on which a successor Collateral Administrator agrees in writing to assume all of the Collateral Administrator's duties pursuant to the Investment Management and Collateral Administration Agreement and Rating Agency Confirmation shall have been given in relation thereto. For purposes of determining "**Cause**" such term shall mean any one of the following events:

(a) the Collateral Administrator shall default in the performance of any of its material duties under the Investment Management and Collateral Administration Agreement and shall not cure such default within 30 calendar days of the occurrence of such default (or, if such default cannot be cured in such time, shall not give, within 30 calendar days of such default, assurance of such cure as shall be reasonably satisfactory to the Issuer, the Trustee and the Investment Manager); or

(b) if at any time the Collateral Administrator shall be adjudged bankrupt or insolvent, or be subject to an administration order, or shall file a voluntary petition in bankruptcy or make an assignment for the benefit of its creditors or consent to the appointment of a Receiver of all or any substantial part of its property, or if a Receiver of it or of all or any substantial part of its property shall be appointed, or if any public officer shall take charge or control of the Collateral Administrator or of its property or affairs, for the purpose of rehabilitation, conservation or liquidation, or a resolution is passed or an order made for the winding up of the Collateral Administrator, the Issuer may, with the prior written approval of the Trustee, terminate the appointment of the Collateral Administrator.

Resignation

Subject to the Investment Management and Collateral Administration Agreement, the Collateral Administrator may resign by 45 calendar days' written notice to the Issuer, the Trustee and the Investment Manager.

HEDGING ARRANGEMENTS

The following section consists of a summary of certain provisions which, pursuant to the Investment Management and Collateral Administration Agreement, are required to be contained in each Hedge Agreement and Hedge Transaction. Such summary does not purport to be complete and is qualified by reference to the detailed provisions of each Hedge Agreement and Hedge Transaction. The terms of a Hedge Agreement or Hedge Transaction may differ from the description provided herein, subject to receipt of Rating Agency Confirmation in respect thereof or without Rating Agency Confirmation if such Hedge Transaction constitutes a Form Approved Hedge.

Hedge Agreements

Following satisfaction of the Hedging Condition, the Issuer (or the Investment Manager on its behalf) entered into certain transactions prior to the Issue Date, and subject to the satisfaction of the Hedging Condition, the Issuer (or the Investment Manager on its behalf) may enter into transactions, in each case documented under a 1992 ISDA Master Agreement (Multicurrency – Cross Border) or a 2002 ISDA Master Agreement or such other form published by the International Swaps and Derivatives Association, Inc. ("**ISDA**"). Each Hedge Transaction has been or will be, as applicable, evidenced by a confirmation entered into pursuant to a Hedge Agreement.

Each Hedge Transaction is or will be, as applicable, 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 Euro at the Currency Hedge Transaction Exchange Rate,

in each case, entry into such transaction was or will be subject to (i) receipt of Rating Agency Confirmation in respect thereof (save in the case of a Form Approved Hedge) and (ii) the Hedge Counterparty satisfying the applicable Rating Requirement (taking into account any rating provisions of the relevant Hedging Agreement) and has the Irish regulatory capacity to enter into derivatives transactions with Irish residents. If the relevant counterparty criteria of a Rating Agency change following the receipt of Rating Agency Confirmation or approval of a Form Approved Hedge, as applicable, the Investment 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 Investment Manager on behalf of the Issuer) may purchase Non-Euro Obligations, provided that such obligation is denominated in a Qualifying Currency and either (x) if such obligation is purchased in the Primary Market and is denominated in a Qualifying Unhedged Obligation Currency, within 180 calendar days of the settlement of the purchase by the Issuer of such obligation, and otherwise (y) no later than the settlement of the purchase by the Issuer of such obligation, the Issuer (or the Investment 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 obligation and otherwise complies with the requirements in respect of Non-Euro Obligations in the Investment Management and Collateral Administration Agreement (and such obligation is not convertible into or payable in any other currency).

For the avoidance of doubt, the ability of the Issuer or the Investment Manager on its behalf to enter into any Currency Hedge Transactions, and therefore the ability of the Issuer or the Investment 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 in circumstances in which 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 Investment 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 another counterparty in compliance with the applicable Rating Requirement and which has the Irish regulatory capacity to enter into derivatives transactions with Irish residents.

Interest Rate Hedge Transactions: In the event that any Interest Rate Hedge Transaction terminates in whole at any time in circumstances in which the applicable Interest Rate Hedge Counterparty is the "Defaulting Party" or sole "Affected Party" (each as defined in the applicable Interest Rate Hedge Agreement) the Issuer (or the Investment 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 another counterparty in compliance with the applicable Rating Requirement and which has the Irish regulatory capacity to enter into derivatives transactions with Irish residents.

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 without Rating Agency Confirmation if such Currency Hedge Transactions constitute Form Approved Hedges):

(a) on the effective date of entry into such transaction, the Issuer pays to the Currency Hedge Counterparty an initial exchange amount in Euro equal to the purchase price of such Non–Euro Obligation, converted into Euro 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 Euro, such final exchange amount to be an amount equal to the Proceeds on Maturity converted into Euro at the Currency Hedge Transaction Exchange Rate;

(c) two Business Days following the date of each scheduled payment of interest on the related Non–Euro Obligation or such later date as otherwise specified in the relevant confirmation, the Issuer pays to the Currency Hedge Counterparty an amount in the relevant non–Euro currency based on the principal amount outstanding from time to time of the relevant Non–Euro Obligation (the "**Non–Euro Notional Amount**") and equal to the interest payable in respect of the Non–Euro Obligation and the Currency Hedge Counterparty will pay to the Issuer a EURIBOR coupon amount based on the outstanding principal amount of the related Non–Euro Obligation converted into Euro at the Currency Hedge Transaction Exchange Rate (the "**Euro Notional Amount**"); and

(d) following the sale of any Non–Euro Obligation, the Issuer shall pay to the Currency Hedge Counterparty an amount equal to the sale proceeds of such Non–Euro Obligation in the relevant currency (the "**Proceeds on Sale**") in exchange for payment by the Currency Hedge Counterparty of an amount denominated in Euro, such amount to be an amount equal to the Proceeds on Sale converted into Euro at the Currency Hedge Transaction Exchange Rate less any amounts payable to the Currency Hedge Counterparty in respect of the early termination of the relevant Currency Hedge Transaction (but, for the avoidance of doubt, no breakage or other costs will be payable to the Currency Hedge Counterparty in connection with a prepayment, repayment or redemption of the related Non–Euro Obligation).

The Investment 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 Euro promptly upon receipt thereof at the then prevailing spot rate available to the Issuer under the Agency and Account Bank Agreement and shall procure that such amounts are paid into the Principal Account or the Interest Account, as applicable. The Investment 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 applicable Currency Account and all amounts payable by the Issuer under any Currency Hedge Transaction (other than any initial exchange amounts payable in Euro 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 applicable Currency Account, in each case to the extent amounts are available therein.

The Issuer shall only be obliged to pay Scheduled Periodic Currency Hedge Issuer Payments to a Currency Hedge Counterparty if and to the extent it actually receives the corresponding amount in respect of the relevant Non–Euro Obligation.

Upon the acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*), and upon the Trustee (or any agent or appointee thereof), the Investment 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.

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.

Interest Rate Cap Transactions

On or around the Issue Date, the Issuer may enter into the Issue Date Interest Rate Hedge Transactions. The Issuer will have no payment obligations in respect of any such Issue Date Interest Rate Hedge Transactions other than the payment of a premium in respect of each such transaction to the applicable Interest Rate Hedge Counterparty upon entry into such transactions. The Issuer (or the Investment Manager on its behalf) shall exercise any such Issue Date Interest Rate Hedge Transaction on any Business Day when EURIBOR is greater than the strike price set out in the applicable Issue Date Interest Rate Hedge Transaction. The Issuer (or the Investment Manager on its behalf) may be permitted to novate any Issue Date Interest Rate Hedge Transaction in certain circumstances.

Standard Terms of Hedge Agreements

Each Hedge Agreement entered into by or on behalf of the Issuer shall contain the following standard provisions, save to the extent that any change thereto is agreed by the applicable Hedge Counterparty and subject to receipt of Rating Agency Confirmation in respect thereof (other than in respect of any Form Approved Hedges).

Gross up

Under each Hedge Agreement the Issuer will not be obliged to gross up any payments thereunder in the event of any withholding or deduction for or on account of tax required to be paid on such payments. The relevant Hedge Counterparty may or may not be obliged gross up any payments to Issuer in the event of any withholding or deduction for or on account of tax required to be paid on such payments depending on the terms of the relevant Hedge Agreement. Any such event may result in a "Tax Event" which is a "Termination Event" for the purposes of the relevant Hedge Agreement. In the event of the occurrence of a Tax Event (as defined in such Hedge Agreement), each Hedge Agreement will include provision for the relevant Affected Party (as defined therein) to use reasonable endeavours to (i) (in the case of the Hedge Counterparty) arrange for a transfer of all of its interests and obligations under the Hedge Agreement and all Transactions (as defined in the Hedge Agreement) thereunder to an Affiliate that is incorporated in another jurisdiction so as to avoid the requirement to withhold or deduct for or on account of tax; or (ii) (in the case of the Issuer) if a substitute principal obligor under the Notes has been substituted for the Issuer in accordance with Condition 9 (*Taxation*), arrange for a transfer of all of its interest and obligations under the Hedge Agreement and all Transactions thereunder to that substitute principal obligor so as to avoid the requirement to withhold or deduct for or on account of tax subject to satisfaction of the conditions specified therein (including receipt of Rating Agency Confirmation).

Limited Recourse and Non–Petition

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 Investment 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 without limitation:

(a) certain events of bankruptcy, insolvency, receivership or reorganisation of the Issuer or the related Hedge Counterparty;

(b) failure on the part of the Issuer or the related Hedge Counterparty to make any payment under the applicable Hedge Agreement after taking into account the applicable grace period;

(c) a change in law making it illegal for either the Issuer or the related Hedge Counterparty to be a party to, or perform its obligations under, the applicable Hedge Agreement;

(d) in certain circumstances, upon a regulatory change or change in the regulatory status of the Issuer, as further described in the relevant Hedge Agreement;

(e) representations relating to certain regulatory matters prove to be incorrect when made, if the Issuer becomes subject to AIFMD, or if the Investment Manager is required to register as a "commodity pool operator" pursuant to the United States Commodity Exchange Act of 1936, as amended;

(f) any amendment to any provisions of the Transaction Documents without the written consent of the Hedge Counterparty which has a material adverse effect on its rights thereunder, subject to the terms of 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 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 credit events or restructurings related to the underlying Non–Euro Obligation. These events could potentially be triggered in circumstances where the related Collateral Obligation would not constitute a Defaulted Obligation.

A termination of a Hedge Agreement or a Hedge Transaction will not constitute an Event of Default under the Notes though the repayment in full of the Notes may be an additional termination event under a Hedge Agreement.

Upon the occurrence of any Event of Default or Termination Event (each as defined in the applicable Hedge Agreement), a Hedge Agreement may be terminated by the Hedge Counterparty or the Issuer (or the Investment 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. Such Termination Payment will be determined by the applicable Hedge Counterparty and/or Issuer (or the Investment Manager on its behalf) by reference to market quotations obtained in respect of the entry into of a replacement swap(s) on the same terms as that terminated or as otherwise described in the applicable Hedge Agreement or, under certain circumstances, any loss suffered by a party.

Rating Downgrade Requirements

Each Hedge Agreement shall contain the terms and provisions required by the Rating Agencies (in accordance with the rating methodology of the Rating Agencies at the time of entry into such Hedge Agreements) for the type of derivative transaction represented by the Hedge Transactions in the event that the Hedge Counterparty

(or, as relevant its guarantor) is subject to a rating withdrawal or downgrade by the Rating Agencies which causes the applicable Rating Requirement not to be satisfied. Such provisions may include a requirement that a Hedge Counterparty (or, as relevant, its guarantor) must provide collateral or transfer the Hedge Agreement to another entity meeting the Rating Requirement or procure that a guarantor guarantees its obligations under the Hedge Agreement, in each case in a manner that satisfies the applicable Rating Requirement, or otherwise take other actions subject to Rating Agency Confirmation.

Transfer and Modification

The Investment 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 regulatory capacity to enter into derivatives transactions with Irish residents.

Any of the requirements set out herein may be modified in order to meet any new or additional requirements of any Rating Agency then rating any Class of Notes.

Governing Law

Each Hedge Agreement together with each Hedge Transaction thereunder, in each case including any non–contractual obligations arising out of or in relation thereto, will be governed by, and construed in accordance with, the laws of England.

Reporting of Specified Hedging Data

The Investment Manager, on behalf of the Issuer, may from time to time enter into Reporting Delegation Agreements for the delegation of certain derivative reporting obligations to one or more Reporting Delegates or third parties.

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 8th Business Day after the 17th 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 September 2017 on behalf, and at the expense, of the Issuer and in consultation with the Investment Manager, shall compile and provide to the Issuer, the Trustee, the Investment Manager, each Hedge Counterparty and each Rating Agency 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 10th calendar day of each month (or if such day is not a Business Day, the immediately following Business Day) in consultation with the Investment Manager made available via a secured website currently located at https://sf.citidirect.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Arranger, the Initial Purchaser, the Trustee, each Hedge Counterparty, the Investment Manager, the Rating Agencies and the Noteholders) which shall be accessible to the Issuer, the Arranger, the Initial Purchaser, the Trustee, each Hedge Counterparty, the Investment Manager and the Rating Agencies and to any Noteholder by way of a unique password which in the case of each Noteholder may be obtained from the Collateral Administrator subject to receipt by the Collateral Administrator of certification that such holder is a holder of a beneficial interest in any Notes. 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.

Each Monthly Report shall include notice that: (A) each Noteholder must be either (x) a QIB that is a QP or (y) a person outside the United States that is not a U.S. Person (as defined in Regulation S); and (B) the Notes may only be transferred to investors which also meet such criteria.

The Issuer will procure that notices provided to it by verified Noteholders are published, upon request by such Noteholders, on the reporting website currently located at https://sf.citidirect.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Arranger, the Initial Purchaser, the Trustee, each Hedge Counterparty, the Investment Manager, the Rating Agencies and the Noteholders) for viewing by other verified Noteholders. The Collateral Administrator shall have no responsibility or liability for the contents, completeness or accuracy of any such published information.

No Monthly Reports shall be required following redemption in whole (by liquidation only) of all Classes of Rated Notes.

