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AN INVESTMENT IN THE REFINANCING NOTES INVOLVES CERTAIN RISKS, INCLUDING THE RISK THAT INVESTORS MAY LOSE THEIR ENTIRE INVESTMENT. PRIOR TO INVESTING IN THE REFINANCING NOTES, PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER THE LATEST MONTHLY REPORT PREPARED AS OF 8 AUGUST 2019 WHICH IS AVAILABLE AT: https://www.ise.ie/debt_documents/GLG%20II%20Aug%202019%20MR_8e3d1b52-8a43-43ac-8807-39892fdfb786.pdf (THE "**LATEST MONTHLY REPORT**", AND TOGETHER WITH ANY PREVIOUS REPORTS, THE "**RELEVANT REPORTS**").

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MAN GLG EURO CLO II D.A.C.

(*a designated activity company incorporated under the laws of Ireland with registered number 566338 and having its registered office in Ireland*)

€207,000,000 Class A-1 Senior Secured Floating Rate Notes due 2030
€17,700,000 Class C Deferrable Mezzanine Floating Rate Notes due 2030

This offering circular (the "**Offering Circular**") incorporates by reference the final Prospectus dated 12 December 2016 (the "**2016 Prospectus**") relating to the Original Notes (defined below). Capitalised terms used herein and not otherwise defined shall have the meanings given to such terms in the 2016 Prospectus. Unless the context otherwise specifically requires, all references in the 2016 Prospectus to a relevant Class of Notes shall be a reference to the same Class of Notes as defined herein (as the context requires) and all references in the 2016 Prospectus to the Notes shall include the Refinancing Notes (as the context requires). The 2016 Prospectus is attached hereto as Annex A.

The assets securing the Notes will consist predominantly of a portfolio of Secured Senior Loans, Secured Senior Bonds, Unsecured Senior Obligations, Mezzanine Obligations, High Yield Bonds, Corporate Rescue Loans and Second Lien Loans managed by GLG Partners LP (the "**Investment Manager**").

On 14 December 2016 (the "**Original Issue Date**") Man GLG Euro CLO II D.A.C. (formerly known as GLG Euro CLO II D.A.C.) (the "**Issuer**") issued the €207,000,000 Class A-1 Senior Secured Floating Rate Notes due 2030 (the "**Original Class A-1 Notes**"), the €10,000,000 Class A-2 Senior Secured Fixed Rate Notes due 2030 (the "**Class A-2 Notes**"), the €43,900,000 Class B Senior Secured Floating Rate Notes due 2030 (the "**Class B Notes**"), the €17,700,000 Class C Deferrable Mezzanine Floating Rate Notes due 2030 (the "**Original Class C Notes**", and together with the Original Class A-1 Notes, the "**Refinanced Notes**"), the €17,300,000 Class D Deferrable Mezzanine Floating Rate Notes due 2030 (the "**Class D Notes**"), the €19,200,000 Class E Deferrable Junior Floating Rate Notes due 2030 (the "**Class E Notes**"), the €7,700,000 Class F Deferrable Junior Floating Rate Notes due 2030 (the "**Class F Notes**") and the €41,200,000 Subordinated Notes due 2030 (the "**Subordinated Notes**", and together with the Refinanced Notes, the Class A-2 Notes, the Class B Notes, the Class D Notes, the Class E Notes and the Class F Notes, the "**Original Notes**"). The Original Notes were issued and secured pursuant to a trust deed (the "**Original Trust Deed**") dated the Original Issue Date, made between (amongst others) the Issuer and U.S. Bank National Association, in its capacity as trustee for itself and the Noteholders and security trustee for the Secured Parties (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed (as defined below)).

On or about 23 August 2019 (the "**Issue Date**"), the Issuer will, subject to the certain conditions, refinance the Original Class A-1 Notes and the Original Class C Notes by issuing €207,000,000 Class A-1 Senior Secured Floating Rate Notes due 2030 (the "**Class A-1 Notes**") and €17,700,000 Class C Deferrable Mezzanine Floating Rate Notes due 2030 (the "**Class C Notes**", and together with the Class A-1 Notes, the "**Refinancing Notes**" and, together with the Class A-2 Notes, the Class B Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes, the "**Notes**"). The Refinanced Notes will be redeemed in full on the Issue Date from the proceeds of the issue of the Refinancing Notes.

The Refinancing Notes will be issued and secured pursuant to the Original Trust Deed as supplemented pursuant to the terms of a deed of amendment and supplement (the "**Deed of Amendment and Supplement**") dated on or about the Issue Date and made between (amongst others) the Issuer and the Trustee (the Original Trust Deed so supplemented, the "**Trust Deed**"). The Class A-2 Notes, the Class B Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes (together, the "**Non-Refinanced Notes**") were issued on the Original Issue Date and are not being offered pursuant to this Offering Circular. The terms and conditions applicable to the Non-Refinanced Notes will be amended to reflect the Conditions of the Notes as outlined in this Offering Circular.

Interest on the Notes will be payable (a) quarterly in arrear on 15 January, 15 April, 15 July and 15 October at any time other than following the occurrence of a Frequency Switch Event (as defined herein) and semi-annually in arrear on 15 January and 15 July (where the Payment Date (as defined herein) immediately following the occurrence of the relevant Frequency Switch Event falls in either January or July) or 15 April and 15 October (where the Payment Date immediately following the occurrence of the relevant Frequency Switch Event falls in either April or October) following the occurrence of a Frequency Switch Event (or, in each case, if such day is not a Business Day (as defined herein), then on the next succeeding Business Day (unless it would

fall in the following month, in which case it shall be moved to the immediately preceding Business Day)) in each year, commencing on 15 October 2019 and ending on the Maturity Date (as defined herein) and (b) on any Unscheduled Payment Date, in accordance with the Priorities of Payment described herein and in the 2016 Prospectus.

As the Issue Date will occur on a Business Day which is not a Payment Date, interest on the Refinancing Notes payable on the first Payment Date following the Issue Date shall represent interest accrued on the Refinancing Notes for the entire Initial Accrual Period, which will commence on the Payment Date immediately prior to the Issue Date. Consequentially, the initial offer price of the Refinancing Notes shall include an amount (the "**Accrued Interest Amount**") equal to interest accrued on the Refinancing Notes in respect of the period up to but excluding the Issue Date.

The Refinancing 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 Refinancing Notes.

This Offering Circular does not constitute a prospectus for the purposes of Regulation (EU) 2017/1129 (as may be amended or superceded, the "**Prospectus Regulation**"). The Issuer is not offering the Notes in any jurisdiction in circumstances that would require a prospectus to be prepared pursuant to the Prospectus Regulation. Application has been made to The Irish Stock Exchange plc trading as Euronext Dublin ("**Euronext Dublin**") for the Refinancing Notes to be admitted to the Official List (the "**Official List**") and trading on the Global Exchange Market of Euronext Dublin (the "**Global Exchange Market**"). It is anticipated that listing and admission to trading of the Refinancing Notes will take place on or about the Issue Date. There can be no assurance that any such approval will be granted or, if granted, that such listing and admission to trading will be maintained. This Offering Circular constitutes listing particulars for the purpose of this application. Application has been made to Euronext Dublin for the approval of this document as listing particulars. The Non-Refinanced Notes are already admitted to the official list and trading on the regulated market of Euronext Dublin (the "**Regulated Market**"). The Non-Refinanced Notes will be delisted from the Regulated Market and listed on the Global Exchange Market on the Issue Date. All references in the 2016 Prospectus to the "Main Market" and the "Main Securities Market" shall be construed as references to the "Global Exchange Market" (as the context requires).

The Notes are limited recourse obligations of the Issuer which are payable solely out of amounts received by or on behalf of the Issuer in respect of the Collateral (as defined herein). The net proceeds of the realisation of the security over the Collateral upon acceleration of the Notes following an Event of Default (as defined herein) may be insufficient to pay all amounts due to the Noteholders (as defined herein) after making payments to other creditors of the Issuer ranking prior thereto or *pari passu* therewith. In the event that there is a shortfall in such proceeds, the Issuer will not be obliged to pay, and the other assets (including the Irish Excluded Assets (as defined in the 2016 Prospectus)) of the Issuer will not be available for payment of such shortfall, all claims in respect of which shall be extinguished. See Condition 4(c) (*Limited Recourse and Non-Petition*).

The Refinancing 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) in reliance on Rule 144A under the Securities Act 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 Refinancing Notes will be subject to certain restrictions on transfer, and each purchaser of the Refinancing 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 Refinancing Notes are being offered by the Issuer through Morgan Stanley & Co. International plc in its capacity as initial purchaser of the offering of such Notes (the "**Initial Purchaser**") 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.