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) whether a Restricted Trading Period applies;

(e) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Obligation, its Principal Balance (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, if any), facility, Collateral Obligation Stated Maturity, Obligor, the Domicile of the Obligor, Moody's Rating, Moody's Default Probability Rating, Fitch Rating, Fitch Recovery

Rating, and any other public rating (other than any confidential credit estimate), its Fitch industry category, Moody's industrial classification group, Moody's Recovery Rate and Fitch Recovery Rate;

(f) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Obligation, whether such Collateral Obligation is a Secured Senior Obligation, Unsecured Senior Obligation, Second Lien Loan, Mezzanine Obligation, High Yield Bond, Fixed Rate Collateral Obligation, Corporate Rescue Loan, PIK Security, Current Pay Obligation, Revolving Obligation, Delayed Drawdown Collateral Obligation, Bridge Loan, Discount Obligation, a Swapped Non–Discount Obligation, Deferring Security, Senior Secured Floating Rate Note or Cov–Lite Loan;

(g) 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;

(h) subject to any confidentiality obligations binding on the Issuer, the number, identity and, if applicable, Principal Balance of, respectively, any Collateral Obligations, Collateral Enhancement Obligations or Exchanged Securities that were released for sale or other disposition (specifying the reason for such sale or other disposition and the section in the Investment Management and Collateral Administration Agreement pursuant to which such sale or other disposition was made), the Aggregate Principal Balances of Collateral Obligations released for sale or other disposition at the Investment Manager's discretion (expressed as a percentage of the Adjusted Collateral Principal Amount and measured at the date of determination of the last Monthly Report), the sale price thereof and the identity of any of the purchasers thereof (if any) that are Affiliated with the Investment Manager;

(i) subject to any confidentiality obligations binding on the Issuer, the purchase or sale price of each Collateral Obligation, Eligible Investment and Collateral Enhancement Obligation acquired by the Issuer and in which the Issuer has granted a security interest to the Trustee, and each Collateral Obligation, Eligible Investment and Collateral Enhancement Obligation sold by the Issuer since the date of determination of the last Monthly Report and the identity of the purchasers or sellers thereof if any, that are Affiliated with the Issuer or the Investment Manager;

(j) 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 Caa Obligation, CCC Obligation and Current Pay Obligation;

(k) subject to any confidentiality obligations binding on the Issuer, the identity of each Collateral Obligation which became a Restructured Obligation and its Obligor, as well as, where applicable, the name of the Obligor prior to the restructuring and the Obligor's new name after the Restructuring Date;

(l) the Aggregate Principal Balance of Collateral Obligations which were upgraded or downgraded since the most recent Monthly Report and of which the Collateral Administrator or the Investment Manager has actual knowledge;

(m) the approximate Market Value of, respectively, the Collateral Obligations and the Collateral Enhancement Obligations;

(n) in respect of each Collateral Obligation, its Moody's Rating and Fitch Rating (other than any confidential credit estimate) as at (i) the date of acquisition; (ii) the date of the previous Monthly Report; and (iii) the date of the current Monthly Report;

(o) the Aggregate Principal Balance of Collateral Obligations comprising Participations in respect of which the Selling Institutions are not the lenders of record;

(p) the amount of any Trading Gains paid into the Supplemental Reserve Account since the previous Payment Date pursuant to the Conditions; and

(q) a commentary provided by the Investment Manager with respect to the Portfolio;

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) the then current Fitch rating and, if applicable, Moody's rating in respect of each Hedge Counterparty, Account Bank and Custodian and the current Moody's 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) from the Effective Date until the expiry of the Reinvestment Period, a statement as to whether the Reinvestment Overcollateralisation Test is satisfied;

(d) so long as any Notes rated by Moody's are Outstanding, the Weighted Average Moody's Recovery Rate and a statement as to whether the Moody's Minimum Weighted Average Recovery Rate Test is satisfied;

(e) the Weighted Average Life and a statement as to whether the Weighted Average Life Test is satisfied;

(f) the Weighted Average Spread (both including and excluding the Aggregate Excess Funded Spread), the Weighted Average Fixed Coupon, the Weighted Average Coupon Adjustment Percentage, the Weighted Average Spread plus the Weighted Average Coupon Adjustment Percentage (if applicable) and a statement as to whether the Minimum Weighted Average Spread Test is satisfied;

(g) so long as any Notes rated by Fitch are Outstanding, the Fitch Weighted Average Rating Factor and a statement as to whether the Fitch Maximum Weighted Average Rating Factor Test is satisfied;

(h) so long as any Notes rated by Fitch are Outstanding, the Fitch Weighted Average Recovery Rate and a statement as to whether the Fitch Minimum Weighted Average Recovery Rate Test is satisfied;

(i) so long as any Notes rated by Moody's are Outstanding, the Moody's Weighted Average Rating Factor and a statement as to whether the Moody's Maximum Weighted Average Rating Factor Test is satisfied;

(j) so long as any Notes rated by Moody's are Outstanding, the Diversity Score and a statement as to whether the Moody's Minimum Diversity Test is satisfied; and

(k) a statement identifying any Collateral Obligation in respect of which the Investment Manager has made its own determination of "Market Value" (pursuant to the definition thereof) for the purposes of any of the Coverage Tests.

Portfolio Profile Tests

(a) in respect of each Portfolio Profile Test, a statement as to whether such test is satisfied, together with details of the result of the calculations required to be made in order to make such determination which details shall include the applicable numbers, levels and/or percentages resulting from such calculations;

(b) the identity and Fitch Rating and Moody's Rating of each Selling Institution, together with any changes in the identity of such entities since the date of determination of the last Monthly Report and details of the aggregate amount of Participations entered into with each such entity; and

(c) a statement as to whether the limits specified in the Bivariate Risk Table are met by reference to the Fitch Ratings and Moody's Ratings of Selling Institutions and, if such limits are not met, a statement as to the nature of the non–compliance.

Risk Retention

(a) confirmation that the Collateral Administrator has received written confirmation (which may be by email) from the Retention Holder that:

(i) it continues to retain the Retention Notes in accordance with the Retention Undertaking Letter; and

(ii) it has not sold, hedged or otherwise mitigated its credit risk under or associated with the Retention Notes or the underlying portfolio of Collateral Obligations, except to the extent permitted in accordance with the EU Retention Requirements; and

(b) the Aggregate Principal Balance of Originated Collateral Obligations held by the Issuer as notified by the Investment Manager or the Issuer.

IM Voting Notes / IM Non-Voting Notes/ IM Exchangeable Non-Voting Notes

(a) for so long as any Class A Notes are Outstanding:

(i) the aggregate Principal Amount Outstanding of all Class A Notes in the form of IM Voting Notes;

(ii) the aggregate Principal Amount Outstanding of all Class A Notes in the form of IM Non-Voting Notes; and

(iii) the aggregate Principal Amount Outstanding of all Class A Notes in the form of IM Exchangeable Non-Voting Notes;

(b) for so long as any Class B-1 Notes are Outstanding:

(i) the aggregate Principal Amount Outstanding of all Class B-1 Notes in the form of IM Voting Notes;

(ii) the aggregate Principal Amount Outstanding of all Class B-1 Notes in the form of IM Non-Voting Notes; and

(iii) the aggregate Principal Amount Outstanding of all Class B-1 Notes in the form of IM Exchangeable Non-Voting Notes;

(c) for so long as any Class B-2 Notes are Outstanding:

(i) the aggregate Principal Amount Outstanding of all Class B-2 IM Voting Notes;

(ii) the aggregate Principal Amount Outstanding of all Class B-2 IM Non-Voting Notes; and

(iii) the aggregate Principal Amount Outstanding of all Class B-2 IM Exchangeable Non-Voting Notes; and

(d) for so long as any Class C-1 Notes are Outstanding:

(i) the aggregate Principal Amount Outstanding of all Class C-1 IM Voting Notes;

(ii) the aggregate Principal Amount Outstanding of all Class C-1 IM Non-Voting Notes; and

(iii) the aggregate Principal Amount Outstanding of all Class C-1 IM Exchangeable Non-Voting Notes; and

(e) for so long as any Class C-2 Notes are Outstanding:

(i) the aggregate Principal Amount Outstanding of all Class C-2 IM Voting Notes;

(ii) the aggregate Principal Amount Outstanding of all Class C-2 IM Non-Voting Notes; and

(iii) the aggregate Principal Amount Outstanding of all Class C-2 IM Exchangeable Non-Voting Notes; and

(f) for so long as any Class D Notes are Outstanding:

(i) the aggregate Principal Amount Outstanding of all Class D IM Voting Notes;

(ii) the aggregate Principal Amount Outstanding of all Class D IM Non-Voting Notes; and

(iii) the aggregate Principal Amount Outstanding of all Class D IM Exchangeable Non-Voting Notes.

Payment Date Report

The Collateral Administrator, on behalf, and at the expense, of the Issuer and in consultation with the Investment Manager, shall render a report not later than 11.00 a.m. (London time) on the Business Day preceding the related Payment Date (the "**Payment Date Report**"), prepared and determined as of each Determination Date, and made available via a secured website currently located at https://sf.citidirect.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Arranger, the Initial Purchaser, the Trustee, each Hedge Counterparty, the Investment Manager and the Rating Agencies and to any Noteholder) which shall be accessible to the Issuer, the Arranger, the Initial Purchaser, the Trustee, each Hedge Counterparty, the Investment Manager, the Rating Agencies and the Noteholders by way of a unique password which in the case of each Noteholder may be obtained from the Collateral Administrator subject to receipt by the Collateral Administrator of certification that such holder is a holder of a beneficial interest in any Notes. 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.

Each Payment Date Report shall include notice that: (A) each Noteholder must be either (x) a QIB that is a QP or (y) a person outside the United States that is not a U.S. Person (as defined in Regulation S); and (B) the Notes may only be transferred to investors which also meet such criteria.

Upon issue of each Payment Date Report, the Collateral Administrator, in the name and at the expense of the Issuer, shall notify the Irish Stock Exchange of the Principal Amount Outstanding of each Class of Notes after giving effect to the principal payments, if any, on the next Payment Date. The Payment Date Report shall contain the following information:

Portfolio

(a) the Aggregate Principal Balance of the Collateral Obligations as of the close of business on such Determination Date, after giving effect to (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;

(d) EURIBOR for the related Due Period and the Rate of Interest applicable to each Class of Rated Notes during the related Due Period; and

(e) whether a Frequency Switch Event (including the calculations in respect thereof) has occurred on the relevant Frequency Switch Measurement Date.

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 Investment 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 "*Monthly Reports — Coverage Tests and Collateral Quality Tests*" above; and

(b) the information required pursuant to "*Monthly Reports — Portfolio Profile Tests*" above.

Hedge Transactions

the information required pursuant to "*Monthly Reports — Hedge Transactions and Counterparty Rating Requirements*" above.

Risk Retention

the information required pursuant to "*Monthly Reports – Risk Retention*" above.

IM Voting Notes / IM Non-Voting Notes/ IM Exchangeable Non-Voting Notes

The information required pursuant to "*Monthly Reports – IM Voting Notes / IM Non-Voting Notes/ IM Exchangeable Non-Voting Notes*" above.

Miscellaneous

Each report shall state that it is for the purposes of information only, that certain information included in the report is estimated, approximated or projected and that it is provided without any representations or warranties as to the accuracy or completeness thereof and that none of the Collateral Administrator, the Trustee, the Issuer or the Investment 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.

Further, for so long as any of the Notes are Outstanding, the Monthly Report and the Payment Date Report will be available for inspection at the offices of, and copies thereof may be obtained free of charge upon request from, the Issuer.

TAX CONSIDERATIONS

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. Ireland Taxation

The following is a summary based on the laws and practices currently in force in Ireland at the date of this Offering Circular of certain Irish tax consequences for investors on the purchase, ownership, transfer, disposal, redemption or sale of the Notes. Such laws and practices are subject to change, which changes may apply with retrospective effect. This summary does not purport to be a comprehensive description of all of the tax considerations that may be relevant. The summary only relates to the tax position of investors beneficially owning the Notes. Particular rules may apply to certain classes of taxpayers holding Notes. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Notes should consult their professional advisers on the tax implications of the purchase, holding, transfer, redemption, disposal or sale of the Notes and the receipt of interest thereon under the laws of Ireland as well as under the laws of their country of residence, citizenship or domicile.

Withholding Tax

In general, tax at the standard rate of income tax (currently 20 per cent), is required to be withheld from payments of Irish source interest (Section 246 (as amended) of the Taxes Consolidation Act, 1997 (the "**1997 Act**")). However, an exemption from withholding on interest payments exists under Section 64 of the 1997 Act for certain interest bearing securities issued by a body corporate (such as the Issuer) which are quoted on a recognised stock exchange in the jurisdiction where it is established (which would include the Irish Stock Exchange) (quoted Eurobonds).

Any interest paid on such quoted Eurobonds can be paid free of withholding tax provided:

1. the person by or through whom the payment is made is not in Ireland; or

2. the payment is made by or through a person in Ireland, and either:

2.1. the quoted Eurobond is held in a clearing system recognised by the Irish Revenue Commissioners (e.g. Euroclear, Clearstream Banking SA and Clearstream Banking AG), or

2.2. the person who is the beneficial owner of the quoted Eurobond and who is beneficially entitled to the interest is not resident in Ireland and has made an appropriate declaration to the person by or through whom the payment is made in the prescribed form.

So long as the Notes are quoted on a recognised stock exchange and are held in a recognised clearing system such as Euroclear, Clearstream Banking SA or Clearstream Banking AG (or, if not so held, payments on the Notes are made through a paying agent not in Ireland), interest on the Notes can be paid by the Issuer and any paying agent acting on behalf of the Issuer without any withholding or deduction for or on account of Irish income tax.

If, for any reason, the quoted Eurobond exemption referred to above does not or ceases to apply, the Issuer can still pay interest on the Notes free of withholding tax provided it is a qualifying company within the meaning of Section 110 of the 1997 Act (a Qualifying Company) and provided the interest is paid to a person resident in either (i) a member state of the European Union (other than Ireland) or (ii) a country with which Ireland has signed a comprehensive double taxation agreement (such a country mentioned in either (i) or (ii) being a relevant territory). For this purpose, residence is determined by reference to the law of the country in which the recipient claims to be resident. This exemption from withholding tax will not apply, however, if the interest is paid to a company in connection with a trade or business carried on by it through a branch or agency located in Ireland.

In certain limited circumstances a payment under the Notes, other than a payment equal to the amount subscribed for the Notes which is considered dependent on the results of the Issuer's business or which represents more than a reasonable commercial return can be re-characterised as a distribution subject to dividend withholding tax.

A payment of profit dependent or excessive interest on the Notes will not be re-characterised as a distribution to which dividend withholding tax could apply where, broadly,

(i) the Noteholder is an Irish tax resident person;

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

(iii) for so long as the Notes remain quoted Eurobonds, neither a person which is a company which directly or indirectly controls the Issuer or which is controlled by a third company which directly or indirectly controls the Issuer nor is a person (including any connected persons) (a) from whom the Issuer has acquired assets, (b) to whom the Issuer has made loans or advances, or (c) with whom the Issuer has entered into a return agreement (as defined in section 110(1) of the 1997 Act) where the aggregate value of such assets, loans, advances or agreements represents 75% or more of the assets of the Issuer (such a person falling within this category of person being a specified person);

(iv) the Noteholder is an exempt pension fund, government body or other resident in a relevant territory person (which is not a specified person); or

(v) the Issuer deducts from the payment an amount as interest withholding tax under section 246(2) of the 1997 Act.

In certain circumstances, Irish tax will be required to be withheld at the standard rate from interest on any quoted Eurobond, where such interest is collected by a bank or other agent in Ireland on behalf of any Noteholder.

Taxation of Noteholders

Notwithstanding that a Noteholder may receive interest on the Notes free of withholding tax in accordance with the summary outlined above the Noteholder may still be liable to pay Irish income tax. Interest paid on the Notes may have an Irish source and therefore be within the charge to Irish income tax, PRSI and the universal social charge. A Note issued by the Issuer may be regarded as property situated in Ireland (and be treated as Irish source income) on the grounds that the debt is deemed to be situate where the debtor resides. Ireland operates a self assessment system in respect of income tax and any person, including a person who is neither resident nor ordinarily resident in Ireland, with Irish source income comes within its scope. Persons who are resident in Ireland are liable to Irish tax on their worldwide income.

However, interest on the Notes will be exempt from Irish income tax if the recipient of the interest is resident in a relevant territory provided either (i) the Notes are quoted Eurobonds and are exempt from withholding tax as set out above and the recipient is not a resident of Ireland (ii) in the event of the Notes not being or ceasing to be quoted Eurobonds exempt from withholding tax, if the Issuer is a Qualifying Company, or (iii) if the Issuer has ceased to be a Qualifying Company, the recipient of the interest is a company and the jurisdiction concerned imposes a tax that generally applies to interest receivable in that jurisdiction by companies from sources outside that jurisdiction.

In addition, provided that the Notes are quoted Eurobonds and are exempt from withholding tax as set out above, the interest on the Notes will be exempt from Irish income tax if the recipient of the interest is (i) a company under the control, directly or indirectly, of persons who by virtue of the law of a relevant territory are resident in that country and that person or persons are not themselves under the control whether directly or indirectly of a person who is not resident in such a country and the interest is paid out of the assets of the Issuer or (ii) a company, the principal class of shares of such company, or another company of which the recipient company is a 75% subsidiary, is substantially and regularly traded on one or more recognised stock exchanges in Ireland or a relevant territory or in a territory or on a stock exchange approved by the Irish Minister for Finance or the interest is exempt from income tax under the provisions of a double taxation agreement that was then in force when the interest was paid or would have been exempt had a double taxation agreement that was signed at the date the interest was paid been in force at that date.

For the purposes of the exemptions described above, the residence of the recipient in a relevant territory is determined by reference to:

(i) the relevant treaty between Ireland and the relevant territory, where such treaty has been entered into and has the force of law;

(ii) under the laws of that territory, where there is no relevant treaty which has the force of law.

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

Noteholders receiving interest on the Notes which does not fall within any of the above exemptions may be liable to Irish income tax and the universal social charge on such interest.

Qualifying Companies Holding Irish Specified Mortgages

Section 22 of the Irish Finance Act, 2016 amends Section 110 TCA. It applies to qualifying companies which carry on a business of holding, managing or both holding and managing "specified mortgages".

A "specified mortgage" for this purpose is:

(a) a loan which is secured on, and which derives its value from, or the greater part of its value from, directly or indirectly, land in Ireland;

(b) a specified agreement which derives all of its value, or the greater part of its value, directly or indirectly, from land in Ireland or a loan to which paragraph (a) applies. A specified agreement is defined in Section 110 TCA and includes certain derivatives, swaps or similar arrangements. A specified mortgage does not include a specified agreement which derives its value or the greater part of its value from a CLO transaction, a CMBS/RMBS transaction, a loan origination business or a sub-participation transaction (as defined in Section 110 TCA);

(c) any portion of a security issued by another qualifying company which carries on the business of holding or managing specified mortgages and which carries a right to results dependent or non-commercial interest; or

(d) units in an Irish Real Estate Fund (within the meaning of Chapter 1B of Part 27 TCA);

Such activity is defined as a "specified property business". Where the qualifying company carries on a specified property business in addition to other activities, it must treat the specified property business as a separate business and apportion its expenses on a just and reasonable basis between the separate businesses.

Where the qualifying company has financed itself with loans carrying interest which is dependent on the results of that company's business or interest which represents more than a reasonable commercial return for the use of the principal, or has entered into specified agreements (such as swaps) then the interest or return payable will not be deductible for Irish tax purposes to the extent it exceeds a reasonable commercial return which is not dependent on the results of the qualifying company.

This restriction is subject to a number of exceptions. Transactions which qualify as "CLO transactions" should not be subject to the restrictions described above. A CLO transaction is defined as a securitisation transaction carried out in conformity with:

(a) a prospectus, within the meaning of the Prospectus Directive;

(b) listing particulars, where any securities issued by the qualifying company are listed on an exchange, other than the main exchange, of Ireland or a relevant EU member state; or

(c) where the securities issued by the qualifying company will not be listed on an exchange in Ireland or a relevant EU member state, legally binding documents. In addition, the transaction

  (i) may provide for a warehousing period, which means a period not exceeding 3 years during which time the qualifying company is preparing to issue securities; and

  (ii) provide for investment eligibility criteria that govern the type and quality of assets to be acquired.

Finally, based on the documents referred to in paragraphs (a) to (c) and the activities of the qualifying company, in order for a transaction to be a CLO transaction it must not be reasonable to consider that the main purpose, or one of the main purposes, of the qualifying company was to acquire specified mortgages.

In order to benefit from the exception, the qualifying company must not carry out any activities, other than activities which are incidental or preparatory to the transaction or business of a CLO transaction.

As such, the restrictions on deductibility should not apply if either:

(a) the Issuer does not hold or manage specified mortgages; or

(b) the Issuer's activities fall within the definition of a CLO transaction.

In addition, the legislation does contain other provisions which could limit or eliminate the restrictions on deductibility depending on the structuring of the transaction.

Encashment Tax

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

Capital Gains Tax

A holder of Notes will not be subject to Irish tax on capital gains on a disposal of Notes unless such holder is resident or ordinarily resident in Ireland or carries on a trade in Ireland through a branch or agency in respect of which the Notes are used or held or to which or to whom the Notes are attributable.

Capital Acquisitions Tax

A gift or inheritance comprising of Notes will be within the charge to capital acquisitions tax if either (i) the disponer or the donee/successor in relation to the gift or inheritance is resident or ordinarily resident in Ireland (or, in certain circumstances, if the disponer is domiciled in Ireland irrespective of his residence or that of the donee/successor) or (ii) if the Notes are regarded as property situate in Ireland.

Bearer Notes are generally regarded as situated where they are physically located at any particular time. Registered Notes are generally regarded as situated where the principal register of Noteholders is maintained or is required to be maintained, but the Notes may be regarded as situated in Ireland regardless of their physical location or the location of the register as they secure a debt due by an Irish resident debtor and they may be secured over Irish property. Accordingly, if such Notes are comprised in a gift or inheritance, the gift or inheritance may be within the charge to tax regardless of the residence status of the disponer or the donee/successor.

Stamp Duty

Provided the Issuer remains a Qualifying Company no stamp duty or similar tax is imposed in Ireland on the issue, transfer or redemption of the Notes provided the money raised on the issue of the Notes is used in the course of the Issuer's business (on the basis of an exemption provided in section 85(2)(c) of the Stamp Duties Consolidation Act, 1999).

Automatic exchange of information

Irish reporting financial institutions, which may include the Issuer have reporting obligations in respect of a Noteholder under FATCA as implemented pursuant to the Ireland – US intergovernmental agreement and/or the OECD's Common Reporting Standard (see below).

Information exchange and the implementation of FATCA in Ireland

On 21 December 2012 Ireland signed an Intergovernmental Agreement the ("**IGA**") with the United States to Improve International Tax Compliance and to Implement FATCA. Under this agreement Ireland agreed to implement legislation to collect certain information in connection with FATCA and the Irish and U.S. tax authorities have agreed to automatically exchange this information. The IGA provides for the annual automatic exchange of information in relation to accounts and investments held by certain U.S. persons in a broad category of Irish financial institutions and vice versa. The IGA is of a type commonly known as a "**model 1**" agreement. In July 2014, Ireland enacted Financial Accounts Reporting (United States of America) Regulations 2014 (the "**Irish FATCA Regulations**") which came into operation on 1 July 2014.

Under the IGA and the Irish FATCA Regulations implementing the information disclosure obligations Irish reporting financial institutions are required to report certain information with respect to U.S. account holders to the Irish Revenue Commissioners. The Irish Revenue Commissioners will automatically provide that information annually to the IRS. The Issuer expects to be treated as a "reporting financial institution" for FATCA purposes and intends to carry on its business in such a way as to ensure that it is treated as complying with FATCA pursuant to the terms of the IGA and the Irish FATCA Regulations. Unless an exemption applies, the Issuer shall be required to register with the US Internal Revenue Service as a "reporting financial institution" for FATCA purposes. In order for the Issuer to comply with its FATCA obligations it will be required to report certain information to the Irish revenue Commissioners relating to Noteholders who, for FATCA purposes, are specified US persons, non-participating financial institutions or passive non-financial foreign entities that are controlled by specified US persons. Any information reported by the Issuer to the Irish Revenue Commissioners will be communicated to the US Internal Revenue Service pursuant to the IGA. It is possible that the Irish Revenue Commissioners may also communicate this information to other tax authorities pursuant to the terms of any applicable double tax treaty, intergovernmental agreement or exchange of information regime.

The Issuer or its agents shall be entitled to require Noteholders to provide any information regarding their FATCA status, identity or residency required by the Issuer to satisfy its FATCA obligations. Noteholders will be deemed, by their subscription for or holding of Notes to have authorised the automatic disclosure of such information by the Issuer or any other authorised person to the relevant tax authorities.

The Issuer should not generally be subject to FATCA withholding tax in respect of its US source income for so long as it complies with its FATCA obligations. However, FATCA withholding tax may arise on US source payments to the Issuer if the Issuer does not comply with its FATCA registration and reporting obligations and the US Internal Revenue Service specifically identified the Issuer as being a 'non-participating financial institution' for FATCA purposes. In addition, the Issuer may be unable to comply with its FATCA obligations if Noteholders do not provide the required certifications or information.

If an amount in respect of FATCA Withholding were to be deducted or withheld either from amounts due to the Issuer or from interest, principal or other payments made in respect of the Notes, neither the Issuer nor any paying agent nor any other person would, pursuant to the conditions of the Notes, be required to pay additional amounts as a result of the deduction or withholding. As a result, investors may receive less interest or principal than expected. It should be noted that the Irish Regulations require the collection of information and filing of returns with the Irish Revenue Commissioners regardless as to whether the Issuer holds any U.S. assets or has any U.S. investors. However to the extent that the Notes are listed on a recognised stock exchange and regularly traded (i.e. listed with the intention that the interests may be traded) and/or are held in a recognised clearing system the Issuer should have no reportable accounts in a tax year. In that event the Issuer, if an Irish reporting financial institution, will make a nil return for that year to the Irish Revenue Commissioners. Where the Notes

do not satisfy the 'regularly traded' requirement and are not, or are no longer held, in a clearing system then the Issuer will need to report annually on its US reportable accounts to the extent it has any. In this regard it will need to have a way of having the requisite information collected on its behalf.

Noteholders should obtain independent tax advice in relation to the potential impact of FATCA before investing.

Common Reporting Standard (CRS)

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

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

Ireland has provided for the implementation of CRS through section 891F of the TCA and the enactment of the Returns of Certain Information by Reporting Financial Institutions Regulations 2015. The Irish Revenue Commissioners have indicated that Irish Financial Institutions will be obliged to make a single return in respect of CRS and DAC II. CRS applies in Ireland from 1 January 2016. The Issuer is expected to constitute a Financial Institution for CRS purposes.

For the purposes of complying with its obligations under CRS and DAC II, an Irish FI (such as the Issuer) shall be entitled to require Noteholders to provide certain information regarding their Noteholders and, in certain circumstances, their controlling persons' tax status, identity or residence in order to satisfy any reporting requirements which the Issuer may have as a result of CRS and DAC II and Noteholders will be deemed, by their holding to have authorised the automatic disclosure of such information by the Issuer (or any nominated service provider) or any other person to the Irish Revenue Commissioners. The information will be provided to the Irish Revenue Commissioners who will then exchange the information with the tax or governmental authorities of other participating jurisdictions, as applicable. To the extent that the Notes are held within a recognised clearing system, the Issuer should have no reportable accounts in a tax year. Provided the Issuer complies with these obligations, it should be deemed compliant for CRS and DAC II purposes. Failure by an Irish FI to comply with its CRS and DAC II obligations may result in the Issuer being deemed to be non-compliant in respect of its CRS obligations and monetary penalties may be imposed on a non-compliant FI under Irish legislation.

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

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 nonresident 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 all of its substantial decisions.

An individual may, subject to certain exceptions, be deemed to be a resident of the United States for U.S. federal income tax purposes by reason of being present in the United States for at least 31 days in the calendar year and for an aggregate of at least 183 days during a three–year period ending in the current calendar year (counting for such purposes all of the days present in the current year, one–third of the days present in the immediately preceding year, and one–sixth of the days present in the second preceding year).

This summary is based on interpretations of the Internal Revenue Code of 1986, as amended (the "**Code**"), regulations issued thereunder, and rulings and decisions currently in effect (or in some cases proposed), all of which are subject to change. Any such change may be applied retroactively and may adversely affect the 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 first price at which a substantial amount of Rated Notes within the applicable Class was sold to investors)) and beneficially own such Notes as capital assets and not as part of a "straddle," "hedge," "synthetic security" or a "conversion transaction" for U.S. federal income tax purposes, or as part of some other integrated investment. This summary does not discuss all of the tax consequences (such as any alternative minimum tax consequences) that may be relevant to particular investors or to investors subject to special treatment under the U.S. federal income tax laws (such as banks, thrifts, or other financial institutions; insurance companies; securities dealers or brokers, or traders in securities electing mark–to–market treatment; mutual funds or real estate investment trusts; small business investment companies; S corporations; partnerships or investors that hold their Notes through a partnership or other entity treated as a partnership for U.S. federal income tax purposes; U.S. Holders whose functional currency is not the U.S. dollar; certain former citizens or residents of the United States; retirement plans or other tax–exempt entities, or persons holding the Notes in tax–deferred or tax–advantaged accounts; or "controlled foreign corporations" or "passive foreign investment companies" for U.S. federal income tax purposes). This summary also does not address the tax consequences to shareholders, or other equity holders in, or beneficiaries of, a holder of Notes, or any state, local or foreign tax consequences of the purchase, ownership or disposition of the Notes. Finally, this summary does not address the tax consequences to a Contributor or a Reinvesting Noteholder of a Contribution or Reinvestment Amount (as applicable), in each case, as described in Condition 3(c)(iv) (*Reinvestment Amounts*).

PROSPECTIVE PURCHASERS OF NOTES SHOULD CONSULT THEIR TAX ADVISORS AS TO THE U.S. FEDERAL, STATE AND LOCAL TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF NOTES, AS WELL AS ANY CONSEQUENCES ARISING UNDER THE LAWS OF ANY OTHER TAXING JURISDICTION TO WHICH THEY MAY BE SUBJECT.

U.S. Federal Tax Treatment of the Issuer

The Issuer will be treated as a foreign corporation for U.S. federal income tax purposes. The Issuer intends to operate so as not to be subject to U.S. federal income tax on its net income. In this regard, the Issuer will receive an opinion of Paul Hastings LLP to the effect that, if the Issuer and the Investment Manager comply with the Trust Deed and the Investment Management and Collateral Administration Agreement, including the U.S. Investment Restrictions, and certain other assumptions

specified in the opinion are satisfied, although no authority exists that deals with situations substantially similar to those of the Issuer, the contemplated activities of the Issuer will not cause the Issuer to be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes under current law. This opinion will be based on certain assumptions and certain representations and agreements regarding restrictions on the future activities of the Issuer and the Investment Manager. The Issuer intends to conduct its business in accordance with the assumptions, representations and agreements upon which such opinion is based. In complying with such assumptions, representations and agreements, the Issuer and the Investment Manager are entitled to rely in the future upon the advice and/or opinions of nationally recognized U.S. tax counsel, and the opinion of Paul Hastings LLP will assume that any such advice and/or opinions are correct and complete. Investors should also be aware that the opinion of Paul Hastings LLP simply represents counsel's best judgement and is not binding on the IRS or the courts. In this regard, there are no authorities that deal with situations substantially identical to the Issuer's and the Issuer could be treated as engaged in the conduct of a trade or business within the United States as a result of unanticipated activities, contrary conclusions by the IRS or other causes. Failure of the Issuer to comply with the U.S. Investment Restrictions or the Trust Deed may not give rise to a default or an Event of Default under the Trust Deed or the Investment Management and Collateral Administration Agreement and may not give rise to a claim against the Issuer or the Investment Manager. In the event of such a failure, the Issuer could be engaged in a U.S. trade or business for U.S. federal income tax purposes. Moreover, a change in law or its interpretation could result in the Issuer being treated as engaged in a trade or business within the United States for U.S. federal income tax purposes, or otherwise subject to U.S. federal income tax on a net income basis. Finally, the Trust Deed could be amended in a manner that permits or causes the Issuer to be engaged in a trade or business within the United States for U.S. federal income tax purposes.

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

U.S. Federal Tax Treatment of the Notes

Upon the issuance of the Notes, the Issuer will receive an opinion of Cadwalader, Wickersham & Taft LLP to the effect that, based on certain assumptions, the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes will be treated, and the Class E Notes should be treated, as indebtedness for U.S. federal income tax purposes. No opinion will be received with respect to the Class F Notes. The Issuer intends to treat each Class of the Rated Notes as indebtedness for U.S. federal, state, and local income and franchise tax purposes. The Issuer's characterisations will be binding on all Noteholders, and the Trust Deed requires the Noteholders to treat the Rated Notes as indebtedness for U.S. federal, state and local income and franchise tax purposes. Nevertheless, the IRS could assert, and a court could ultimately hold, that one or more Classes of Rated Notes are equity in the Issuer. If any Rated Notes were treated as equity in, rather than debt of, the Issuer for U.S. federal income tax purposes, then the Noteholders of those Notes would be subject to the special and potentially adverse U.S. tax rules relating to U.S. equity owners in PFICs. See "*Possible Treatment of Class E Notes and Class F Notes as Equity for U.S. Federal Tax Purposes*" below. Except as otherwise indicated, the balance of this summary assumes that all of the Rated Notes are treated as indebtedness of the Issuer for U.S. federal, state and local income and franchise tax purposes. Prospective investors in the Rated Notes should consult their tax advisors regarding the U.S. federal, state and local income and franchise tax consequences to the investors in the event their Rated Notes are treated as equity in the Issuer.

The Issuer intends to treat the Subordinated Notes as equity in the Issuer for U.S. federal income tax purposes, and each holder by its purchase of a Subordinated Note agrees to treat the Subordinated Notes consistently with this treatment.

The Trust Deed could be amended in a manner that materially adversely affects the U.S. federal tax consequences of an investment in the Notes as described herein, including by affecting the U.S. federal

income tax characterisation of the Notes as indebtedness or equity or changing the characterisation and timing of income inclusions to U.S. Holders in respect of the Notes. The remainder of this discussion and the tax opinion of Cadwalader, Wickersham & Taft LLP assume that the Trust Deed is not so amended.