Morgan Stanley & Co. International plc
Arranger and Initial Purchaser

The date of this Offering Circular is 22 August 2019

*The Issuer accepts responsibility for the information contained in this Offering Circular and, to the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), the information included in this Offering Circular 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 Offering Circular and the 2016 Prospectus headed "Risk Factors – Conflicts of Interest – Certain Conflicts of Interest Involving or Relating to the Investment Manager and its Affiliates", the sections in this Offering Circular headed "Description of the Investment Manager", "The EU Retention Requirements – Description of the Retention Holder" and "The EU Retention Requirements – Origination of Collateral Debt Obligations", and the sections in the 2016 Prospectus headed "Description of the Investment Management and Collateral Administration Agreement – The Retention Requirements – The Retention Holder" and "Description of the Investment Management and Collateral Administration Agreement – The Retention Requirements – Origination Procedures" (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. U.S. Bank Global Corporate Trust Limited accepts responsibility for the information contained in the section of this Offering Circular and the 2016 Prospectus, as applicable, headed "The Collateral Administrator". To the best of the knowledge and belief of U.S. Bank Global Corporate Trust Limited (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. U.S. Bank Global Corporate Trust Limited accepts responsibility for the information contained in the section of this Offering Circular headed "Description of the Collateral Administrator" and in the section of the 2016 Prospectus headed "The Collateral Administrator" (the "**Collateral Administrator Information**"). To the best of the knowledge and belief of U.S. Bank Global Corporate Trust Limited (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 and the Collateral Administrator Information, in the case of the Collateral Administrator, none of the Investment Manager, the Retention Holder or the Collateral Administrator accepts any responsibility for the accuracy and completeness of any information contained in this Offering Circular. The delivery of this Offering Circular at any time does not imply that the information herein is correct at any time subsequent to the date of this Offering Circular. References to any of the parties herein accepting responsibility for the information contained in the 2016 Prospectus means that such information was included in the 2016 Prospectus in accordance with the facts then existing at the time of the publication of the 2016 Prospectus and did not omit anything likely to affect the import of such information at the time of the publication of the 2016 Prospectus.*

*The Investment Manager Information, the Collateral Administrator Information and the information contained in the sections of this Offering Circular and the 2016 Prospectus headed "Risk Factors – Conflicts of Interest – Certain Conflicts of Interest Involving or Relating to the Initial Purchaser and its Affiliates" (the "**Initial Purchaser Information**") has been reproduced from information published by, respectively, that third party and the Initial Purchaser. The Issuer has only made very limited enquiries with regards to the accuracy and completeness of the Investment Manager Information, the Collateral Administrator Information and the Initial Purchaser Information. As far as the Issuer is aware and is able to ascertain from information published by the Investment Manager, the Collateral Administrator and the Initial Purchaser, this information has been accurately reproduced and no facts have been omitted which would render the reproduced information inaccurate or misleading. Prospective investors in the Refinancing Notes should not rely upon, and should make their own independent investigations and enquiries in respect of, the accuracy and completeness of the Investment Manager Information, the Collateral Administrator Information and the Initial Purchaser Information.*

None of the Initial Purchaser, the Arranger, the Trustee, the Retention Holder, any Agent, any Hedge Counterparty or any other party has separately verified the information contained in this Offering Circular and, accordingly, none of the Initial Purchaser, the Arranger, the Trustee, the Investment Manager (save as specified above), the Collateral Administrator (save as specified above), any Agent, any Hedge Counterparty, or any other party (save for the Issuer as specified above) makes any representation, recommendation or warranty, express or implied, regarding the accuracy, adequacy, reasonableness or completeness of the information contained in this Offering Circular or in any further notice or other document which may at any time be supplied in connection with the Refinancing Notes or their distribution or accepts any responsibility or liability therefor. None of the Initial Purchaser, the Arranger, the Trustee, the Investment Manager, the Collateral Administrator, 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 Refinancing 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 Initial Purchaser, the Arranger, the Trustee, the Investment Manager, the Collateral Administrator, 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 Initial Purchaser, the Investment Manager, the Collateral Administrator, any of their respective Affiliates or any other person to subscribe for or purchase any of the Refinancing Notes. The distribution of this Offering Circular and the offering of the Refinancing 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 Refinancing Notes and distribution of this Offering Circular, see "Plan of Distribution" and "Transfer Restrictions" below. The Refinancing Notes are not intended to be sold and should not be sold to retail investors.

In connection with the issue and sale of the Refinancing 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 Initial Purchaser, the Trustee, the Investment Manager or the Collateral Administrator. 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.

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

In connection with the issue of the Refinancing Notes, no stabilisation will take place and Morgan Stanley & Co. International plc will not be acting as stabilising manager in respect of the Refinancing Notes.

The Issuer is not and will not be regulated by the Central Bank as a result of issuing the Refinancing Notes. Any investment in the Refinancing 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

Investors are directed to the further descriptions of the EU Retention Requirements and EU Transparency Requirements in "*Description of the Investment Management and Collateral Administration Agreement—The Retention Requirements*" in the 2016 Prospectus and "*Risk Factors—Regulatory Initiatives—Risk Retention and Due Diligence—EU Retention and Transparency Requirements*" and "*The EU Retention Requirements—The Retention Requirements*" below.

Each prospective investor in the Notes is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction (including the Reports) are sufficient to comply with Regulation (EU) 2017/2402 (the "**Securitisation Regulation**") or any other applicable legal regulatory or other requirements. Notwithstanding anything in this Offering Circular to the contrary, none of the Issuer, the Arranger, the Initial Purchaser, the Investment Manager, the Retention Holder, any Agent, the Trustee, any of their respective Affiliates, corporate officers or professional advisers or any other person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose and no such person shall have any liability to any prospective investor or any other person with respect to the insufficiency of such information or any failure of the transactions contemplated hereby to satisfy or otherwise comply with the requirements of the Securitisation Regulation, the implementing provisions in respect of the Securitisation Regulation in their relevant jurisdiction, or any other applicable legal, regulatory or other requirements, other than as set out below. Each prospective investor in the Notes should consult with its own legal, accounting and other advisors and/or its national regulator to determine whether, and to what extent, such information is sufficient for such purposes and any other requirements of the Securitisation Regulation or any similar requirements of which it is uncertain. See "*The EU Retention Requirements—The Retention Requirements*" below.

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

In addition, in relation to the reporting obligations in the EU Transparency Requirements, (a) the Issuer will be designated as the entity responsible to fulfil such reporting obligations, (b) the Investment Manager will undertake to, on behalf of and at the expense of the Issuer, provide to the Collateral Administrator (and/or any applicable third party reporting entity) and the Issuer any reports, data and other information (or access to such information) (i) which is in the possession of the Investment Manager, (ii) which is not subject to legal or contractual restrictions on its disclosure (unless the relevant information can be summarised or disclosed in an anonymised form, as appropriate), (iii) to which the Collateral Administrator or the Issuer does not otherwise have access, which is not already required to be provided to the Issuer directly or which is not otherwise in the Issuer's possession (in each case, as applicable), and (iv) which is required by the Issuer in connection with the proper performance by the Issuer, as the designated entity, of its obligation to make available to the Noteholders, potential investors in the Notes and the competent authorities the reports and information necessary to fulfil the reporting requirements of the EU Transparency Requirements, provided that, prior to the Securitisation Regulation Reporting Effective Date (A) the Issuer intends to fulfil those requirements contained in subparagraph (a) and (e) of Article 7(1) of the Securitisation Regulation through the provision of the Monthly Reports and the Payment Date Reports (see "*Description of the Reports*") and (B) the Investment Manager shall not be required to provide any reports, data or other information (other than such information and data necessary for completion of the Monthly Reports and the Payment Date Reports) in connection with the reporting requirements contained in subparagraphs (a) and (e) of Article 7(1) of the Securitisation Regulation to the Issuer pursuant to the Investment Management and Collateral Administration Agreement prior to the adoption of such final disclosure templates and (c) following the Securitisation Regulation Reporting Effective Date, the Issuer (with the consent of the Investment Manager) will propose in writing to the Collateral Administrator the form, content, frequency and method of distribution of the reports required to be disclosed in accordance with the Transparency RTS. The Collateral Administrator shall consult with the Issuer and the Investment Manager with a view to agreeing such reporting on such proposed terms (or other alternative terms as may be agreed between the Collateral Administrator, the Issuer and the Investment Manager) and, if it agrees to provide such reporting, shall confirm the proposed terms of reporting in writing to the Issuer and the Investment Manager. To the extent agreed by the Collateral Administrator, the Collateral Administrator shall make such reports and information available either upon request or via a website currently located at https://pivot.usbank.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Trustee, the Investment Manager, the Retention Holder, each Hedge Counterparty, the Initial Purchaser and the Noteholders from time to time in accordance with Condition 16 (*Notices*)) (the "**Reporting Website**") or in such other

manner as required by any competent authority, which shall be accessible to any person who certifies to the Collateral Administrator (such certification to be in the form set out in Schedule 27 (*Form of Website Certification*) to the Investment Management and Collateral Administration Agreement, which certification may be given electronically and upon which certification the Collateral Administrator shall be entitled to rely absolutely and without enquiry or liability) that it is: (i) the Issuer, (ii) the Trustee, (iii) the Initial Purchaser, (iv) a Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, (v) the Investment Manager, (vi) a Rating Agency, (vii) a Noteholder, (viii) a competent authority or (ix) a potential investor in the Notes. If the Collateral Administrator does not agree on the terms of reporting or in the Issuer's reasonable opinion (acting on the advice of the Investment Manager) the Collateral Administrator is or will be unable or unwilling to provide such reporting (and such notice given by the Issuer in respect of this determination by the Issuer shall include a description of the Issuer's grounds for such determination), the Issuer (with the consent of the Investment Manager) shall be entitled to appoint another entity to make the relevant information available for the purposes of Article 7 of the Securitisation Regulation. In addition, the Issuer may (with the consent of the Investment Manager) by notice in writing to the Collateral Administrator at any time: (i) if the Issuer has reasonable grounds to believe that the Collateral Administrator will fail or be unable to perform any of its duties or responsibilities under the Investment Management and Collateral Administration Agreement insofar as they relate to the reporting requirements set out in Article 7 of the Securitisation Regulation (and any notice given in respect of this paragraph (i) shall include a description of the Issuer's grounds for such belief); or (ii) following the occurrence of a default, failure or inability of the Collateral Administrator to perform any of its duties or responsibilities under the Investment Management and Collateral Administration Agreement insofar as they relate to the reporting requirements set out in Article 7 of the Securitisation Regulation which has not been cured within five days of the occurrence of such default, failure or inability to perform, assume itself or appoint another third party to assume the obligations of the Collateral Administrator to make the relevant information available for the purposes of Article 7 of the Securitisation Regulation.

For the avoidance of doubt, to the extent the Collateral Administrator and/or the Investment Manager agrees to provide any such information and reporting on behalf of the Issuer, neither the Collateral Administrator nor the Investment Manager will assume any statutory responsibility for the Issuer's obligations as the entity responsible to fulfil the reporting obligations under the EU Transparency Requirements. In providing such information and reporting, the Collateral Administrator and the Investment Manager also assume no responsibility or liability to Noteholders or prospective Noteholders (including for their use or onward disclosure of any documentation posted on the website) and have the benefit of the powers, protections and indemnities granted to them under the Transaction Documents.

This Offering Circular is intended to serve as the transaction summary for the purposes of Article 7(1)(c) of the Securitisation Regulation.

U.S. RISK RETENTION RULES

The U.S. Risk Retention Rules (as defined below) require the "sponsor" of a "securitization transaction" to retain (either directly or through its "majority-owned affiliates") not less than 5 per cent. of the "credit risk" of "securitized assets" (as such terms are defined in the U.S. Risk Retention Rules). The U.S. Risk Retention Rules prohibit the "sponsor" or its "majority-owned affiliates", as applicable, from directly or indirectly eliminating or reducing its credit exposure by hedging or otherwise transferring the "credit risk" during the period of time that the U.S. Risk Retention Rules require that the risk be retained.

Based on the LSTA Decision (as defined below), each prospective investor should be aware that no party involved in the transaction will obtain on the Issue Date and retain any Notes intended to satisfy the U.S. Risk Retention Rules. None of the Issuer, the Arranger, the Initial Purchaser, the Investment Manager, the Retention Holder, the Trustee or any of their respective Affiliates makes any representation, warranty or guarantee or provides any assurances regarding, or assumes any responsibility to any prospective investor or purchaser of the Notes regarding the application of the U.S. Risk Retention Rules, to the Issuer, or to such investor's investment in the Notes on the Issue Date or at any time in the future.

VOLCKER RULE

Section 619 of the Dodd-Frank Act and the corresponding implementing rules (the "**Volcker Rule**") prevents "banking entities" as defined under the Volcker Rule (which would include U.S. and non-U.S. affiliates of U.S. and non-U.S. banking institutions) subject to the rule from (i) conducting proprietary trading activities in a wide variety of financial instruments unless the transaction is excluded from the scope of the rule (e.g. if conducted solely for hedging purposes), and (ii) except as permitted by the rule, acquiring or retaining any equity,

partnership, or other ownership interest in, or sponsoring, any "hedge fund" or "private equity fund", together "covered funds", as defined in the Volcker Rule.

An "ownership interest" is broadly defined in the Volcker Rule and may arise through a holder's exposure to the profit 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, manager, general partner, board of directors or similar governing body of the covered fund.

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

It is uncertain whether any of the Refinancing Notes may be characterised as ownership interests. The Transaction Documents have been drafted in a manner so as to disenfranchise the holders of any Refinancing Notes in the form of IM Non-Voting Notes or IM Exchangeable Non-Voting Notes in respect of any IM Removal Resolution or IM Replacement Resolution. There can be no assurance that these steps will be effective to avoid investments in the Issuer by U.S. or non-U.S. banking entities subject to the Volcker Rule (whether in the form of IM Non-Voting Notes or IM Exchangeable Non-Voting Notes or otherwise) being deemed to be an "ownership interest" in the Issuer.

Each prospective investor in the Refinancing Notes is required to independently consider the potential impact of the Volcker Rule in respect of any investment in the Refinancing Notes and none of the Issuer, the Investment Manager, the Initial Purchaser, the Arranger, the Trustee, the Collateral Administrator, any Agent or the Arranger makes any representation regarding such investment, including with respect to the ability of any investor to acquire or hold the Refinancing Notes, now or at any time in the future in compliance with the Volcker Rule or any other applicable laws. See "*Risk Factors – Regulatory Initiatives – Volcker Rule*" below.

Information as to placement within the United States

The Refinancing 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 of such Class (each a "**Rule 144A Definitive Certificate**" and together the "**Rule 144A Definitive Certificates**"), in each case in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, 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 Refinancing 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 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 common depositary for Euroclear and Clearstream, Luxembourg or, in the case of Regulation S Definitive Certificates, the registered holder thereof. Neither U.S. Persons nor U.S. residents (as determined for the purposes of the Investment Company Act) ("**U.S. Residents**") may hold an interest in a Regulation S Global Certificate or a Regulation S Definitive Certificate. Ownership interests in the Regulation S Global Certificates and the Rule 144A Global Certificates (together, the "**Global Certificates**") will be shown on, and transfers thereof will only be effected through, records maintained by Euroclear and Clearstream, Luxembourg and their respective participants. Notes in definitive certificated form will be issued only in limited circumstances. 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*

Refinancing Notes", "*Plan of Distribution*" and "*Transfer Restrictions*" below and "*Book Entry Clearance Procedures*" in the 2016 Prospectus.

The Issuer has not been registered under the Investment Company Act. Each purchaser of an interest in the Refinancing 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 Refinancing Note, by such purchase, agrees that such Refinancing 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*".

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

THE REFINANCING 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 Refinancing Notes described herein (the "**Offering**"). Each of the Issuer and the Initial Purchaser reserves the right to reject any offer to purchase Refinancing Notes in whole or in part for any reason, or to sell less than the stated initial principal amount of any Class of Refinancing Notes offered hereby. This Offering Circular is personal to each offeree to whom it has been delivered by the Issuer, 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 Refinancing 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 Refinancing 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 Refinancing 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 REFINANCING NOTES MUST COMPLY WITH ALL APPLICABLE LAWS AND REGULATIONS IN FORCE IN EACH JURISDICTION IN WHICH IT PURCHASES, OFFERS OR SELLS SUCH REFINANCING 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 SECURITIES 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 RETENTION HOLDER, THE INVESTMENT MANAGER, THE TRUSTEE OR THE COLLATERAL ADMINISTRATOR SPECIFIED HEREIN (OR ANY OF THEIR RESPECTIVE AFFILIATES) SHALL HAVE ANY RESPONSIBILITY THEREFOR.

THE REFINANCING 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.