U.S. Federal Tax Treatment of U.S. Holders of Rated Notes

Class 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.

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, Class B-1 Notes or Class B-2 Notes to the extent that the U.S. dollar value of such payments (based on the euro–to–U.S. dollar spot exchange rate on the date such payments are received) differs from the U.S. dollar value of such payments when they were accrued. The foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Original Issue Discount. In addition, if the discount at which a substantial amount of the Class X Notes, Class A Notes, the Class B-1 Notes or the Class B-2 Notes is first sold to investors is at least 0.25 per cent. of the principal amount of the Class, multiplied by the number of complete years to the weighted average maturity of the Class, then the Issuer will treat the Class as issued with original issue discount ("**OID**") for U.S. federal income tax purposes. The total amount of OID with respect to a Note within the Class will equal the excess of the principal amount of the Note over its issue price (the first price at which a substantial amount of Notes within the Class was sold to investors). U.S. Holders of Notes that are issued with OID will be required to include the U.S. dollar value of OID in advance of the receipt of cash attributable to such income. In general, U.S. Holders of the Class X Notes, Class A Notes or Class B Notes will calculate the U.S. dollar value of OID based on the average euro–to–U.S. dollar spot exchange rate during the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the average euro–to–U.S. dollar spot exchange rate for the partial period within the U.S. Holder's taxable year). Alternatively, a U.S. Holder of the Class X Notes, Class A Notes, Class B-1 Notes or Class B-2 Notes can elect to calculate the U.S. dollar value of OID based on the euro–to–U.S. dollar spot exchange rate on the last day of the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the euro–to–U.S. dollar spot exchange rate on the last day of the U.S. Holder's taxable year) or, if the last day of the Accrual Period is within five business days of the U.S. Holder's receipt of the payment of accrued OID, the spot exchange rate on the date of receipt. Any such election must be applied to all debt instruments held by the U.S. Holder and is irrevocable without the consent of the IRS.

A U.S. Holder will be required to include OID in income as it accrues (regardless of the U.S. Holder's method of accounting). 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, Class B-1 Notes or Class B-2 Notes that are issued with OID also will recognise foreign currency exchange gain or loss on the receipt of interest payments on their Class X Notes, Class A Notes Class B-1 Notes or Class B-2 Notes to the extent that the U.S. dollar value of such payments (based on the euro–to–U.S. dollar spot exchange rate on the date such payments are received) differs from the U.S. dollar value of the corresponding amounts of OID when they were accrued. The foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Sale, Exchange or Retirement. In general, a U.S. Holder will have a basis in its Note equal to the U.S. dollar value of the cost of such Note (based, in the case of a Class X Note, Class A Note or a Class B Note, on the euro–to–U.S. dollar spot exchange rate on the date the Note was acquired, or the settlement date for the purchase of the Note if the Note is treated under applicable Treasury regulations as a security traded on an established securities market and the U.S. Holder either uses the cash method of accounting, or uses the accrual method of accounting and so elects (which election must be applied consistently from year to year)), (i) increased by the U.S. dollar value of any 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 Notes, 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, Class A Note or a 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, Class A Note or a 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-1 Notes, Class C-2 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-1 Note, Class C-2 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-1 Notes, Class C-2 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-1 Notes, Class C-2 Notes, Class D Notes, Class E Notes or Class F Notes will be required to include OID in income as it accrues (regardless of the U.S. Holder's method of accounting). 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-1 Notes, Class C-2 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-1 Notes, Class C-2 Notes, Class D Notes, Class E Notes and Class F Notes should apply.

U.S. Holders of the Class C-1 Notes, Class C-2 Notes, Class D Notes, Class E Notes or Class F Notes also will recognise foreign currency exchange gain or loss on the receipt of interest payments on their Notes to the extent that the U.S. dollar value of such payments (based on the euro–to–U.S. dollar spot exchange rate on the date such payments are received) differs from the U.S. dollar value of the corresponding amounts of OID when they were accrued. The foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Sale, Exchange or Retirement. In general, a U.S. Holder of a Class C Note, Class D Note, Class E Note or Class F Note will have a basis in such Note equal to the U.S. dollar value of the cost of such Note (based on the euro–to–U.S. dollar spot exchange rate on the date the Note was acquired, or the settlement date for the purchase of the Note if the Note is treated under applicable Treasury regulations as a security traded on an established securities market and the U.S. Holder either uses the cash method of accounting, or uses the accrual method of accounting and so elects (which election must be applied consistently from year to year)), (i) increased by any amount includable in income by such U.S. Holder as OID (as described above), and (ii) reduced by the U.S. dollar value of any payments received on such Note (based on the euro-to-U.S. dollar spot exchange rate on the date any such payments were received). A U.S. Holder will generally recognise foreign currency exchange gain or loss on the receipt of any principal payments on a Class C Note, Class D Note, Class E Note or Class F Note prior to a sale, exchange, or retirement of such Note to the extent that the U.S. dollar value of each such principal payment (based on the euro-to-U.S. dollar spot exchange rate on the date any such payment was received) differs from the U.S. dollar value of the equivalent principal amount of the Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired). Any such foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Upon a sale, exchange, or retirement of a Class C Note, Class D Note, Class E Note or Class F Note, a U.S. Holder will generally recognise gain or loss equal to the difference between the U.S. dollar value of the amount realised on the sale, exchange, or retirement and the holder's tax basis in such Note. Any such gain or loss will be foreign currency exchange gain or loss to the extent that the U.S. dollar value of the principal amount of the Note on the date of the sale, exchange, or retirement (based on the euro-to-U.S. dollar spot exchange rate on such date) differs from the U.S. dollar value of the equivalent principal amount of the Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired). 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.

Alternative Characterisation.

It is possible that one or more Classes of the Rated Notes could be treated as "contingent payment debt instruments" for U.S. federal income tax purposes. In this event, the timing of a U.S. Holder's OID inclusions could differ from that described above and any gain recognised on the sale, exchange, or retirement of such Notes would be treated as ordinary income and not as capital gain.

Receipt of Euro.

U.S. Holders will have a tax basis in any euro received in respect of the Notes on a sale, redemption, or other disposition of the Notes equal to the U.S. dollar value of the euro on that date. Any gain or loss recognised on a sale, exchange, or other disposition of those euro generally will be ordinary income or loss. A U.S. Holder that converts the euro into U.S. dollars on the date of receipt generally should not recognise ordinary income or loss in respect of the conversion.

Possible Treatment of Class E Notes and Class F Notes as Equity for U.S. Federal Tax Purposes.

As described above under "—*U.S. Federal Tax Treatment of the Notes*," the Issuer intends to treat the Class E Notes and Class F Notes as indebtedness for U.S. federal, state, and local income and franchise tax purposes, and the Trust Deed requires Noteholders to treat the Class E Notes and Class F Notes as indebtedness for U.S. federal, state and local income and franchise tax purposes. Nevertheless, the IRS could assert, and a court could ultimately hold, that the Class E Notes and Class F Notes are equity in the Issuer for U.S. federal income tax purposes.

If the Class E Notes or Class F Notes are treated as equity in the Issuer, because the Issuer will be a passive foreign investment company (a "**PFIC**") for U.S. federal income tax purposes, gain on the sale of the Class E Notes or the Class F Notes could be treated as ordinary income and subject to an additional tax in the nature of interest, and certain interest on such Notes could be subject to the additional tax. A U.S. Holder of such Notes might be able to avoid the ordinary income treatment and additional tax by writing "Protective QEF Election" on the top of an IRS Form 8621, filling out the form, checking Box A (Election to Treat the PFIC as a QEF) and filing the form with the IRS with respect to their Class E Notes or Class F Notes, or by filing a protective statement with the IRS preserving the U.S. Holder's ability to elect retroactively to treat the Issuer as a "qualified electing fund" (a "**QEF**") and so electing at the appropriate time. Such a U.S. Holder also will be required to file an annual PFIC report. The Issuer will provide, upon request and at the Holder's expense, all information and documentation that a U.S. Holder of Class E Notes or Class F Notes making a "protective" QEF election with respect to the Issuer is required to obtain for U.S. federal income tax purposes.

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 controlled foreign corporation ("**CFC**") and could be subject to certain adverse tax consequences. In particular, a U.S. Holder of an indirect equity interest in a PFIC is treated as owning the PFIC directly. The U.S. Holder, and not the Issuer, would be required to make a QEF election with respect to each indirect interest in a PFIC. However, certain PFIC information statements are necessary for U.S. Holders that have made QEF elections, and there can be no assurance that the

Issuer can obtain such statements from a PFIC. Thus, there can be no assurance that a U.S. Holder will be able to make the election with respect to any indirectly held PFIC.

In addition, if the Class E Notes or Class F Notes represent equity in the Issuer for U.S. federal income tax purposes, a U.S. Holder of such Notes would be required to file an IRS Form 926 with the IRS if (i) such person is treated as owning, directly or by attribution, immediately after the U.S. Holder's purchase of Notes, at least 10 per cent. by value of the Issuer or (ii) the amount of cash transferred by such person (or any related person) to the Issuer during the 12–month period ending on the date of such purchase exceeds $100,000. U.S. Holders may wish to file a "protective" IRS Form 926 with respect to their Class E Notes and Class F Notes.

Finally, if the Class E Notes or Class F Notes represent equity in the Issuer for U.S. federal income tax purposes, a U.S. Holder of such Notes will be required to file an IRS Form 5471 with the IRS if the U.S. Holder is treated as owning (actually or constructively) at least 10 per cent. by value of the equity of the Issuer for U.S. federal income tax purposes, and may be required to provide additional information regarding the Issuer annually on IRS Form 5471 if the U.S. Holder is treated as owning (actually or constructively) more than 50 per cent. by 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 or 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 be a PFIC for U.S. federal income tax purposes, and, U.S. Holders of Subordinated Notes will be subject to the PFIC rules, except for certain U.S. Holders that are subject to the rules relating to a CFC (as described below under "— *Investment in a Controlled Foreign Corporation*"),. U.S. Holders of Subordinated Notes should consider making an election to treat the Issuer as a QEF. Generally, a U.S. Holder makes a QEF election on IRS Form 8621, attaching a copy of that form to its U.S. federal income tax return for the first taxable year for which it held its Subordinated Notes. If a U.S. Holder makes a timely QEF election with respect to the Issuer, the electing U.S. Holder will be required in each taxable year to include in gross income (i) as ordinary income, the U.S. dollar value of the U.S. Holder's *pro rata* share of the Issuer's ordinary earnings and (ii) as long–term capital gain, the U.S. dollar value of the U.S. Holder's pro rata share of the Issuer's net capital gain, whether or not distributed. A U.S. Holder will not be eligible for the dividends received deduction in respect of such income or gain. In addition, any losses of the Issuer in a taxable year will not be available to the U.S. Holder and may not be carried back or forward in computing the Issuer's ordinary earnings and net capital gain in other taxable years. If applicable, the rules relating to a CFC, discussed below generally override those relating to a PFIC with respect to which a QEF election is in effect.

In certain cases in which a QEF does not distribute all of its earnings in a taxable year, the electing U.S. Holder may also be permitted to elect to defer payment of some or all of the taxes on the QEF's income, subject to an interest charge (which is non-deductible to individuals) on the deferred amount. In this regard, 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 making a QEF election with respect to the Issuer is required to obtain for U.S. federal income tax purposes.

A U.S. Holder of Subordinated Notes (other than certain U.S. Holders that are subject to the rules relating to a CFC, described below) that does not make a timely QEF election will be required to report the U.S. dollar value of any gain on the disposition of its Subordinated Notes as ordinary income, rather than capital gain, and to compute the tax liability on such gain and any "Excess Distribution" (as defined below) received in respect of the Subordinated Notes as if such items had been earned 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 an interest charge (which is non-deductible to individuals) as if such income tax liabilities had been due with respect to each such year. For purposes of these rules, gifts, exchanges pursuant to corporate reorganisations and use of the Subordinated Notes as security for a loan may be treated as taxable dispositions of such Subordinated Notes. In addition, a stepped-up basis in the Subordinated Notes will not be available upon the death of an individual U.S. Holder who has not made a timely QEF election with respect to the Issuer.

An "**Excess Distribution**" is the amount by which the U.S. dollar value of distributions during a taxable year in respect of a Note exceeds 125 per cent. of the average amount of distributions in respect thereof during the three preceding taxable years (or, if shorter, the U.S. Holder's holding period for the Note).

In many cases, the U.S. federal income tax on any gain on disposition or receipt of Excess Distributions is likely to be substantially greater than the tax if a timely QEF election is made. A U.S. HOLDER OF A SUBORDINATED NOTE SHOULD STRONGLY CONSIDER MAKING A QEF ELECTION WITH RESPECT TO THE ISSUER.

Investment in a Controlled Foreign Corporation. The Issuer will be a CFC if more than 50 per cent. of the equity interests in the Issuer, measured by reference to combined voting power or value, are owned directly, indirectly, or constructively by 10 per cent. United States shareholders. For this purpose, a "**10 per cent. United States shareholder**" is any United States person that possesses directly, indirectly, or constructively 10 per cent. or more of the combined voting power of all classes of equity in the Issuer. It is likely that the Subordinated Notes will be treated as voting securities. In this case, a U.S. Holder of Subordinated Notes possessing directly, indirectly, or constructively 10 per cent. or more of the aggregate outstanding principal amount of the Subordinated Notes would be treated as a 10 per cent. United States shareholder. If more than 50 per cent. of the Subordinated Notes (and any Rated Notes that are treated as equity in the Issuer for U.S. federal income tax purposes), determined with respect to aggregate value or aggregate outstanding principal amount, are owned directly, indirectly, or constructively by such 10 per cent. United States shareholders, the Issuer will be treated as a CFC. If, for any given taxable year, the Issuer is treated as a CFC, a 10 per cent. United States shareholder of the Issuer will be required to include as ordinary income an amount equal to the U.S. dollar value of that person's *pro rata* share of the Issuer's "subpart F income" at the end of such taxable year. Among other items, and subject to certain exceptions, "subpart F income" includes dividends, interest, annuities, gains from the sale of shares and securities, certain gains from commodities transactions, certain types of insurance income and income from certain transactions with related parties. It is likely that, if the Issuer were a CFC, all of its income would be subpart F income.

If the Issuer is treated as a CFC and a U.S. Holder is treated as a 10 per cent. United States shareholder of the Issuer, the Issuer will not be treated as a PFIC with respect to the U.S. Holder for the period during which the Issuer remains a CFC and the U.S. Holder remains a 10 per cent. United States shareholder of the Issuer (the "**qualified portion**" of the U.S. Holder's holding period for the Subordinated Notes). As a result, to the extent the Issuer's subpart F income includes net capital gains, such gains will be treated as ordinary income to the 10 per cent. United States shareholder under the CFC rules, notwithstanding the fact that the character of such gains generally would otherwise be preserved under the QEF rules. If the qualified portion of the U.S. Holder's holding period for the Subordinated Notes subsequently ceases (either because the Issuer ceases to be a CFC or the U.S. Holder ceases to be a 10 per cent. United States shareholder), then solely for purposes of the PFIC rules, the U.S. Holder's holding period for the Subordinated Notes will be treated as beginning on the first day following the end of such qualified portion, unless the U.S. Holder has owned any Subordinated Notes for any period of time prior to such qualified portion and has not made a QEF election with respect to the Issuer. In that case, the Issuer will again be treated as a PFIC which is not a

QEF with respect to the U.S. Holder and the beginning of the U.S. Holder's holding period for the Subordinated Notes will continue to be the date upon which the U.S. Holder acquired the Subordinated Notes, unless the U.S. Holder makes an election to recognise gain with respect to the Subordinated Notes and a QEF election with respect to the Issuer. In the event that the Issuer is a CFC, then, at the request and expense of any U.S. Holder that is a 10 per cent. United States shareholder with respect to the Issuer, the Issuer will provide the information necessary for the U.S. Holder to comply with any filing requirements that arise as a result of the Issuer's classification as a CFC.

Indirect Interests in PFICs and CFCs. If the Issuer owns a Collateral Obligation that is treated as equity in a foreign corporation for U.S. federal income tax purposes, U.S. Holders of Subordinated Notes could be treated as owning an indirect equity interest in a PFIC or a CFC and could be subject to certain adverse tax consequences.