MIFID II PRODUCT GOVERNANCE

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

Where the Initial Purchaser carries on regulated activities with or for investors in the course of or as a result of carrying on corporate finance business with or for a client of the Initial Purchaser (such as when the Initial Purchaser is advising the Issuer in relation to the issuance described herein), the Initial Purchaser will not be acting on behalf of investors and will not be responsible for providing investors with protections afforded to clients of the Initial Purchaser (such as the Issuer in relation to the issuance described herein) or advise investors in relation to any transactions.

PRIIPs Regulation and Prospectus Regulation

The Refinancing Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**"). For these purposes, a retail investor means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II; or (iii) not a qualified investor as defined in the Prospectus Regulation. Consequently no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Refinancing Notes or otherwise making them available to retail investors in the EEA has been prepared and therefore offering or selling the Refinancing Notes or otherwise making them available to any retail investor in the EEA may be unlawful under the PRIIPS Regulation.

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OVERVIEW

*The following overview does not purport to be complete and is qualified in its entirety by reference to the detailed information appearing elsewhere in this offering circular (this "**Offering Circular**") and related documents referred to herein. Capitalised terms not specifically defined in this Overview have the meanings set out in Condition 1 (Definitions) of the Conditions as contained in the 2016 Prospectus and as further amended herein or are defined elsewhere in this Offering Circular. It should be read in conjunction with the section entitled "Overview" beginning on page 1 of the 2016 Prospectus. 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" and references to "Conditions" are to the "Terms and Conditions". For a discussion of certain risk factors to be considered in connection with an investment in the Refinancing Notes, see "Risk Factors".*

Issuer	Man GLG Euro CLO II D.A.C. (formerly known as GLG Euro CLO II D.A.C.), a designated activity company incorporated under the laws of Ireland with registered number 566338 and having its registered office at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.
Investment Manager	GLG Partners LP.
Retention Holder	The Investment Manager.
Trustee	U.S. Bank National Association.
Arranger and Initial Purchaser	Morgan Stanley & Co. International plc.
Collateral Administrator	U.S. Bank Global Corporate Trust Limited U.S. Bank Global Corporate Trust Limited was appointed on the Issue Date (the roles of Collateral Administrator, Information Agent and Calculation Agent were previously undertaken by Elavon Financial Services DAC (acting through its UK Branch)).

Refinancing Notes

Class of Refinancing Notes	Principal Amount	Initial Stated Interest Rate	Alternative Stated Interest Rate	Moody's Ratings of at least[3]	Fitch Ratings of at least[3]	Maturity Date	Initial Offer Price[4]	Accrued Interest Amount[5]
A-1	€207,000,000	3 month EURIBOR +0.87%[1]	6 month EURIBOR +0.87%[2]	Aaa(sf)	AAA(sf)	2030	100.00%	€231,840.00
C	€17,700,000	3 month EURIBOR +2.45%[1]	6 month EURIBOR +2.45%[2]	A2(sf)	A(sf)	2030	100.00%	€47,967.00

1 Applicable at all times other than during a Frequency Switch Period.

2 Applicable to each six month Accrual Period other than in respect of part of the initial Accrual Period with respect to the Refinanced Notes, being the period from (and including) the Payment Date immediately preceding the Issue Date to (but excluding) the Issue Date, when the applicable margin percentage will be at a higher rate as further described herein.

3 The ratings assigned to the Class A-1 Notes by Fitch address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class C Notes by Fitch address the ultimate payment of principal and interest. The ratings assigned to the Refinancing Notes by Moody's address the expected loss posed to investors by the legal final maturity on the Maturity Date. A security rating is not a recommendation to buy, sell or hold the Notes and may be subject to revision, suspension or withdrawal at any time by the applicable Rating Agency. As of the date of this Offering Circular, each of the Rating Agencies is established in the European Union ("**EU**") and is registered under Regulation (EC) No 1060/2009 (as amended) (the "**CRA Regulation**"). As such each Rating Agency is included in the list of credit rating agencies published by the European Securities and Markets Authority ("**ESMA**") on its website in accordance with the CRA Regulation.

4 The Initial Purchaser may offer the Refinancing Notes at other prices as may be negotiated at the time of sale.

5 As the Issue Date will occur on a Business Day which is not a Payment Date, interest on the Refinancing Notes payable on the first Payment Date following the Issue Date shall represent interest accrued on the Refinancing Notes for the entire Initial Accrual Period, which will commence on the Payment Date immediately prior to the Issue Date. Consequentially, the initial offer price of the Refinancing Notes will be an issue price of 100% plus the Accrued Interest Amount.

Eligible Purchasers	The Refinancing Notes of each Class will be offered: (a) to non-U.S. Persons in "offshore transactions" in reliance on Regulation S; and (b) to U.S. Persons, in each case, who are QIB/QPs in reliance on Rule 144A.
Original Issue Date	14 December 2016
Issue Date	23 August 2019
Initial Offer Price	The Refinancing Notes will be issued at the issue price of 100 per cent. plus an amount (the "**Accrued Interest Amount**") equal to accrued interest in respect of the period from, and including, the Payment Date immediately preceding the Issue Date to, but excluding, the Issue Date.
Payment Dates	Interest on the Notes will be payable: (a) following the occurrence of a Frequency Switch Event on (A) 15 January and 15 July (where the Payment Date immediately following the occurrence of the relevant Frequency Switch Event is either 15 January or 15 July), or (B) 15 April and 15 October (where the Payment Date immediately following the occurrence of the relevant Frequency Switch Event is either 15 April or 15 October); and (b) 15 January, 15 April, 15 July and 15 October, at all other times, commencing on 15 October 2019 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). Subject to the prior redemption or repayment in full of the Rated Notes and certain other conditions, the Issuer or the Investment Manager (on behalf of the Issuer) may (and shall, in either case, if so directed by an Ordinary Resolution of the Subordinated Noteholders) designate a Business Day other than a Scheduled Payment Date as an Unscheduled Payment Date (see Condition 3(k) (*Unscheduled Payment Dates*)).
Stated Note Interest	Interest in respect of the Refinancing Notes of each Class will be payable semi-annually in arrear in respect of each six month Accrual Period and quarterly in arrear in respect of each three month Accrual Period, in each case, on each Payment Date (with the first Payment Date occurring in 15 October 2019) in accordance with the Interest Priority of Payments. As the Issue Date will occur on a Business Day which is not a Payment Date, interest on the Refinancing Notes payable on the Payment Date immediately following the Issue Date shall represent interest accrued on the Refinancing Notes for the entire initial Accrual Period, which will commence on the Payment Date immediately preceding the Issue Date. Interest in respect of the period from (and including) the Payment Date immediately preceding the Issue Date to (but excluding) the Issue Date shall accrue interest at a rate equal to the interest rate on the corresponding Class of Refinanced Notes.

Deferral of Interest	Failure on the part of the Issuer to pay the Interest Amounts due and payable on the Class A Notes and the Class B Notes in accordance with the Priorities of Payment shall not constitute an Event of Default unless and until such failure continues for a period of five consecutive Business Days provided, in the case of a failure to disburse due to an administrative error or omission by the Investment Manager, the Collateral Administrator or any Paying Agent, such failure continues for a period of at least seven consecutive Business Days and save in each case as the result of any deduction therefrom or the imposition of any withholding thereon as set out in Condition 9 (*Taxation*). To the extent that interest payments on the Class C Notes, the Class D Notes, the Class E Notes or the 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, the Class D Notes, the Class E Notes and the Class F Notes (as applicable), and from the date such unpaid interest is added to the applicable Principal Amount Outstanding of the relevant Class of Notes, such unpaid amount will accrue interest at the rate of interest applicable to the relevant Notes. See Condition 6(c) (*Deferral of Interest*). Non-payment of interest amounts due and payable on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and 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 will not constitute an Event of Default.
Redemption of the Notes	Condition 7(b)(i) (*Optional Redemption in Whole—Subordinated Noteholders*): Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*), Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*), Condition 7(b)(vi) (*Refinancing in relation to a Redemption in Whole*) and Condition 7(b)(ix) (*Optional Redemption in whole of all Classes of Notes effected through Liquidation only*), the Rated Notes may be redeemed in whole but not in part by the Issuer at the applicable Redemption Prices, from Sale Proceeds or any Refinancing Proceeds (or a combination thereof): (a) on any Business Day falling on or after 23 August 2020, at the direction of the Subordinated Noteholders acting by Ordinary Resolution (with duly completed Redemption Notices); or (b) upon the occurrence of a Collateral Tax Event, on any Business Day falling after such occurrence at the direction of the Subordinated Noteholders acting by Ordinary Resolution (with duly completed Redemption Notices). Condition 7(b)(ii) (*Optional Redemption in Part—Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*): Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*), Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) and Condition 7(b)(vii) (*Refinancing in relation to a Redemption in Part*), the Rated Notes of any Class (other than the