In particular, a U.S. Holder of an indirect equity interest in a PFIC is treated as owning the PFIC directly. The U.S. Holder, and not the Issuer, would be required to make a QEF election with respect to each indirect interest in a PFIC. However, certain PFIC information statements are necessary for U.S. Holders that have made QEF elections, and there can be no assurance that the Issuer can obtain such statements from a PFIC, 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 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) (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 the U.S. Holder of such Subordinated Notes has made a timely QEF election (as described above). See "*—Investment in a Passive Foreign Investment Company*"). If a timely QEF election has been made, distributions should be allocated first to amounts previously taxed pursuant to the QEF election (or pursuant to the CFC rules, if applicable) and to this extent will not be taxable to such U.S. Holder. Distributions in excess of such previously taxed amounts will be treated first as a nontaxable return of capital, to the extent of the U.S. Holder's adjusted tax basis in the Subordinated Notes (as described below under "*—Sale, Redemption, or Other Disposition*"), and then as a disposition of a portion of the Subordinated Notes. In addition, a U.S. Holder will recognise exchange gain or loss with respect to amounts previously taxed pursuant to the QEF election (or pursuant to the CFC rules, if applicable) equal to the difference, if any, between the U.S. dollar value of the distribution on the date received and the U.S. dollar value of the previously taxed amount. Any exchange gain or loss will generally be treated as ordinary income or loss.

If a U.S. Holder has not made a timely QEF election with respect to the Issuer then, except to the extent that distributions are attributable to amounts previously taxed pursuant to the CFC rules, some or all of any distributions with respect to the Subordinated Notes may constitute Excess Distributions, taxable as described above under the heading "*Investment in a Passive Foreign Investment Company*." 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 will be treated 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 disposition. U.S. Holders that use the accrual method of accounting also may elect to use the settlement date valuation, provided that they apply it consistently from year to year.

A U.S. Holder's tax basis in its Subordinated Notes initially will equal the U.S. dollar value of the amount paid by the U.S. Holder for the Subordinated Notes, determined under rules analogous to the rules for determining the U.S. dollar value of the amount realised. The U.S. Holder's tax basis in the Subordinated Notes will be increased by amounts taxable to the U.S. Holder by reason of any QEF election, or by reason of the CFC rules, as applicable, and decreased by the U.S. dollar value of actual distributions by the Issuer that are deemed to consist of such previously taxed amounts or are treated as a nontaxable return of capital, as described above under "*Distributions*".

If the U.S. Holder has made a timely QEF election with respect to the Issuer, then, except to the extent that the Issuer is treated as a CFC and the U.S. Holder is treated as a 10 per cent. United States shareholder of the Issuer, gain or loss upon the sale, redemption, or other disposition of the Subordinated Notes generally will be treated as foreign currency exchange gain or loss, and taxable as ordinary income or loss, to the extent of the positive or negative change in the U.S. dollar value of any amounts previously taxed pursuant to the QEF election from the date of each deemed distribution pursuant to the election (based on the euro–to–U.S. dollar spot exchange rate on that date) to the date of the disposition. Any gain or loss in excess of foreign currency exchange gain or loss will be capital gain or loss, and generally will be long–term capital gain or loss if the U.S. Holder has held the Subordinated Notes for more than one year at the time of the disposition. In certain circumstances, U.S. Holders who are individuals may be entitled to preferential tax rates for net long–term capital gains; however, the ability of U.S. Holders to offset capital losses against ordinary income is limited.

If a U.S. Holder does not make a timely QEF election with respect to the Issuer as described above and is not subject to the CFC rules, any gain realised on the sale, redemption, or other disposition of a Subordinated Note (or any gain deemed to accrue prior to the time a non–timely QEF election is made) will be taxed as ordinary income and subject to an additional tax reflecting a deemed interest charge under the special tax rules described above. See "*—Investment in a Passive Foreign Investment Company*."

If the Issuer is treated as a CFC and a U.S. Holder is treated as a 10 per cent. United States shareholder of the Issuer, then any gain or loss realised by the U.S. Holder upon a sale, redemption, or other disposition of the Subordinated Notes, other than gain or loss subject to the PFIC rules, if applicable, generally will be treated as foreign currency exchange gain or loss, and taxable as ordinary income or loss, to the extent of the positive or negative change in the U.S. dollar value of any amounts previously taxed pursuant to the CFC rules from the date of each deemed distribution pursuant to the CFC rules (based on the euro–to–U.S. dollar spot exchange rate on that date) to the date of the disposition. Any gain in excess of foreign currency exchange gain will be treated as ordinary income to the extent of the U.S. dollar value of the U.S. Holder's pro rata share of the Issuer's previously untaxed earnings and profits.

In addition, as described above under "*—Indirect Interests in PFICs and CFCs*," the U.S. dollar value of any gain attributable to interests in PFICs or CFCs owned by the Issuer may be treated as ordinary income to a U.S. Holder upon the sale, redemption, or other disposition of the U.S. Holder's Subordinated Notes.

Receipt of Euro. U.S. Holders will have a tax basis in any euro received in respect of the Notes on a sale, redemption, or other disposition of the Notes equal to the U.S. dollar value of the euro on that date. Any gain or loss recognised on a sale, exchange, or other disposition of those euro generally will be ordinary income or loss. A U.S. Holder that converts the euro into U.S. dollars on the date of receipt generally should not recognise ordinary income or loss in respect of the conversion.

Transfer and Information Reporting Requirements. A U.S. Holder that purchases the Subordinated Notes will be required to file an IRS Form 926 with the IRS if (i) such person is treated as owning, directly or by attribution, immediately after the U.S. Holder's purchase of Notes, at least 10 per cent. by vote or value of the Issuer or (ii) the amount of cash transferred by such person (or any related person) to the Issuer during the 12–month period ending on the date of such transfer exceeds $100,000.

A U.S. Holder that is treated as owning (actually or constructively) at least 10 per cent. by vote or value of the equity of the Issuer for U.S. federal income tax purposes will be required to file an information return on IRS Form 5471, and may be required to provide additional information regarding the Issuer annually on IRS Form 5471 if it is treated as owning (actually or constructively) more than 50 per cent. by vote or value of the equity of the Issuer for U.S. federal income tax purposes.

In addition, U.S. Holders 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 or any other reporting requirements that may apply with respect to their acquisition or ownership of the Subordinated Notes.

Specified Foreign Financial Asset Reporting

Certain U.S. Holders may be subject to reporting obligations with respect to their Notes if they do not hold their Notes in an account maintained by a financial institution and the aggregate value of their Notes and certain other "specified foreign financial assets" (applying certain attribution rules) exceeds $50,000. Significant penalties can apply if a U.S. Holder is required to disclose its Notes and fails to do so.

3.8 per cent. 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 (which, in 2017, is $12,500). 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 nonresident alien individual who holds the Notes as a capital asset and is present in the United States for more than 182 days in the taxable year of the sale and certain other conditions are satisfied.

Information Reporting and Backup Withholding

Under certain circumstances, the Code requires "information reporting" annually to the IRS and to each holder, and "backup withholding", with respect to certain payments made on or with respect to the Notes. Backup withholding will apply to a U.S. Holder only if the U.S. Holder (i) fails to furnish its Taxpayer Identification Number ("**TIN**") which, for an individual, would be his or her Social Security Number, (ii) furnishes an incorrect TIN, (iii) is notified by the IRS that it has failed to properly report payments of interest and dividends, or (iv) under certain circumstances, fails to certify, under penalties of perjury, that it has furnished a correct TIN and has not been notified by the IRS that it is subject to backup withholding for failure to report interest and dividend payments. The exemption generally is available to U.S. Holders that provide a properly completed IRS Form W–9.

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, and on the gross proceeds from the sale, maturity, or other disposition of certain of its assets. Under an intergovernmental agreement entered into between the United States and Ireland, the Issuer will not be subject to withholding under FATCA if it complies with Irish regulations that require the Issuer to provide the name, address, and taxpayer identification number of, and certain other information with respect to, certain holders of Notes to the Office of Revenue Commissioners of Ireland, which would then provide this information to the IRS. The Issuer expects to comply with the intergovernmental agreement and these regulations. However, there can be no assurance that the Issuer will be able to do so. Moreover, FATCA 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 requested in connection with FATCA or required for the Issuer to comply with FATCA to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer, or if the Noteholder's ownership of any Notes would otherwise cause the Issuer to fail to comply with FATCA or 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 (other than the Investment Manager with respect to the Retention 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 ADVISER ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN THE NOTES UNDER THE NOTEHOLDER'S OWN CIRCUMSTANCES.

CERTAIN ERISA CONSIDERATIONS

ERISA imposes certain requirements on "employee benefit plans" subject thereto including entities (such as collective investment funds, insurance company separate accounts and some insurance company general accounts) the underlying assets of which include the assets of such plans (collectively, "**ERISA Plans**"), and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirement of prudence, diversification, and 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 a regulation issued by the United States Department of Labor (29 C.F.R. Section 2510.3–101, as modified by Section 3(42) of ERISA, (the "**Plan Asset Regulation**")), if a Plan invests in an "equity interest" of an entity that is neither a "publicly offered security" nor a security issued by an investment company registered under the Investment Company Act of 1940, the Plan's assets are deemed to include both the equity interest and an undivided interest in each of the entity's underlying assets, unless it is established (a) that the entity is an "operating company," as that term is defined in the Plan Asset Regulation, or (b) that less than 25 per cent. of the total value of each class of equity interest in the entity, disregarding the value of any equity interests held by persons (other than Benefit Plan Investors) with discretionary authority or control over the assets of the entity or who provide investment advice for a fee (direct or indirect) with respect to such assets (such as the Investment 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 Notes, the Class C Notes and the Class D Notes offered hereby will be treated by the Issuer as indebtedness with no substantial equity features for purposes of ERISA. The treatment of the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes as not being equity interests in the Issuer could, however, be affected, subsequent to their issuance, by certain changes in the structure or financial condition of the Issuer. The characteristics of the Class E Notes, the Class F Notes and the Subordinated Notes for purposes of the Plan Asset Regulation are less certain. The Class E Notes, the Class F Notes and the Subordinated Notes may be considered "equity interests" for purposes of the Plan Asset Regulation. Accordingly, the Issuer intends to limit investments by

Benefit Plan Investors in such Class E Notes, Class F Notes and Subordinated Notes. In reliance on representations (deemed and actual) 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, the Class F Notes and the Subordinated Notes (and interests therein) held by a Controlling Person). Each prospective purchaser (including a transferee) of a Class E Note, a Class F Note or a Subordinated Note (or any interest in any such Note) will be required to make, or will be deemed to have made, 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, the Class F Notes or the 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 (and any interest therein) 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.

Each purchaser and transferee of any Note or interest therein that is a Benefit Plan Investor shall be required or deemed to represent and warrant to the Issuer, on each day from the date on which such beneficial owner acquires such Note or interest through and including the date on which it disposes of such Note or interest, and at any time when regulation 29 C.F.R. Section 2510.3-21, as modified in 2016, is applicable, that the fiduciary making the decision to invest in the Notes on its behalf (the "**Independent Fiduciary**") (a) is a bank, insurance company, registered investment adviser, broker-dealer or other person with financial expertise, in each case as described in 29 C.F.R. Section 2510.3-21(c)(1)(i); (b) is an independent plan fiduciary within the meaning of 29 C.F.R. Section 2510.3-21(c); (c) is capable of evaluating investment risks independently, both in general and with regard to particular transactions and investment strategies; (d) is responsible for exercising independent judgment in evaluating the acquisition, holding and disposition of the Notes; and (e) neither the Benefit Plan Investor nor the Independent Fiduciary is paying or has paid any fee or other compensation to any of the Issuer, the Initial Purchaser, the Trustee or the Investment Manager for investment advice (as opposed to other services) in connection with its acquisition or holding of the Notes. In addition, each such purchaser or transferee will be required or deemed to acknowledge and agree that the Independent Fiduciary (x) has been informed that none of the Issuer, the Initial Purchaser or the Investment Manager, or other persons that provide marketing services, nor any of their affiliates, has provided, and none of them will provide, impartial investment advice and they are not giving any advice in a fiduciary capacity, in connection with the purchaser's or transferee's acquisition or holding of the Notes and (y) has received and understands the disclosure of the existence and nature of the financial interests contained in the offering circular and related materials.

Even assuming the Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes are not treated as equity interests in the Issuer for purposes of ERISA, it is possible that an investment in such Notes by a Benefit Plan Investor (or with the use of the assets of a Benefit Plan Investor) could be treated as a prohibited transaction under ERISA and/or Section 4975 of the Code. Such a prohibited transaction, however, may be subject to a statutory or administrative exemption. Even if an exemption were to apply, such exemption may not, however, apply to all of the transactions that could be deemed prohibited transactions in connection with an investment in the Notes by a Benefit Plan Investor.

Each of the Issuer, the Arranger, the Initial Purchaser, the Investment Manager, an Investment 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 and/or Section 4975 of the Code for which no exemption may be available. Accordingly, the Notes may not be acquired using the assets of any Plan if any of the Issuer, the Arranger, the Initial Purchaser, the Investment Manager, an Investment Manager Related Person or their respective Affiliates has investment authority with respect to such assets (except to the extent (if any) that a favourable statutory or administrative exemption or exception applies or the transaction is not otherwise prohibited).

It should be noted that an insurance company's general account may be deemed to include assets of Plans under certain circumstance*s, 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, a Class A Note, Class B Note, Class C Note or Class D Note or any interest in such Note will be required or deemed to have represented, warranted and agreed that (i) either (A) it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or a governmental, church, non–U.S. or other plan which is subject to any federal, state, local or non–U.S. laws or regulations that are 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 or is deemed to make the foregoing representations, warranties and agreements described in clause (i) hereof.

Any purported transfer of the Notes in violation of the requirements set forth in this paragraph shall be null and void *ab initio* and the acquiror understands that the Issuer will have the right to cause the sale of such Notes to another acquiror that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

A purchaser or transferee of a Class E Note, Class F Note or Subordinated Note in the form of a Regulation S Global Certificate or a Rule 144A Global Certificate, or any interest in such note, will be deemed to represent, warrant and agree that (i) it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or Controlling Person unless it receives the written consent of the Issuer, provides an ERISA certificate (in or substantially in the form of Annex B (*Form of ERISA Certificate*) and as set out in the Trust Deed) to the Issuer as to its status as a Benefit Plan Investor or Controlling Person and holds the Note in the form of a Definitive Certificate, unless the written consent of the Issuer is obtained that such Note is not required to be held in the form of a Definitive Certificate; and (ii) (A) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a non–exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (B) if it is a governmental, church, non–U.S. or other plan, (1) it is not, and for so long as it holds such Note or interest therein will not be, subject to any federal, state, local or non–U.S. law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or any interest therein) by virtue of its interest and thereby subject the Issuer or the Investment Manager (or other persons responsible for the investment and operation of the Issuer's assets) to any Other Plan Law ("**Similar Law**"), (2) its acquisition, holding and disposition of such Note will not constitute or result in a non–exempt violation of any Other Plan Law and (3) it agrees to certain transfer restrictions regarding its interest in such Note.

If it is a purchaser or transferee of a Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate, it will be required to (i) represent and warrant in writing to the Issuer in a completed ERISA certificate (in or substantially in the form set out at Annex B (*Form of ERISA Certificate*) and as set out in the Trust Deed) (1) whether or not, for so long as it holds such Note or interest therein, it is, or is acting on behalf of, a Benefit Plan Investor, (2) whether or not, for so long as it holds such Note or interest therein, it is a Controlling Person and (3) that (a) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Note will not constitute or result in a non–exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code and (b) if it is a governmental, church, non–U.S. plan or other plan, (x) it is not, and for so long as it holds such Note or interest therein will not be, subject to any Similar Law and (y) its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a non–exempt violation of any Other Plan Law and (ii) agree to certain transfer restrictions regarding its interest in such Note. Any purported transfer of the Class E Notes, Class F Notes or Subordinated Notes in violation of the requirements set forth in this or the preceding paragraph or that would otherwise cause the 25 per cent. Limitation to be violated will be of no force and effect, will be void ab initio and the Issuer will have the right to cause the sale of such Class E Notes, Class F Notes or Subordinated Notes to another acquirer that

complies with the requirements of this or the preceding paragraph in accordance with the terms of the Trust Deed.