	Class A-1 Notes and the Class C Notes) may be redeemed by the Issuer at the applicable Redemption Prices, solely from Refinancing Proceeds (in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) below) on any Business Day falling on or after expiry of the Non-Call Period at the direction of the Subordinated Noteholders acting by Ordinary Resolution (with duly completed Redemption Notices). No such Optional Redemption may occur unless any Class of Rated Notes (other than the Class A-1 Notes and the Class C Notes) to be redeemed represents the entire Class of such Rated Notes. See also paragraph (2)(f) of the section headed "*Description of the Refinancing Notes – A. Amendments to the Conditions in respect of the Refinancing Notes*" below.
The Portfolio	The components and the operation of certain tests, including but not limited to the Fitch Test Matrix and the Moody's Test Matrix and the definitions of the "Fitch Recovery Rate", the "Minimum Weighted Average Fixed Coupon" and the "Maximum Weighted Average Life Test", set out in the Original Investment Management and Collateral Administration Agreement, are being amended. For the purpose of Condition 14(c)(xxvii) (*Modification and Waiver*), the Class A-1 Noteholders (as the Controlling Class) will approve such modifications to the Original Investment Management and Collateral Administration Agreement contained in the Deed of Amendment and Supplement by an Ordinary Resolution by way of, in respect of each Class A-1 Noteholder (as the Controlling Class) of the Refinancing Notes, deemed approval upon their subscription for the Class A-1 Notes of the Refinancing Notes. See the section entitled "*The Portfolio*" below and in the 2016 Prospectus.
Listing	Application has been made to Euronext Dublin for the Refinancing Notes to be admitted to the Official List and trading on the Global Exchange Market. It is anticipated that listing and admission to trading of the Refinancing Notes will take place on or about the Issue Date. There can be no assurance that any such approval will be granted or, if granted, that such listing and admission to trading will be maintained. This Offering Circular constitutes listing particulars for the purpose of this application. Application has been made to Euronext Dublin for the approval of this document as listing particulars. The Non-Refinanced Notes are already admitted to the official list and trading on the Regulated Market. The Non-Refinanced Notes will be delisted from the Regulated Market and listed on the Global Exchange Market on the Issue Date. All references in the 2016 Prospectus to the "Main Market" and the "Main Securities Market" shall be construed as references to the "Global Exchange Market" (as the context requires). See "*General Information*" below and in the 2016 Prospectus.
Form, Registration and Transfer of the Notes	The Regulation S Notes of each Class will be represented on issue by beneficial interests in one or more Regulation S Global Certificates in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear and 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*" in the 2016 Prospectus. Interests in any Regulation S Note may not at any time be held by any U.S. Person or U.S. Resident.

The Rule 144A Notes of each Class will be represented on issue by beneficial interests in one or more Rule 144A Global Certificates in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear 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 the 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*" in the 2016 Prospectus.

No beneficial interest in a Rule 144A Global Certificate may be transferred to a person who takes delivery thereof through a Regulation S Global Certificate unless the transferor provides the Transfer Agent with a written certification substantially in the form set out in the Trust Deed regarding compliance with certain of such transfer restrictions. Any transfer of a beneficial interest in a Regulation S Global Certificate to a person who takes delivery through an interest in a Rule 144A Global Certificate is also subject to certification requirements substantially in the form set out in the Trust Deed and each purchaser thereof shall be deemed to represent that such purchaser is a QIB/QP. In addition, interests in any of the Regulation S Notes may not at any time be held by any U.S. Person or U.S. Resident. See "*Form of the Notes*" and "*Book Entry Clearance Procedures*". See "*Form of the Notes*" and "*Book Entry Clearance Procedures*" in the 2016 Prospectus.

Except in the limited circumstances described herein, Notes in definitive, certificated, fully registered form 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*" in the 2016 Prospectus.

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 the 2016 Prospectus relating to such Notes under the heading "*Transfer Restrictions*" therein.

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 the 2016 Prospectus relating to such Notes under the heading "*Transfer Restrictions*" therein.

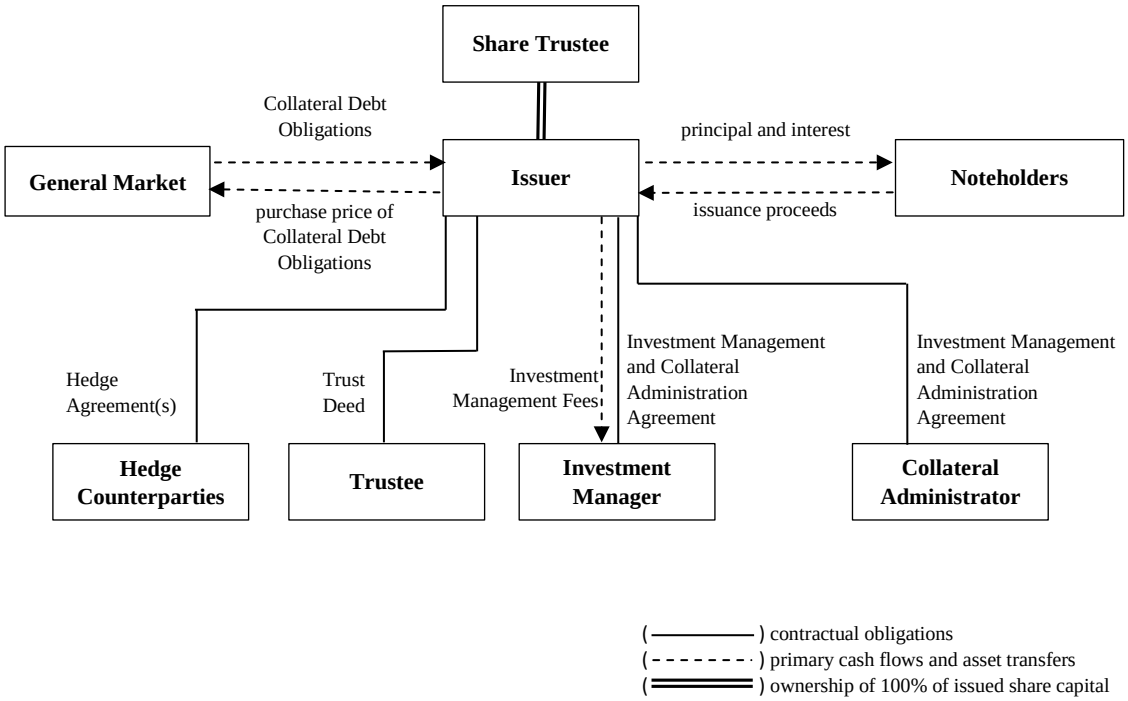
Transfers of interests in the Notes are subject to certain restrictions and must be made in accordance with the procedures set forth in

	the Trust Deed. See "*Form of the Notes*", "*Book Entry Clearance Procedures*" and "*Transfer Restrictions*" in the 2016 Prospectus. 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*" in the 2016 Prospectus. 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*).
Tax Status	See "*Tax Considerations*".
Certain ERISA Considerations	For a discussion of certain ERISA related restrictions on the ownership and transfer of the Notes, see the section "*ERISA Considerations*" and "*Transfer Restrictions*" in the 2016 Prospectus and "*Additional ERISA Considerations*" and "*Additional Transfer Restrictions*" described below.
Withholding Tax	No gross up of any payments will be payable to the Noteholders. See Condition 9 (*Taxation*).
Retention Holder and EU Retention Requirements	The Investment Manager (in its capacity as the Retention Holder) will agree that for so long as any Class of Notes remains Outstanding, it will (i) subscribe for, on the Issue Date, and hold on an ongoing basis, not less than five per cent. of the outstanding nominal value of each Class of Refinancing Notes and (ii) hold on an ongoing basis for so long as any Class of Notes remains Outstanding, the Original Issue Date Retention Notes issued on the Original Issue Date pursuant to the Investment Management and Collateral Administration Agreement, with the intention of complying with the EU Retention and Transparency Requirements. See "*Description of the Investment Management and Collateral Administration Agreement—The Retention Requirements*" in the 2016 Prospectus, "*Risk Factors—Regulatory Initiatives—Risk Retention and Due Diligence—EU Retention and Transparency Requirements*" and "*The EU Retention Requirements—The Retention Requirements*" below. In addition, in relation to the reporting obligations in the EU Transparency Requirements, (a) the Issuer will be designated as the entity responsible to fulfil such reporting obligations, (b) the Investment Manager will undertake to, on behalf of and at the expense of the Issuer, provide to the Collateral Administrator (and/or any applicable third party reporting entity) and the Issuer any reports, data and other information (or access to such information) (i) which is in the possession of the Investment Manager, (ii) which is not subject to legal or contractual restrictions on its disclosure (unless the relevant information can be summarised or disclosed in an anonymised form, as appropriate), (iii) to which the Collateral Administrator or the Issuer does not otherwise have access, which is not already required to be provided to the Issuer directly or which is not otherwise in the Issuer's possession (in each case, as applicable), and (iv) which is required by the Issuer in connection with the proper performance by the Issuer, as the designated entity, of its obligation to make available to the Noteholders, potential investors in the Notes and the competent authorities the reports and information necessary to fulfil the reporting requirements of the EU Transparency Requirements, provided that, prior to the Securitisation Regulation Reporting Effective Date (A) the Issuer intends to fulfil those

requirements contained in subparagraph (a) and (e) of Article 7(1) of the Securitisation Regulation through the provision of the Monthly Reports and the Payment Date Reports (see "*Description of the Reports*") and (B) the Investment Manager shall not be required to provide any reports, data or other information (other than such information and data necessary for completion of the Monthly Reports and the Payment Date Reports) in connection with the reporting requirements contained in subparagraphs (a) and (e) of Article 7(1) of the Securitisation Regulation to the Issuer pursuant to the Investment Management and Collateral Administration Agreement prior to the adoption of such final disclosure templates and (c) following the Securitisation Regulation Reporting Effective Date, the Issuer (with the consent of the Investment Manager) will propose in writing to the Collateral Administrator the form, content, frequency and method of distribution of the reports required to be disclosed in accordance with the Transparency RTS. The Collateral Administrator shall consult with the Issuer and the Investment Manager with a view to agreeing such reporting on such proposed terms (or other alternative terms as may be agreed between the Collateral Administrator, the Issuer and the Investment Manager) and, if it agrees to provide such reporting, shall confirm the proposed terms of reporting in writing to the Issuer and the Investment Manager. To the extent agreed by the Collateral Administrator, the Collateral Administrator shall make such reports and information available either upon request or via a website currently located at https://pivot.usbank.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Trustee, the Investment Manager, the Retention Holder, each Hedge Counterparty, the Initial Purchaser and the Noteholders from time to time in accordance with Condition 16 (*Notices*)) (the "**Reporting Website**") or in such other manner as required by any competent authority, which shall be accessible to any person who certifies to the Collateral Administrator (such certification to be in the form set out in Schedule 27 (*Form of Website Certification*) to the Investment Management and Collateral Administration Agreement, which certification may be given electronically and upon which certification the Collateral Administrator shall be entitled to rely absolutely and without enquiry or liability) that it is: (i) the Issuer, (ii) the Trustee, (iii) the Initial Purchaser, (iv) a Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, (v) the Investment Manager, (vi) a Rating Agency, (vii) a Noteholder, (viii) a competent authority or (ix) a potential investor in the Notes. If the Collateral Administrator does not agree on the terms of reporting or in the Issuer's reasonable opinion (acting on the advice of the Investment Manager) the Collateral Administrator is or will be unable or unwilling to provide such reporting (and such notice given by the Issuer in respect of this determination by the Issuer shall include a description of the Issuer's grounds for such determination), the Issuer (with the consent of the Investment Manager) shall be entitled to appoint another entity to make the relevant information available for the purposes of Article 7 of the Securitisation Regulation. In addition, the Issuer may (with the consent of the Investment Manager) by notice in writing to the Collateral Administrator at any time: (i) if the Issuer has reasonable grounds to believe that the Collateral Administrator will fail or be unable to perform any of its duties or responsibilities under the Investment Management and Collateral Administration Agreement insofar as they relate to the reporting requirements set out in Article

	7 of the Securitisation Regulation (and any notice given in respect of this paragraph (i) shall include a description of the Issuer's grounds for such belief); or (ii) following the occurrence of a default, failure or inability of the Collateral Administrator to perform any of its duties or responsibilities under the Investment Management and Collateral Administration Agreement insofar as they relate to the reporting requirements set out in Article 7 of the Securitisation Regulation which has not been cured within five days of the occurrence of such default, failure or inability to perform, assume itself or appoint another third party to assume the obligations of the Collateral Administrator to make the relevant information available for the purposes of Article 7 of the Securitisation Regulation. See further "*Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence Requirements – EU Retention and Transparency Requirements*" and "*The EU Retention Requirements — EU Retention Requirements*" below.
U.S. Risk Retention Rules	On the Issue Date, it is expected that, based upon the LSTA Decision, neither the Investment Manager nor any of its affiliates nor any other party will be a "sponsor" of this transaction (within the meaning of the U.S. Risk Retention Rules). As a result of such determination, neither the Investment Manager nor any of its Affiliates intend to purchase or retain any of the Notes for purposes of complying with the U.S. Risk Retention Rules on or after the Issue Date. See "*Risk Factors – Regulatory Initiatives – Risk Retention and Due Diligence Requirements – U.S. Risk Retention Rules*". The statements contained in this Offering Circular regarding the expected application of the U.S. Risk Retention Rules and the LSTA Decision are solely based on publicly available information as of the date of this Offering Circular.

Diagrammatic Overview of the Transaction, On-Going Cash Flows and Ownership Structure



RISK FACTORS

An investment in the Notes of any Class involves certain risks, including risks relating to the Collateral securing such Notes and risks relating to the structure and rights of such Notes and the related arrangements. Prospective investors should carefully consider the following factors and the "Risk Factors" in the 2016 Prospectus, in addition to the matters set forth elsewhere in this Offering Circular and the 2016 Prospectus, prior to investing in any Refinancing 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" in the 2016 Prospectus, as amended by this Offering Circular.

The following limited supplemental disclosure is being provided to you to inform you of certain risks arising from the issuance of the Refinancing Notes but does not purport to (and none of the Issuer, the Initial Purchaser, the Investment Manager or their respective affiliates makes any representations that it purports to) comprehensively update the 2016 Prospectus or disclose all risk factors (whether legal or otherwise) which may arise by or relate to the issuance of the Refinancing Notes.

The Arranger and the Initial Purchaser (i) did not participate in the preparation of any Monthly Report or any Payment Date Report, (ii) are relying on representations from the Issuer as to the accuracy and completeness of the information contained in the Monthly Reports and the Payment Date Reports and (iii) shall have no responsibility whatsoever for the contents of any Monthly Report or any Payment Date Report.

1. GENERAL

1.1 Relating to the Refinancing Notes

The Issuer provides limited information about its past operating history, investment performance and other matters relating to its operations. The Issuer commenced operations under the Trust Deed on the Original Issue Date. While the most recent Monthly Report (as defined in the Trust Deed) prior to the Issue Date dated 8 August 2019 with respect to the Portfolio (the "**Latest Monthly Report**") has been filed with Euronext Dublin, is available for viewing at https://www.ise.ie/debt_documents/GLG%20ll%20Aug%202019%20MR_8e3d1b52-8a43-43ac-8807-39892fdfb786.pdf and is expressly incorporated herein as an integral part of this Offering Circular, such information has not been audited or otherwise reviewed by any accounting firm.

The information provided in the Monthly Reports (including the Latest Monthly Report), is limited and does not provide a full description of all Collateral Debt Obligations previously held or sold by the Issuer, nor the gains or losses associated with purchases or sales of Collateral Debt Obligations, nor the levels of compliance with the Coverage Tests and Collateral Quality Tests during periods prior to the periods covered by such Monthly Report. Each Monthly Report contains information as of the dates specified therein and none of the Monthly Reports are calculated as of the date of this Offering Circular. As such, the information in the most recent Monthly Report may no longer reflect the characteristics of the Collateral Debt Obligations as of the date of this Offering Circular or on or after the Issue Date. In preparing and furnishing the Latest Monthly Report and all other Monthly Reports and Payment Date Reports, the Issuer will rely conclusively on the accuracy and completeness of the information or data regarding the Collateral Debt Obligations that has been provided to it by the Collateral Administrator (which will rely conclusively, in turn, on the accuracy and completeness of certain information provided to it by the Investment Manager and third parties) (and reviewed by the Investment Manager), and the Issuer will not verify, re-compute, reconcile or recalculate any such information or data. In addition, the information contained in the Monthly Reports (including the Latest Monthly Report) and the Payment Date Reports is dependent in part on interpretations, calculations and/or determinations made by the Issuer, the Collateral Administrator and the Investment Manager. The accuracy of the Monthly Reports (including the Latest Monthly Report) and the Payment Date Reports, and the information included therein, is therefore subject to the accuracy of the interpretations, calculations and/or determinations of the Issuer, the Collateral Administrator and the Investment Manager. None of the Initial Purchaser, the Arranger, the Investment Manager, the Retention Holder or the Collateral Administrator is responsible to investors for, and makes no representation or warranty, express or implied, as to the accuracy or completeness of the Monthly Reports (including the Latest Monthly Report) or the Payment Date Reports.