No transfer of Class E Notes, Class F Notes or Subordinated Notes, or any interest in such Notes, will be permitted or recognised if it would cause the 25 per cent. Limitation described above to be exceeded with respect to the Class E Notes, Class F Notes or Subordinated Notes (determined separately by class).

Any Plan fiduciary considering whether to acquire a Note on behalf of a Plan or an employee benefit plan not subject to ERISA or Section 4975 of the Code should consult with its counsel regarding the potential consequences of such investment, the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and the Code and/or 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 description consists of a summary of certain provisions of the Subscription 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 otherwise defined herein or in this Offering Circular shall have the meaning given to them in Condition 1 (Definitions) of the terms and conditions of the Notes.

Credit Suisse Securities (Europe) Limited (in its capacity as initial purchaser, the "**Initial Purchaser**") has agreed with the Issuer, subject to the satisfaction of certain conditions, to subscribe and pay for the Notes pursuant to the Subscription Agreement. The Subscription Agreement entitles the Initial Purchaser to terminate it in certain circumstances prior to payment being made to the Issuer. The Initial Purchaser may offer the Notes at prices as may be privately negotiated at the time of sale, which may vary among different purchasers and may be different from the issue price of the Notes.

The Retention Holder has agreed with the Initial Purchaser, subject to the satisfaction of certain conditions, to purchase the Retention Notes on the Issue Date from the Initial Purchaser at the applicable issue prices set out herein pursuant to the Retention Note Purchase Agreement. The Initial Purchaser has agreed to rebate to the Retention Holder a portion of its fees in respect of the Notes.

It is a condition of the issue of the Notes of each Class that the Notes of each other Class be issued in the following principal amounts: Class X Notes: €1,000,000, Class A Notes: €201,000,000, Class B-1 Notes: €36,000,000, Class B-2 Notes: €16,000,000, Class C-1 Notes: €12,500,000, Class C-2 Notes: €7,500,000, Class D Notes: €19,500,000, Class E Notes: €23,500,000, Class F Notes: €10,000,000 and Subordinated Notes: €38,400,000.

Pursuant to the Subscription Agreement, the Issuer has agreed to indemnify the Initial Purchaser, against certain liabilities or to contribute to payments it may be required to make in respect thereof.

Certain of the Collateral Obligations may have been originally underwritten or placed by the Initial Purchaser. In addition, the Initial Purchaser may have in the past performed and may in the future perform investment banking services or other services for issuers of the Collateral Obligations. In addition, the Initial Purchaser and its Affiliates may from time to time as a principal or through one or more investment funds that it or they manage, make investments in the equity securities of one or more of the issuers of the Collateral Obligations, with a result that one or more of such issuers may be or may become controlled by the Initial Purchaser or its Affiliates.

No action has been or will be taken by the Issuer, the Initial Purchaser, the Investment Manager, or the Retention Holder that would permit a public offering of the Notes or possession or distribution of this Offering Circular or any other offering material in relation to the Notes in any jurisdiction where action for the purpose is required, other than the application for the approval of this Offering Circular to and by the Irish Stock Exchange and the Central Bank. No offers, sales or deliveries of any Notes, or distribution of this Offering Circular or any other offering material relating to the Notes, may be made in or from any jurisdiction, except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on the Issuer, the Arranger, or the Initial Purchaser.

United States

The Notes have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. Persons or to U.S. Residents except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act and in the manner so as not to require the registration of the Issuer as an "investment company" pursuant to the Investment Company Act.

The Notes sold in the initial syndication of this Offering may not be purchased by, and will not be sold to any person, and during the U.S. Risk Retention Restricted Period the Notes may not be transferred to any person, in each case, 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 Investment Manager. Each holder of a Note or a beneficial interest therein acquired in the initial issuance of the Notes, by its acquisition of a Note or a beneficial interest in a Note, and each transferee during the U.S. Risk Retention Restricted Period will be deemed to represent to the Issuer, the Trustee, the Investment Manager and the Initial Purchaser that (1) it either (a) is not a Risk Retention U.S. Person or (b) has received a U.S. Risk Retention Waiver from the Investment Manager, and (2) it is not

acquiring such Note or a beneficial interest therein as part of a plan or scheme to evade the requirements of section 15G of the Securities Exchange Act of 1934, as added by section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and section 246.20 of the U.S. Risk Retention Rules. 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*" "*U.S. Risk Retention*" and "*Forced Transfer*".

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

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

This Offering Circular has been prepared by the Issuer for use in connection with the offer and sale of the Notes and for the listing of the Notes of each Class on the Global Exchange Market of the Irish Stock Exchange. The Issuer and the Initial Purchaser each reserves the right to reject any offer to purchase, in whole or in part, for any reason, or to sell less than the principal amount of Notes which may be offered. This Offering Circular does not constitute an offer to any person in the United States or to any U.S. Person. Distribution of this Offering Circular to any such U.S. Person or to any person within the United States, other than in accordance with the procedures described above, is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer and the Initial Purchaser, is prohibited.

General

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

(a) *European Economic Area*: In relation to each Member State of the European Economic Area which has implemented the Prospectus Directive (each, a "**Relevant Member State**") the Initial Purchaser has represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes to the public in that Relevant Member State except that it may, with effect from and including the Relevant Implementation Date, make an offer of the Notes to the public in that Relevant Member State at any time:

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

(ii) to fewer than 100 or, if the Relevant Member State has implemented the relevant provision of the 2010 PD Amending Directive, 150, natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant dealer or dealers nominated by the Issuer for any such offer; or

(iii) in any other circumstances falling within Article 3(2) of the Prospectus Directive, provided that no such offer of Notes shall require the publication by the Issuer or any other entity of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of the notes to the public" in relation to any Notes in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State and for the purposes of this provision, the expression "**Prospectus Directive**" means Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 (and amendments thereto, including the 2010 PD Amending Directive, to the extent implemented in the Relevant Member State) and includes any relevant implementing measure in each Relevant Member State and the expression "**2010 PD Amending Directive**" means Directive 2010/73/EU.

(b) *Ireland:*

The Initial Purchaser has represented and warranted that:

(i) it will not underwrite the issue of, or place, the Notes otherwise than in conformity with the provisions of the European Communities (Markets in Financial Instruments) Regulations 2007 (Nos. 1 to 3) (as amended, the "**MiFID Regulations**"), including, without limitation, Regulations 7 (Authorisation) and 152 (Restrictions on advertising) thereof, any codes of conduct made under the MiFID Regulations, and the provisions of the Investor Compensation Act 1998 (as amended);

(ii) will not underwrite the issue of, or place, the Notes otherwise than in conformity with the provisions of the Companies Act 2014, the Central Bank Acts 1942-2015 (as amended) and any codes of practice made under Section 117(1) of the Central Bank Act 1989 (as amended) or any regulations made pursuant to Part 8 of the Central Bank (Supervision and Enforcement) Act 2013 (as amended);

(iii) it will not underwrite the issue of, or place, or do anything in Ireland in respect of, the Notes otherwise than in conformity with the provisions of the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) and any rules issued by the Central Bank under Section 1363 of the Companies Act 2014; and

(iv) it will not underwrite the issue of, place or otherwise act in Ireland in respect of, the Notes otherwise than in conformity with the provisions of: (A) the Market Abuse Regulation (EU 596/2014) (as amended); (B) the Market Abuse Directive on criminal sanctions for market abuse (Directive 2014/57/EU); (C) the European Union (Market Abuse) Regulations 2016 (S.I. No. 349 of 2016); and (D) any rules and guidance issued by the Central Bank under Section 1370 of the Companies Act 2014.

(c) *Japan*: The Notes have not been and will not be registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended; the FIEA) and the Initial Purchaser has represented and agreed that none of the Notes nor any interest therein will be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (as defined under Item 5, Paragraph 1, Article 6 of the Foreign Exchange and Foreign Trade Act (Act No. 228 of 1949, as amended)), or to others for re-offering or resale, directly or indirectly, in Japan or to, or for the benefit of, a resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the FIEA and any other applicable laws, regulations and ministerial guidelines of Japan.

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

(e) *The Netherlands*: The Initial Purchaser has acknowledged and agreed that the Notes may only be offered, sold or delivered in the Netherlands to qualified investors (as defined in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) as amended from time to time) that do not qualify as "public" (within the meaning of Article 4(1) of the CRR and the rules promulgated thereunder, as

amended from time to time, together with any successor or replacement provisions included in any European Union regulation or directive).

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

(i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the 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, from or otherwise involving the United Kingdom.

(g) United States of America

(i) *State of Connecticut:* The Notes have not been registered under the Connecticut Securities Law. The Notes are subject to restrictions on transferability and sale.

(ii) *State of Florida*: The Notes offered hereby by the Initial Purchaser will be sold to, and acquired by, the holder in a transaction exempt under Section 517.061 of the Florida Securities Act (the "**FSA**"). The Notes have not been registered under said act in the state of Florida. In addition, if sales are made to five or more persons in Florida, all Florida purchasers other than exempt institutions specified in Section 517.061(7) of the FSA shall have the privilege of voiding the purchase within three (3) days after the first tender of consideration is made by such purchaser to the Issuer, an agent of the Issuer, or an escrow agent.

(iii) *State of Georgia*: The Notes have been issued or sold by the Initial Purchaser in reliance on paragraph (13) of Code Section 10-5-9 of the Georgia Securities Act of 1973, and may not be sold or transferred except in a transaction which is exempt under such Act or pursuant to an effective registration under such Act.

TRANSFER RESTRICTIONS

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

The Notes have not been registered under the Securities Act or any state securities or "Blue Sky" laws or the securities laws of any other jurisdiction and, accordingly, may not be reoffered, resold, pledged or otherwise transferred except in accordance with the restrictions described herein and set forth in the Trust Deed.

Without limiting the foregoing, by holding a Note, you will acknowledge and agree, among other things, that you understand that the Issuer is not registered as an investment company under the Investment Company Act, and that the Issuer intends to rely on an exemption from registration by virtue of Section 3(c)(7) of the Investment Company Act. Section 3(c)(7) excepts from the provisions of the Investment Company Act those issuers who privately place their securities solely to, and whose securities are held solely by, persons who at the time of purchase are "qualified purchasers" or entities owned exclusively by "qualified purchasers". In general terms, qualified purchaser includes any natural person who owns not less than U.S.$5,000,000 in investments; any person who in the aggregate owns and invests on a discretionary basis, not less than U.S.$25,000,000 in investments; and trusts as to which both the settlor and the decision–making trustee are qualified purchasers (but only if such trust was not formed for the specific purpose of making such investment).

Rule 144A Notes

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

Each purchaser of Notes represented by a Rule 144A Global Certificate will be deemed to have represented and agreed and each purchaser of 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, and in a principal amount of not less than €250,000 for the purchaser and for each such account and (d) will provide notice of the transfer restrictions described herein 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, are issued in reliance on the Foreign Safe Harbor, 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 and that the Issuer intends to rely on an exemption from registration by virtue of Section 3(c)(7) of the Investment Company Act. The purchaser understands that before any interest in a Rule 144A Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Regulation S Notes, the Registrar is required to receive a written certification from the purchaser (in the form provided in the Trust Deed) as to compliance with the transfer restrictions described herein. The purchaser understands and agrees that any purported transfer of the Rule 144A Notes to a purchaser that does not comply with the requirements of this paragraph (2) will be of no force and effect, will be void *ab initio* and the Issuer will have the right to direct the purchaser to transfer its Rule 144A Notes to a Person who meets the foregoing criteria.

3. The purchaser is not purchasing such Rule 144A Notes with a view toward the resale, distribution or other disposition thereof in violation of the Securities Act. 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 Arranger, the Initial Purchaser, the Trustee, the Investment Manager or the Collateral Administrator is acting as a fiduciary (other than the Trustee) 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 Arranger, the Initial Purchaser, the Trustee, the Investment 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 Arranger, the Initial Purchaser, the Trustee, the Investment Manager or the Collateral Administrator has given to the purchaser (directly or indirectly through any other person) any assurance, guarantee or representation whatsoever as to the expected or projected success, profitability, return, performance, result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) as to an investment in the Rule 144A Notes; (d) the purchaser has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisors to the extent it has deemed necessary, and it has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Trust Deed) based upon its own judgement and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Issuer, the Arranger, the Initial Purchaser, the Trustee, the Investment 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; (f) the purchaser is a sophisticated investor; and (g) in respect of any acquisition on the Issue Date, the purchaser either (x) is not a Risk Retention U.S. Person or (y) has received a U.S. Risk Retention Waiver from the Investment Manager.

5. The purchaser and each account for which the purchaser is acquiring such Rule 144A Notes is a QP. The purchaser is acquiring the Rule 144A Notes in a principal amount of not less than €250,000. The purchaser and each such account is acquiring the Rule 144A Notes as principal for its own account for investment and not (i) for sale in connection with any distribution thereof, or (ii) in respect of the initial syndication of the Notes, for allocation to a Risk Retention U.S. Person without having first received a U.S. Risk Retention Waiver in respect thereof. The purchaser and each such account: (a) was not formed for the specific purpose of investing in the Rule 144A Notes (except when each beneficial owner of the purchaser and each such account is a QP); (b) to the extent the purchaser is a private investment company formed before April 30, 1996, the purchaser has received the necessary consent from its beneficial owners; (c) is not a pension, profit sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants, as applicable, may designate the particular investments to be made; and (d) is not a broker dealer that owns and invests on a discretionary basis less than U.S.$25,000,000 in securities of unaffiliated issuers. Further, the purchaser agrees with respect to itself and each such account: (x) that it shall not hold such Rule 144A Notes for the benefit of any other person and shall be the sole beneficial owner thereof for all purposes; (y) that it shall not sell participation interests in the Rule 144A Notes or enter into any other arrangement pursuant to which any other person shall be entitled to a beneficial interest in the distributions on the Rule 144A Notes; and (z) that the Rule 144A Notes purchased directly or indirectly by it constitute an investment of no more than 40 per cent. of the purchaser's and each such account's assets (except when each beneficial owner of the purchaser and each such account is a QP). The purchaser understands and agrees that any purported transfer of the Rule 144A Notes to a purchaser that does not comply with the requirements of this paragraph (5) will be of no force and effect, will be void *ab initio* and the Issuer will have the right to direct the purchaser to transfer its Rule 144A Notes to a Person who meets the foregoing criteria.

6. (a) With respect to the purchase, holding and disposition of any Class 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 interests therein) will not constitute or result in a non–exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or, in the case of a governmental, church, non–U.S. or other plan, a non–exempt violation of any Other Plan Law, and (ii) it will not sell or transfer such Note (or interests therein) to an acquiror acquiring such Note (or interests therein) unless the acquiror makes or is deemed to make the foregoing representations, warranties and agreements described in clause (i) hereof. Any purported transfer of the Notes in violation of the requirements set forth in this paragraph shall be null and void *ab initio* and the acquiror understands that the Issuer will have the right to cause the sale of such Notes to another acquiror that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

(b) (i) With respect to the Class E Notes, the Class F Notes and the Subordinated Notes in the form of a Rule 144A Global Certificate, or any interest in such Notes: (i) it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or Controlling Person unless it receives the written consent of the Issuer, provides an ERISA certificate (in or substantially in the form of Annex B (*Form of ERISA Certificate*) and as set out in the Trust Deed) to the Issuer as to its status as a Benefit Plan Investor or Controlling Person and the written consent of the Issuer is obtained that such Note is not required to be held in the form of a Definitive Certificate and (ii) (A) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Notes will not constitute or result in a non–exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (B) if it is a governmental, church, non–U.S. or other plan, (1) it is not, and for so long as it holds such Notes or interest therein will not be, subject to any Similar Law and (2) its acquisition, holding and disposition of such Notes will not constitute or result in a non–exempt violation of any Other Plan Law.

(ii) 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 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 transfer of the Class E Notes, Class F Notes or Subordinated Notes in violation of the requirements set forth in this paragraph (b) or which otherwise would violate the 25 per cent. Limitation 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 (b) in accordance with the terms of the Trust Deed.