The composition of the Collateral Debt Obligations will change over time as a result of (i) scheduled and unscheduled principal payments on the Collateral Debt Obligations, (ii) sales of Collateral Debt Obligations and reinvestment of Sale Proceeds and other Principal Proceeds and (iii) other factors, subject to the limitations described in the Conditions.

No information is provided in this Offering Circular regarding the Issuer's investment performance and portfolio except as set forth in the Latest Monthly Report and no information is provided in this Offering Circular regarding any other aspect of the Issuer's operations. While the Issuer believes that it has complied with the requirements of the Trust Deed, no assurance can be given that neither the Issuer nor the Investment Manager has unintentionally failed to comply with one or more of their respective obligations under the Trust Deed or the Investment Management and Collateral Administration Agreement, nor that any such failure will not have a material adverse effect on holders in the future.

1.2 Prior Activities of the Issuer

The Issuer was incorporated on 11 August 2015 under the name of Man GLG Euro CLO II D.A.C.. On the Original Issue Date, the Issuer issued the Original Notes secured by various assets owned by the Issuer. The Original Class A-1 Notes and the Original Class C Notes will be redeemed by the Issuer on the Issue Date but the other Original Notes will remain outstanding.

The only operations that an issuer of structured rated notes similar to the Refinancing 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 Classes of the Notes will, on the Issue Date, be subject to the same Conditions and Transaction Documents and the secured parties under the Original Notes will be party to such Transaction Documents.

1.3 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.

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. On 25 November 2018, the agreement on a negotiated withdrawal agreement was endorsed by leaders at a special meeting of the European Council. The negotiated withdrawal agreement provides for a transition or implementation period. The negotiated withdrawal agreement provides that, unless otherwise provided in the agreement, EU law will be applicable to and in the UK during the transition period. However, the UK government requires the approval of the UK Parliament in order to ratify the negotiated withdrawal agreement and, on 15 January 2019, on 12 March 2019 and on 29 March 2019 the UK Parliament voted against providing such approval. The EU have agreed to a flexible extension of the deadline for the UK's withdrawal from the EU to 31 October 2019.

It remains uncertain whether any withdrawal agreement will be finalised and ratified by the UK and EU ahead of the deadline. The UK Government has therefore commenced preparations for a "hard Brexit" or "no-deal Brexit" to minimise the risks for firms and businesses associated with an exit with no transitional agreement. This has included publishing draft secondary legislation under powers provided in the EU (Withdrawal) Act 2018 to ensure that there is a functioning statute book in the event of a hard or no deal Brexit.

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, 31 October 2019, 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. The replacement of any such third parties that are no longer able to provide services to the Issuer may result in additional costs and expenses, which may in turn affect the amounts available to pay Noteholders.

Regulatory Risk

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

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

Regulatory Risk – UK manager

In particular, if the UK were, as a consequence of leaving the EU, no longer within the scope of EU Directive 2014/65/EU and EU Regulation 600/2014/EU on Markets in Financial Instruments (collectively referred to as "**MiFID II**"), which has applied since 3 January 2018, 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 II.

MiFID II provides (among other things) for the ability for non EU investment firms to provide collateral management services in the EU on a cross border basis provided that certain conditions are fulfilled. 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 European Commission (the "**Commission**") has adopted an equivalency decision and (B) where the European Securities and Markets Authority ("**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 Debt Obligations.

Investors should be aware that the result of the Referendum and any subsequent negotiations, notifications, withdrawal and changes to legislation may introduce potentially significant new uncertainties and instabilities in the financial markets. These uncertainties and instabilities could have an adverse impact on the business, financial condition, results of operations and prospects of the Issuer, the Obligors, the Portfolio, the 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*" in the 2016 Prospectus.

Ratings actions

Following the result of the Referendum, S&P and Fitch 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 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*" in the 2016 Prospectus.

1.4 Flip Clauses

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

The Supreme Court of the United Kingdom 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 under the United Kingdom "anti-deprivation" laws, stating that, ***provided*** such provisions form part of a commercial transaction entered into in

good faith which does not have as its predominant purpose, or one of its main purposes the deprivation of the property of one of the parties on bankruptcy, 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 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 United States Bankruptcy Code. 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, Judge Shelley Chapman in the same court disagreed with Judge Peck and ruled in a different group of proceedings commenced by the Lehman Brothers Chapter 11 debtors that a series of flip clauses were enforceable for several reasons, including the protection of those clauses by provisions in the U.S. Bankruptcy Code known as "safe harbors". Lehman has filed a notice of appeal with regards to the decision. Given the current state of U.S. and English law, 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 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 any Hedge Counterparty 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.

1.5 LIBOR and EURIBOR Reform and Continuation

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

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

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

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

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

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

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

In a speech on 27 July 2017, Andrew Bailey, the Chief Executive of the UK Financial Conduct Authority ("**FCA**"), announced the FCA's intention that the use of LIBOR is expected to be phased out from the end of 2021. The sustainability of LIBOR has been questioned by the FCA as a result of the absence of relevant active underlying markets and possible disincentives (including possibly as a result of regulatory reforms (including those discussed below)) for market participants to continue contributing to such benchmarks. Although market participants in the leveraged loan and CLO markets are generally aware of this proposed future phase out of

LIBOR, no consensus exists at this time as to the successor benchmark interest rate with respect to the Collateral Debt Obligations that currently bear interest at a LIBOR rate.

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

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

Therefore, these reforms and other pressures may cause LIBOR (and other benchmarks, including EURIBOR) to perform differently than in the past, to disappear entirely, or have other consequences which cannot be predicted. Any of these resulting changes would impact on the Transaction Documents. Any changes to LIBOR (or any other related benchmark, including EURIBOR) could potentially have a material adverse effect on interest payments payable under this transaction and the potential consequences of which investors should be aware are set out below at the end of this risk factor, including as to amendments to the Transaction Documents as further described below.

In the EU, in September 2013, the 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. The application date for the majority of its provisions was 1 January 2018. It is directly applicable law across the EU.

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. EURIBOR and LIBOR have been designated "critical benchmarks" for the purposes of the Benchmark Regulation by way of Commission Implementing Regulations published on 12 August 2016 and 28 December 2017, respectively.

In addition to the potential ramifications to the future of LIBOR resulting from the FCA's announcement of 27 July 2017 outlined above, benchmarks such as 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 Debt Obligation is calculated with reference to a benchmark (or currency or tenor) which is discontinued:

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

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

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

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

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

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 "*European Union and Euro Zone Risk*" below, it is possible that countries that have adopted the Euro could return to a national currency. The effect on a national economy as a result of it leaving the Euro is impossible to predict with any degree of certainty, 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 other things, (i) the likelihood that the Issuer will find it more difficult to sell any of its Collateral Debt Obligations or to purchase new Collateral Debt Obligations in the secondary market, (ii) the possibility that, on or after the Issue Date, the price at which Collateral Debt Obligations 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. 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 Collateral Debt Obligations in the primary market, this is likely to increase the refinancing risk in respect of maturing Collateral Debt Obligations. Although there have recently been signs that the primary market for certain financial products is recovering, particularly in the United States

of America, the impact of the economic crisis on the primary market may adversely affect the flexibility of the 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 Portfolio. 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 Portfolio will experience higher default rates than anticipated and that performance will suffer.

The ability of the Issuer to make payments on the Notes can depend on the general economic climate and the state of the global economy. The business, financial condition or results of operations of the Obligors of the Collateral Debt Obligations may be adversely affected by a deterioration of economic and business conditions. To the extent that economic and business conditions deteriorate or fail to improve, non-performing assets are likely to increase, and the value and collectability of the Collateral Debt Obligations are likely to decrease. A decrease in market value of the Collateral Debt Obligations would also adversely affect the Sale Proceeds that could be obtained upon the sale of the Collateral Debt Obligations and could ultimately affect the ability of the Issuer to pay in full or redeem the Rated Notes, as well as the ability to make any distributions in respect of the Subordinated Notes.

Many financial institutions, including banks, continue to suffer from capitalisation issues in a regulatory environment where the capital requirements for certain businesses may be increased further. 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 a Collateral Debt Obligation or is a Hedge Counterparty, or a counterparty to a buy or sell trade that has not settled with respect to a Collateral Debt Obligation. 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 Portfolio 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 regulations which will affect financial institutions, markets, derivative or securitised 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.