(c) Each purchaser and transferee of any Note or interest therein that is a Benefit Plan Investor shall be required or deemed to represent and warrant to the Issuer, on each day from the date on which such beneficial owner acquires such Note or interest through and including the date on which it disposes of such Note or interest, and at any time when regulation 29 C.F.R. Section 2510.3-21, as modified in 2016, is applicable, that the fiduciary making the decision to invest in the Notes on its behalf (the Independent Fiduciary) (a) is a bank, insurance company, registered investment adviser, broker-dealer or other person with financial expertise, in each case as described in 29 C.F.R. Section 2510.3-21(c)(1)(i); (b) is an independent plan fiduciary within the meaning of 29 C.F.R. Section 2510.3-21(c); (c) is capable of evaluating investment risks independently, both in general and with regard to

particular transactions and investment strategies; (d) is responsible for exercising independent judgment in evaluating the acquisition, holding and disposition of the Notes; and (e) neither the Benefit Plan Investor nor the Independent Fiduciary is paying or has paid any fee or other compensation to any of the Issuer, the Initial Purchaser, the Trustee or the Investment Manager for investment advice (as opposed to other services) in connection with its acquisition or holding of the Notes. In addition, each such purchaser or transferee will be required or deemed to acknowledge and agree that the Independent Fiduciary (x) has been informed that none of the Issuer, the Initial Purchaser or the Investment Manager, or other persons that provide marketing services, nor any of their affiliates, has provided, and none of them will provide, impartial investment advice and they are not giving any advice in a fiduciary capacity, in connection with the purchaser's or transferee's acquisition or holding of the Notes and (y) has received and understands the disclosure of the existence and nature of the financial interests contained in the offering circular and related materials.

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 be represented by one or more Rule 144A Global Certificates or Rule 144A Definitive Certificates, as applicable. The Rule 144A Notes may not at any time be held by or on behalf of, within the United States, persons, or outside the United States, U.S. Persons that are not QIB/QPs. Before any interest in a Rule 144A Global Certificate may be offered, resold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate, the transferor will be required to provide the Transfer Agent with a written certification (in the form provided in the Trust Deed) as to compliance with the transfer restrictions.

8. If the purchaser acquires such Rule 144A Notes in the initial issuance of the Notes or during the U.S. Risk Retention Restricted Period, the purchaser (1) either (a) is not a Risk Retention U.S. Person or (b) has received a U.S. Risk Retention Waiver from the Investment Manager, and (2) is not acquiring such Note or a beneficial interest therein as part of a plan or scheme to evade the requirements of section 15G of the Securities Exchange Act of 1934, as added by section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and section 246.20 of the U.S. Risk Retention Rules.

9. The purchaser is not purchasing such Rule 144A Notes with a view toward the resale, distribution or other disposition thereof that would cause the exemption provided for in Section __.20 of the U.S. Risk Retention Rules to not be available with respect to the issuance of the Notes.

10. 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.

EACH HOLDER OF A NOTE OR A BENEFICIAL INTEREST IN A NOTE ACQUIRED IN THE INITIAL ISSUANCE OF THE NOTES OR DURING THE U.S. RISK RETENTION RESTRICTED PERIOD, BY ITS ACQUISITION OF A NOTE OR A BENEFICIAL INTEREST THEREIN, WILL BE DEEMED TO REPRESENT TO THE ISSUER, THE TRUSTEE, THE TRANSFER AGENT, THE REGISTRAR, THE INVESTMENT MANAGER AND THE INITIAL PURCHASER THAT IT (1) EITHER (A) IS NOT A "U.S. PERSON" AS DEFINED UNDER 17 C.F.R. 246.20 OF THE FEDERAL INTERAGENCY CREDIT RISK RETENTION RULES, CODIFIED AT 17 C.F.R. PART 246 (THE "**U.S. RISK RETENTION RULES**"), OR (B) IT HAS RECEIVED THE WRITTEN CONSENT OF THE INVESTMENT MANAGER TO ACQUIRE SUCH NOTE OR BENEFICIAL INTEREST IN SUCH NOTE AND (2) IS NOT ACQUIRING SUCH NOTE OR BENEFICIAL INTEREST IN SUCH NOTE AS PART OF A PLAN OR SCHEME TO EVADE THE REQUIREMENTS OF SECTION 15G OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADDED BY SECTION 941 OF THE DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT AND SECTION 246.20 OF THE U.S. RISK RETENTION RULES. ANY PURCHASE OR TRANSFER OF THE NOTES IN BREACH OF THIS REQUIREMENT WILL RESULT IN THE AFFECTED NOTES BECOMING SUBJECT TO FORCED TRANSFER PROVISIONS.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE

HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) TO A NON–U.S. PERSON IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND, IN THE CASE OF CLAUSE (1), IN A PRINCIPAL AMOUNT OF NOT LESS THAN €250,000 FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING, AND IN EACH CASE, TO A PURCHASER THAT (V) IS A QUALIFIED PURCHASER FOR THE PURPOSE OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT, (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER–DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR IN THE CASE OF CLAUSE (2), 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 REQUIRED OR BE DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS ANY SUCH NOTE OR INTEREST THEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), AN EMPLOYEE BENEFIT PLAN, AS DEFINED IN SECTION 3(3) OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), THAT IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, A PLAN TO WHICH SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") APPLIES, OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY ("**BENEFIT PLAN INVESTOR**"), OR A GOVERNMENTAL, CHURCH, NON–U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON–U.S. LAWS OR REGULATIONS THAT ARE 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 NOTES OR ANY INTEREST THEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON–U.S. OR OTHER PLAN, OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTES (OR INTERESTS THEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON–EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON–U.S. OR OTHER PLAN, A NON–EXEMPT VIOLATION OF ANY 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 OR IS DEEMED TO MAKE THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THE NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID AB INITIO AND THE ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTES TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.]

[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 HOLDER OF THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE (OR ANY INTEREST HEREIN) 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 ANY SUCH NOTE OR INTEREST THEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH HOLDER RECEIVES THE WRITTEN CONSENT OF THE ISSUER, PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON AND THE WRITTEN CONSENT OF THE ISSUER IS OBTAINED THAT SUCH NOTE IS NOT REQUIRED TO BE HELD 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 NOTES OR INTEREST THEREIN 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 OR NON–U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER OR THE INVESTMENT MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON–EXEMPT VIOLATION OF ANY FEDERAL, STATE, LOCAL OR NON–U.S. LAWS OR REGULATIONS THAT ARE 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 TO WHICH SECTION 4975 OF THE CODE APPLIES 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 THE SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY] [EACH HOLDER OF THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE (OR ANY INTEREST HEREIN) 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 AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (B) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS A CONTROLLING PERSON AND (C) THAT (1) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN 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 OR NON–U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER OR THE INVESTMENT MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (b) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON–EXEMPT VIOLATION OF ANY FEDERAL, STATE, LOCAL OR NON–U.S. LAWS OR REGULATIONS THAT ARE 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 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 TO WHICH SECTION 4975 OF THE CODE APPLIES 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, 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, CLASS D NOTES, CLASS E NOTES, 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 32 MOLESWORTH STREET, DUBLIN 2, IRELAND.]

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

[LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES IN THE FORM OF IM 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 IN RESPECT OF AN IM REMOVAL RESOLUTION OR AN IM REPLACEMENT RESOLUTION.]

11. 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.

12. The purchaser will treat the Issuer and the Notes as described in the "*Tax Considerations—Certain U.S. Federal Income Tax Considerations*" section of the Offering Circular for all U.S. federal, state and local income tax purposes and will take no action inconsistent with such treatment unless required by law.

13. The purchaser will timely furnish the Issuer or its agents any tax forms or certifications (such as an applicable IRS Form W-8 (together with appropriate attachments), IRS Form W-9, or any successors to such IRS forms) that the Issuer or its agents reasonably request in order to (A) to make payments to the purchaser without, or at a reduced rate of, withholding, (B) qualify for a reduced rate of withholding in any jurisdiction from or through which they receive payments, or (C) satisfy reporting and other obligations under the Code, Treasury regulations, or any other applicable law, and will update or replace such tax forms or certifications as appropriate or in accordance with their terms or subsequent amendments. The purchaser acknowledges that the failure to provide, update or replace any such tax forms or certifications may result in the imposition of withholding or back-up withholding upon payments to such purchaser or to the Issuer. Amounts withheld pursuant to applicable tax laws by the Issuer or its agents will be treated as having been paid to the purchaser by the Issuer.

14. 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 to prevent the imposition of U.S. federal withholding tax under FATCA on payments to or for the benefit of the Issuer. In the event the purchaser fails to provide such information or documentation, or to the extent that its ownership of Notes would otherwise cause the Issuer to be subject to any tax under FATCA, (A) the Issuer or its agents are authorized 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 Office of the Revenue Commissioners of Ireland, the U.S. Internal Revenue Service and any other relevant tax authority and (2) take such other steps as they deem necessary or helpful to ensure that the Issuer complies with FATCA.

15. 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:

    (a) it is not a bank (within the meaning of Section 881(c)(3)(A) of the Code);

    (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.

16. Each purchaser of Subordinated Notes, if it owns more than 50 per cent. of the Subordinated Notes by value or is otherwise treated as a member of the Issuer's "expanded affiliated group" (as defined in Treasury regulations section 1.1471–5 (i) (or any successor provision)), represents that it will (A) confirm that any member of such expanded affiliated group (assuming that the Issuer is a "participating FFI" within the meaning of Treasury regulations section 1.1471-1 (b)(91) (or any successor provision)) that is treated as a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Code and any Treasury regulations promulgated thereunder is either a "participating FFI", a "registered deemed–compliant FFI" or an "exempt beneficial owner" within the meaning of Treasury regulations section 1.1471–4 (e) (or any successor provision), and (B) promptly notify the Issuer in the event that any member of such expanded affiliated group that is treated as a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Code and any Treasury regulations promulgated thereunder is not either a "participating FFI", a "registered deemed–compliant FFI" or an "exempt beneficial owner" within the meaning of Treasury regulations section 1.1471–4 (e) (or any successor provision), in each case except to the extent that the Issuer or its agents have provided the purchaser with an express waiver of this requirement.

17. No purchaser of Subordinated Notes will treat any income with respect to its Subordinated Notes as derived in connection with the Issuer's active conduct of a banking, financing, insurance, or other similar business for purposes of Section 954(h)(2) of the Code.

18. 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 as set out in Condition 2(h) (*Forced Transfer of Rule 144A Notes*) and Condition 2(i) (*Forced Transfer pursuant to ERISA*).

19. The purchaser understands and acknowledges that the Issuer may receive a list of participants holding positions in its securities from one or more book-entry depositaries.

20. The purchaser acknowledges that the Issuer, the Arranger, the Initial Purchaser, the Trustee, the Investment Manager and the Collateral Administrator and their Affiliates, and others, will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements.

Regulation S Notes

Each purchaser of Regulation S Notes will be deemed to have made the representations set forth in paragraphs (3), (4), (6) and (11) through (20) (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 are issued in reliance on the Foreign Safe Harbor, that the Notes have not been and will not be registered under the Securities Act and that the Issuer has not registered and will not register under the Investment Company Act and that the Issuer intends to rely on an exemption from registration by virtue of Section 3(c)(7) of the Investment Company Act. It agrees, for the benefit of the Issuer, the Arranger, the Initial Purchaser and any of their Affiliates, that, if it decides to resell, pledge or otherwise transfer such Notes (or any beneficial interest or participation therein) purchased by it, any offer, sale or transfer of such Notes (or any beneficial interest or participation therein) will be made in compliance with the Securities Act and only (i) to a person (A) it reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a nominal amount of not less than €250,000 for it and each such account, in a transaction that meets the requirements of Rule 144A and takes delivery in the form of a Rule 144A Note and (B) that constitutes a QP; or (ii) to a non–U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 (as applicable) of Regulation S.

3. If the purchaser acquires such Regulation S Notes in the initial issuance of the Notes or during the U.S. Risk Retention Restricted Period, the purchaser (1) either (a) is not a Risk Retention U.S. Person or (b) has received a U.S. Risk Retention Waiver from the Investment Manager, and (2) is not acquiring such Note or a beneficial interest therein as part of a plan or scheme to evade the requirements of section

15G of the Securities Exchange Act of 1934, as added by section 941 of the Dodd-Frank Wall Street Reform and Consumer Protection Act and section 246.20 of the U.S. Risk Retention Rules.

4. The purchaser is not purchasing such Regulation S Notes with a view toward the resale, distribution or other disposition thereof that would cause the exemption provided for in Section __.20 of the U.S. Risk Retention Rules to not be available with respect to the issuance of the Notes.

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

EACH HOLDER OF A NOTE OR A BENEFICIAL INTEREST IN A NOTE ACQUIRED IN THE INITIAL ISSUANCE OF THE NOTES OR DURING THE U.S. RISK RETENTION RESTRICTED PERIOD, BY ITS ACQUISITION OF A NOTE OR A BENEFICIAL INTEREST THEREIN, WILL BE DEEMED TO REPRESENT TO THE ISSUER, THE TRUSTEE, TRANSFER AGENT, REGISTRAR, THE INVESTMENT MANAGER AND THE INITIAL PURCHASER THAT IT (1) EITHER (A) IS NOT A "U.S. PERSON" AS DEFINED UNDER 17 C.F.R. 246.20 OF THE FEDERAL INTERAGENCY CREDIT RISK RETENTION RULES, CODIFIED AT 17 C.F.R. PART 246 (THE "**U.S. RISK RETENTION RULES**"), OR (B) IT HAS RECEIVED THE WRITTEN CONSENT OF THE INVESTMENT MANAGER TO ACQUIRE SUCH NOTE OR BENEFICIAL INTEREST IN SUCH NOTE AND (2) IS NOT ACQUIRING SUCH NOTE OR BENEFICIAL INTEREST IN SUCH NOTE AS PART OF A PLAN OR SCHEME TO EVADE THE REQUIREMENTS OF SECTION 15G OF THE SECURITIES EXCHANGE ACT OF 1934, AS ADDED BY SECTION 941 OF THE DODD-FRANK WALL STREET REFORM AND CONSUMER PROTECTION ACT AND SECTION 246.20 OF THE U.S. RISK RETENTION RULES. ANY PURCHASE OR TRANSFER OF THE NOTES IN BREACH OF THIS REQUIREMENT WILL RESULT IN THE AFFECTED NOTES BECOMING SUBJECT TO FORCED TRANSFER PROVISIONS. INTERESTS IN THIS NOTE MAY NOT BE EXCHANGED FOR INTERESTS IN A RULE 144A NOTE OR OTHERWISE SOLD OR TRANSFERRED TO A U.S. PERSON (AS DEFINED UNDER THE U.S. RISK RETENTION RULES) AT ANY TIME DURING THE U.S. RISK RETENTION RESTRICTED PERIOD.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT PURCHASING FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION MEETING THE REQUIREMENTS OF RULE 144A UNDER THE SECURITIES ACT, OR (2) TO A NON–U.S. PERSON IN AN OFFSHORE TRANSACTION COMPLYING WITH RULE 903 OR RULE 904 OF REGULATION S UNDER THE SECURITIES ACT AND, IN THE CASE OF CLAUSE (1), IN A PRINCIPAL AMOUNT OF NOT LESS THAN €250,000 FOR THE PURCHASER AND FOR EACH ACCOUNT FOR WHICH IT IS ACTING, AND IN EACH CASE, TO A PURCHASER THAT (V) IS A QUALIFIED PURCHASER FOR THE PURPOSE OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT, (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER–DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR IN THE CASE OF CLAUSE (2), 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 REQUIRED OR DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS ANY SUCH NOTE OR INTEREST THEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), 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. LAWS OR REGULATIONS THAT ARE 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 NOTES OR ANY INTEREST THEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON–U.S. OR OTHER PLAN, OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTES (OR INTERESTS THEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON–EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON–U.S. OR OTHER PLAN, A NON–EXEMPT VIOLATION OF ANY 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 OR IS DEEMED TO MAKE THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THE NOTES IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID AB INITIO AND THE ACQUIROR UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF SUCH NOTES TO ANOTHER ACQUIROR THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.]

[LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, THE CLASS F NOTES AND THE SUBORDINATED NOTES IN THE FORM OF REGULATION S GLOBAL CERTIFICATES ONLY] [EACH HOLDER OF THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE (OR ANY INTEREST HEREIN) 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 ANY SUCH NOTE OR INTEREST THEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH HOLDER RECEIVES THE WRITTEN CONSENT OF THE ISSUER AND PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON AND THE WRITTEN CONSENT OF THE ISSUER IS OBTAINED THAT SUCH NOTE IS NOT REQUIRED TO BE HELD 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 NOTES OR INTEREST THEREIN 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 OR NON–U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER OR THE INVESTMENT MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON–EXEMPT VIOLATION OF ANY FEDERAL, STATE, LOCAL OR NON–U.S. LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE APPLIES ("**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 TO WHICH SECTION 4975 OF THE CODE APPLIES 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, CLASS F NOTES AND THE SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY] [EACH HOLDER OF THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE (OR ANY INTEREST HEREIN) WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER (A) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (B) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE OR AN INTEREST HEREIN, IT IS A CONTROLLING PERSON AND (C) THAT (1) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE WILL NOT CONSTITUTE OR RESULT IN A NON–EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") AND (2) IF IT IS A GOVERNMENTAL, CHURCH, NON–U.S. OR OTHER PLAN, (a) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON–U.S. LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER OR THE INVESTMENT MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (b) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE WILL NOT CONSTITUTE OR RESULT IN A NON–EXEMPT VIOLATION OF ANY FEDERAL, STATE, LOCAL OR NON–U.S. LAWS OR REGULATIONS THAT ARE 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 A CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE WILL BE REQUIRED TO COMPLETE AN ERISA CERTIFICATE IDENTIFYING ITS STATUS AS A BENEFIT PLAN INVESTOR OR A CONTROLLING PERSON. "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED 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 TO WHICH SECTION 4975 OF THE CODE APPLIES 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, 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 ("**25 PER CENT. LIMITATION**").

THE ISSUER HAS THE RIGHT, UNDER THE TRUST DEED, TO COMPEL ANY BENEFICIAL OWNER OF A CLASS E NOTE, CLASS F NOTE OR 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, CLASS D NOTES, CLASS E NOTES AND 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 32 MOLESWORTH STREET, DUBLIN 2, IRELAND.]

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

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES IN THE FORM OF IM 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 IN RESPECT OF AN IM REMOVAL RESOLUTION OR AN IM REPLACEMENT RESOLUTION.]

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. 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.

8. The purchaser and each such account is acquiring the Regulation S Notes as principal for its own account for investment and not (i) for sale in connection with any distribution thereof, or (ii) in respect of the initial syndication of the Notes, for allocation to a Risk Retention U.S. Person without having first received a U.S. Risk Retention Waiver in respect thereof.

9. The purchaser acknowledges that the Issuer, the Initial Purchaser, the Trustee, the Investment 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.

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	XS1648278361	164827836	XS1648278106	164827810
Class A IM Voting Notes	XS1648272919	164827291	XS1648273214	164827321
Class A IM Non-Voting Notes	XS1648273131	164827313	XS1648273487	164827348
Class A IM Exchangeable Non-Voting Notes	XS1648273057	164827305	XS1648273305	164827330
Class B-1 IM Voting Notes	XS1648273560	164827356	XS1648273990	164827399
Class B-1 IM Non-Voting Notes	XS1648273727	164827372	XS1648274295	164827429
Class B-1 IM Exchangeable Non-Voting Notes	XS1648273644	164827364	XS1648274022	164827402
Class B-2 IM Voting Notes	XS1648274378	164827437	XS1648274618	164827461
Class B-2 IM Non-Voting Notes	XS1648274535	164827453	XS1648274881	164827488
Class B-2 IM Exchangeable Non-Voting Notes	XS1648274451	164827445	XS1648274709	164827470
Class C-1 IM Voting Notes	XS1648274964	164827496	XS1648275268	164827526
Class C-1 IM Non-Voting Notes	XS1648275185	164827518	XS1648275425	164827542
Class C-1 IM Exchangeable Non-Voting Notes	XS1648275003	164827500	XS1648275342	164827534
Class C-2 IM Voting Notes	XS1648275698	164827569	XS1648275938	164827593
Class C-2 IM Non-Voting Notes	XS1648275854	164827585	XS1648303573	164830357
Class C-2 IM Exchangeable Non-Voting Notes	XS1648275771	164827577	XS1648276076	164827607
Class D IM Voting Notes	XS1648276233	164827623	XS1648276589	164827658
Class D IM Non-Voting Notes	XS1648276407	164827640	XS1648276746	164827674
Class D IM Exchangeable Non-Voting Notes	XS1648276316	164827631	XS1648276662	164827666
Class E Notes	XS1648277710	164827771	XS1648277801	164827780
Class F Notes	XS1648277983	164827798	XS1648278015	164827801
Subordinated Notes	XS1648279096	164827909	XS1648278288	164827828

Listing

Application has been made to the Irish Stock Exchange for the Notes to be admitted to the Official List and to trading on its Global Exchange Market which is the exchange regulated market of the Irish Stock Exchange. The Global Exchange Market is not a regulated market for the purposes of Directive 2004/39/EC. There can be no assurance that any such listing will be maintained.

Consents and Authorisations

The Issuer has obtained all necessary consents, approvals and authorisations in Ireland (if any) in connection with the issue and performance of the Notes. The issue of the Notes was authorised by resolutions of the board of Directors of the Issuer passed on or about 9 August 2017.

No Material Change

There has been no material adverse change in the financial position or prospects of the Issuer since the date of its last audited financial statements published on 31 March 2016.

No Litigation

The Issuer is not involved, and has not been involved, in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware) which may have

or have had since the date of its incorporation a significant effect on the Issuer's financial position or profitability.

Accounts

Since the date of its incorporation, other than issuing the Original Notes and entering into certain warehouse arrangements and certain agreements in respect thereof and acquiring certain Collateral Obligations pursuant thereto, 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 most recent financial statements of the Issuer are in respect of the period from 1 April 2015 to 31 March 2016. The annual accounts of the Issuer have been and will be audited. The Issuer will not prepare interim financial statements.

The Trust Deed requires the Issuer to provide written confirmation to the Trustee on an annual basis and otherwise promptly on request that no Note Event of Default or Potential Note Event of Default (as defined in the Trust Deed) or other matter which is required to be brought to the Trustee's attention has occurred. Listing Agent Maples and Calder is acting solely in its capacity as listing agent for the Issuer in relation to the Notes and is not itself seeking admission of the Notes to the Official List of the Irish Stock Exchange or to trading on the Global Exchange Market of the Irish Stock Exchange.

Documents Available

For as long as the Notes are listed on the Official List of the Irish Stock Exchange and admitted to trading on the Global Exchange Market, copies of the following documents may be inspected in electronic format (and, in the case of each of (g) and (h) 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):

(a) the constitution of the Issuer;

(b) the Trust Deed (which includes the form of each Note of each Class);

(c) the audited accounts of the Issuer for the period 6 May 2014 to 31 March 2015, together with the auditor's report thereon;

(d) the audited accounts of the Issuer for the year ended 31 March 2016, together with the auditor's report thereon.

Documents incorporated by Reference

The audited financial statements of the Issuer in respect of the period from incorporation on 06 May 2014 to 31 March 2015 and the audited financial statements of the Issuer in respect of the period from 1 April 2015 to 31 March 2016, together with the audit reports thereon, have been filed with the Irish Stock Exchange and shall be deemed to be incorporated by reference. Other than the website listed herein under "*Documents incorporated by Reference*", websites referred to in this Offering Circular do not form part of this Offering Circular.

Enforceability of Judgments

The Issuer is a designated activity company incorporated under the laws of Ireland. None of the Directors and officers of the Issuer are residents of the United States, and all or a substantial portion of the assets of the Issuer and such persons may be located outside of the United States at any time. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuer or such persons or to enforce against any of them in the United States courts judgments obtained in United States courts, including judgments predicated upon civil liability provisions of the securities laws of the United States or any State or territory within the United States.

As the United States is not a party to a convention with Ireland in respect of the enforcement of judgments, common law rules apply in order to determine whether a judgment of the United States courts is enforceable in Ireland. A judgment of the United States courts will be enforced by the courts of Ireland if the following general requirements are met:

(a) the United States courts must have had jurisdiction in relation to the particular defendant according to Irish conflict of law rules (the submission to jurisdiction by the defendant would satisfy this rule); and

(b) the judgment must be final and conclusive and the decree must be final and unalterable in the court which pronounces it. A judgment can be final and conclusive even if it is subject to appeal or even if an appeal is pending. Where, however, the effect of lodging an appeal under the applicable law is to stay execution of the judgment, it is possible that, in the meantime, the judgment should not be actionable in Ireland. It remains to be determined whether final judgment given in default of appearance is final and conclusive.

However, the Irish courts may refuse to enforce a judgment of the United States courts which meets the above requirements for one of the following reasons:

(a) if the judgment is not for a definite sum of money;

(b) if the judgment was obtained by fraud;

(c) the enforcement of the judgment in Ireland would be contrary to natural or constitutional justice;

(d) the judgment is contrary to Irish public policy or involves certain United States laws which will not be enforced in Ireland;

(e) jurisdiction cannot be obtained by the Irish courts over the judgment debtors in the enforcement proceedings by personal service in Ireland or outside Ireland under Order 11 of the Superior Courts Rules; or

(f) there is no practical benefit to the party in whose favour the foreign judgment is made in seeking to have that judgment enforced in Ireland.

INDEX OF DEFINED TERMS

ANNEX A
MOODY'S RECOVERY RATES

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

(a) if the Collateral Obligation has been specifically assigned a recovery rate by Moody's (for example, in connection with the assignment by Moody's of an estimated rating), such recovery rate; or

(b) if the preceding clause does not apply to the Collateral Obligation, except with respect to Corporate Rescue Loans, the rate determined pursuant to the table below based on the number of rating subcategories difference between the Collateral Obligation's Moody's Rating and its Moody's Default Probability Rating (for purposes of clarification, if the Moody's Rating is higher than the Moody's Default Probability Rating, the rating subcategories difference will be positive and if it is lower, negative):

Number of Moody's Ratings Subcategories Difference Between the Moody's Rating and the Moody's Default Probability Rating	Moody's Senior Secured Loans	Secured Senior Obligations (other than Moody's Secured Senior Loans) and Second Lien Loans*	Unsecured Senior Loans, Unsecured Bonds, Mezzanine Obligations and High Yield Bonds
+2 or more	60.0%	55.0%	45.0%
+1	50.0%	45.0%	35.0%
0	45.0%	35.0%	30.0%
-1	40.0%	25.0%	25.0%
-2	30.0%	15.0%	15.0%
-3 or less	20.0%	5.0%	5.0%

* If such Collateral Obligation does not have both a CFR and an Assigned Moody's Rating, such Collateral Obligation will be deemed to be an Unsecured Bond, Unsecured Senior Loan or High Yield Bond for the purposes of this table.

or,

(c) if the Collateral Obligation is a Corporate Rescue Loan (other than a Corporate Rescue Loan which has been specifically assigned a recovery rate by Moody's), 50 per cent.

"**Moody's Senior Secured Loan**" means:

(a) a loan that:

(i) is not (and cannot by its terms become) subordinate in right of payment to any other debt obligation of the obligor of the loan; other than borrowed money, trade claims, capitalised leases or other similar obligations, or no other obligation of the Obligor has any higher priority security interest in such assets or stock, provided that a revolving loan of the Obligor that, pursuant to its terms, may require one or more advances to be made to the borrower may have a higher priority security interest in such assets or stock in the event of an enforcement in respect of such loan representing up to 15 per cent. of the Obligor's senior debt (or more if Rating Agency Confirmation from Moody's has been obtained);

(ii) (x) is secured by a valid first priority perfected security interest or lien in, to or on specified collateral securing the obligor's obligations under the loan and (y) such specified collateral does not consist entirely of equity securities or common stock; provided that any loan that would be considered a Moody's Senior Secured Loan but for clause (y) above shall be considered a Moody's Senior Secured Loan if it is a loan made to a parent entity and as to which the Investment Manager determines in good faith that the value of the common stock of the subsidiary (or other equity interests in the subsidiary) securing such loan at or about the time of acquisition of such loan by the Issuer has a value that is at least equal to the outstanding principal balance of such loan and the outstanding principal balances of any other obligations of such parent entity that are *pari passu* with such loan, which value may include, among other things, the enterprise value of such subsidiary of such parent entity; and

(iii) the value of the collateral securing the loan together with other attributes of the obligor (including, without limitation, its general financial condition, ability to generate cash flow available for debt service and other demands for that cash flow) is adequate (in the commercially reasonable judgement of the Investment Manager) to repay the loan in accordance with its terms and to repay all other loans of equal seniority secured by a first lien or security interest in the same collateral); and

(b) the loan is not:

(i) a Corporate Rescue Loan; or

(ii) a loan for which the security interest or lien (or the validity or effectiveness thereof) in substantially all of its collateral attaches, becomes effective, or otherwise "springs" into existence after the origination thereof.

"**Senior Secured Bond**" 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 a fixed rate, (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 advances to be made to the borrower may have a higher priority security interest in such assets or stock in the event of an enforcement in respect of such loan representing up to 15 per cent. of the Obligor's senior debt (or more if Rating Agency Confirmation from Moody's has been obtained) 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.

"**Unsecured Bond**" means any of a senior unsecured obligation that (a) constitutes borrowed money, (b) is in the form of, or represented by, a bond, note, certificated debt security or other debt security (other than any of the foregoing that evidences an Unsecured Senior Loan) and (c) which is not (and by its terms is not permitted to become) subordinate in right of payment to any other debt for borrowed money incurred by the obligor under such obligation except 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 from Moody's has been obtained).

ANNEX B
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 St. Paul's CLO V DAC (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 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, Class F Notes or Subordinated Notes] with funds from our or their general account (*i.e.*, the insurance company's corporate investment portfolio), whose assets, in whole or in part, constitute "plan assets" for purposes of 29 C.F.R. Section 2510.3–101, as modified by Section 3(42) of ERISA (the "**Plan Asset Regulations**").

If you check Box 3, please indicate the maximum percentage of the insurance company general account that will constitute "plan assets" 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 or non–U.S. law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or interest therein) by virtue of its interest and thereby subject the Issuer or the Investment Manager (or other persons responsible for the investment and operation of the Issuer's assets) to laws or regulations that are similar to the prohibited transaction provisions of Section 406 of ERISA 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 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 Investment 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:

   (i) if any representation, warranty or agreement 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 shall, 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;

   (ii) 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;

   (iii) the Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to [the Class E Notes, the Class F Notes or the Subordinated Notes] and selling such securities to the highest such bidder. However, the Issuer may select a purchaser by any other means determined by it in its sole discretion;

   (iv) by our acceptance of an interest in [the Class E Notes, the Class F Notes or the Subordinated Notes], we agree to cooperate with the Issuer to effect such transfers;

(v) the proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale, shall be remitted to us; and

(vi) the terms and conditions of any sale under this sub–section shall be determined in the sole discretion of the Issuer, and the Issuer shall not be liable to us as a result of any such sale or the exercise of such discretion.

9. Required Notification and Agreement. We hereby agree that we (a) will inform the Issuer of any proposed transfer by us of all or a specified portion of [the Class E Notes, 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 Note 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, the Class F Notes or the Subordinated Notes]. We understand and agree that the information supplied in this Certificate will be used and relied upon by the Issuer to determine that Benefit Plan Investors own or hold less than 25 per cent. of the 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, the Class F Notes or the 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, Credit Suisse Securities (Europe) Limited and the Investment Manager as third party beneficiaries hereof, (ii) copies of this Certificate and any information contained herein may be provided to the Issuer, the Trustee, Credit Suisse Securities (Europe) Limited, the Investment Manager, any Investment 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 a transferee of [a Class E Note, a Class F Note or a Subordinated Note] will be deemed to represent (among other things) that it is not a Benefit Plan Investor or a Controlling Person. If a transferee is unable to make such deemed or actual representation, as applicable, such transferee may not acquire such [Class E Note, Class F Note or Subordinated Note] unless such transferee: (i) obtains the written consent of the Issuer (which consent may be subject to such transferee making applicable tax declarations); (ii) provides an ERISA certificate to the Issuer as to its status as a Benefit Plan Investor or Controlling Person; and (iii) unless the written consent of the Issuer to the contrary is obtained, holds such [Class E Note, Class F Note or Subordinated Note] in the form of a Definitive Certificate.

Note: Unless you are notified otherwise, the name and address of the Trustee is as follows: Citibank, N.A., London Branch, Citigroup Centre Canada Square, Canary Wharf London E14 5LB United Kingdom

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]

REGISTERED OFFICE OF THE ISSUER

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RETENTION HOLDER

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ACCOUNT BANK, PRINCIPAL PAYING AGENT, TRANSFER AGENT, CUSTODIAN AND CALCULATION AGENT

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TRANSFER AGENT

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