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 Debt Obligations at a price and time that the Issuer deems advantageous may be severely impaired. As a result, in periods of rising market prices, the Issuer may be unable to participate in price increases fully to the extent that it is unable to acquire desired positions quickly; and the Issuer's inability to dispose fully and promptly of positions in declining markets may exacerbate losses suffered by the Issuer when Collateral Debt Obligations are sold. Furthermore, significant additional risks for the Issuer and investors in the Notes may exist. Such risks include, among others, (i) the possibility that, after the Issue Date, the prices at which Collateral Debt Obligations can be sold by the Issuer may deteriorate from their purchase price, (ii) the possibility that opportunities for the Issuer to sell its Collateral Debt Obligations in the secondary market, including Credit Impaired Obligations, Credit Improved Obligations, and Defaulted Obligations, may be impaired, and (iii) increased illiquidity of the Notes because of reduced secondary trading in CLO securities. These additional risks may affect the returns on the Notes to investors or otherwise adversely affect Noteholders.

1.8 Third Party Litigation; Limited Funds Available

The Issuer's investment activities may subject it 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 against claims against the Issuer by third parties and paying any amounts pursuant to settlements or judgments would be borne by the Issuer in accordance with the Priorities of Payment.

The funds available to the Issuer to pay certain fees and expenses of the Trustee, the Collateral Administrator and the Investment Manager and for payment of the Issuer's other accrued and unpaid Administrative Expenses are limited to amounts available to make such payments 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, the Trustee, the Collateral Administrator and/or the Investment Manager may not be able to defend or prosecute legal proceedings that may be brought against them or that they might otherwise bring to protect the interests of the Issuer. In addition, service providers who are not paid in full, including the directors of the Issuer, have the right to resign. This could ultimately lead to the Issuer being in default under applicable laws of Ireland and potentially being removed from the register of companies and dissolved.

1.9 European Union and Euro Zone Risk

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

As a result of the credit crisis in Europe,, 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 and other measures, concerns persist regarding the growing risk that other Euro zone countries could be subject to an increase in borrowing costs and could face an economic crisis similar to that of Cyprus, Greece, Italy, Ireland, Spain and Portugal, together with the risk that some countries could leave the Euro zone(either voluntarily or involuntarily), 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 Issuer, the Collateral (including the risk of currency losses arising out of redenomination and related haircuts on any affected assets) and the Notes. Should the Euro dissolve entirely, the legal and contractual consequences for holders of Euro-denominated obligations (including the Notes) 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.

2. TAXATION

2.1 Financial Transaction Tax

On 14 February 2013, the European Commission issued proposals, including a draft directive (the Commission's proposal) for a financial transaction tax ("**FTT**") to be adopted in certain participating EU Member States (including Belgium, Germany, Estonia (although Estonia has since stated that it will not participate), Greece, Spain, France, Italy, Austria, Portugal, Slovenia and Slovakia). If the Commission's proposal was adopted, the FTT would be a tax primarily on "financial institutions" (which would include the Issuer) in relation to "financial transactions" (which would include the conclusion or modification of derivative contracts and the purchase and sale of financial instruments).

Under the Commission's proposal, the FTT could apply in certain circumstances to persons both within and outside of the participating Member States. Generally, it would apply where at least one party is a financial institution, and at least one party is established in a participating Member State. A financial institution may be, or be deemed to be, "established" in a participating Member State in a broad range of circumstances, including (a) by transacting with a person established in a participating Member State or (b) where the financial instrument which is subject to the financial transaction is issued in a participating Member State.

The FTT may give rise to tax liabilities for the Issuer with respect to certain transactions if the conditions for a charge to arise are satisfied and the FTT is adopted based on the Commission's proposal. Any such tax liabilities may reduce amounts available to the Issuer to meet its obligations under the Notes and may result in investors receiving less interest and/or principal than expected. To the extent that such liabilities may arise at a time when winding up proceedings have been commenced in respect of the Issuer, such liabilities may be regarded as an expense of the liquidation and, as such, be payable out of the floating charge assets of the Issuer (and its general estate) in priority to the claims of Noteholders and other secured creditors. It should also be noted that the FTT could be payable in relation to relevant transactions by investors in respect of the Notes (including secondary market transactions) if the conditions for a charge to arise are satisfied and the FTT is adopted based on the Commission's proposal. Primary market transactions referred to in Article 5(c) of Regulation (EC) No 1287/2006 are expected to be exempt.

However, the FTT proposal remains subject to negotiation between participating Member States. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU Member States may decide to participate. Prospective Noteholders are advised to seek their own professional advice in relation to the FTT.

2.2 Changes in Tax Law

Imposition of unanticipated Taxes on Issuer

The Issuer has been advised that under current Irish law, the Investment Management Fees should be exempt from value added tax in Ireland as consideration paid for collective portfolio management services provided to a "qualifying company" for the purposes of section 110 of the Taxes Consolidation Act of Ireland 1997, as amended ("**TCA**"). This is based upon Article 135(1)(g) of Council Directive 2006/112/EC on the Common System of Value Added Tax (the "**Directive**"), which provides that EU member states shall exempt the management of "special investment funds" as defined by EU member states. The Value-Added Tax Consolidation Act 2010 of Ireland, in the provisions implementing Article 135(1)(g) of the Directive, specifically lists, in the categories of undertakings to whom supplies of management services are exempt from VAT, undertakings which are "qualifying companies" for the purposes of section 110 of the TCA. The Issuer has been advised that it will be such a "qualifying company", therefore management services supplied to it are exempt from value added tax in Ireland under current law. On 9 December 2016 the European Court of Justice handed down its judgment in the case of *Staatssecretaris van Financiën v Fiscale Eenheid X NV cs* Case C-595/13 which concerned Dutch law on value added tax, in particular the Dutch interpretation of the term "special investment fund" under the Directive, and could suggest that the exemption had been enacted by some member states more broadly than is permitted by the Directive. The Issuer is not, however, aware of any proposal to amend Irish domestic law to remove the exemption from value added tax on Investment Management Fees for entities such as the Issuer.

Withholding tax in respect of the Notes

So long as the Refinancing Notes continue to be listed on the Global Exchange Market of Euronext Dublin and are held in Euroclear and/or Clearstream, Luxembourg, no Irish withholding tax would currently be imposed on payments of interest on the Notes by the Issuer. However, there can be no assurance that the law will not change or that the Refinancing Notes will not be subject to withholding taxes in any other jurisdiction. Pursuant to Condition 9 (*Taxation*) the Issuer shall be entitled to withhold or deduct from any such payments any amounts on account of tax (arising in any jurisdiction, including Ireland) where so required by law (including FATCA). In the event that any withholding tax or deduction for or on account of tax is imposed on payments on the Notes, the holders of the Notes will not be entitled to receive additional 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 that any withholding or deduction for or on account any tax in respect of any payment on the Refinancing Notes of any Class constitutes a Note Tax Event, the Refinancing Notes may be redeemed in accordance with Condition 7(g) (*Redemption Following Note Tax Event*) in whole but not in part at the direction

of the holders of either of the Controlling Class or the Subordinated Notes, in each case acting by way of Extraordinary Resolution subject to certain conditions.

2.3 Diverted Profits Tax

With effect from 1 April 2015 a new tax was introduced in the UK called the "diverted profits tax" ("**DPT**"). The DPT is charged at a rate of 25 per cent. on any "taxable diverted profits".

The DPT may apply in circumstances including where arrangements are designed to ensure either: (i) that a non-UK resident company does not carry on a trade in the UK for corporation tax purposes through a permanent establishment; or (ii) that a tax reduction is secured through the involvement of entities or transactions lacking economic substance. The DPT is a relatively new tax and its scope and the basis upon which it will be applied by HM Revenue & Customs remains uncertain.

In the event that the Investment Manager were assessed to DPT, it would in certain circumstances be entitled to an indemnity from the Issuer. Any payments to be made by the Issuer under this indemnity will be paid as Administrative Expenses in accordance with the Priorities of Payment (as applicable). It should be noted that HM 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 shall be liable to pay such amounts in accordance with the Priorities of Payment (as applicable).

Imposition of such tax by the United Kingdom tax authorities may trigger a Note Tax Event and result in an optional redemption of the Notes in accordance with Condition 7(g) (*Redemption following Note Tax Event*).

2.4 UK Taxation of the Issuer

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

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

The Issuer will be regarded as having a permanent establishment in the UK if it has a place of business in the UK or it has an agent in the UK which is not of independent status and who has and habitually exercises authority in the UK to do business on the Issuer's behalf. The Issuer does not intend to have a fixed place of business in the UK. The Investment Manager will, however, have and is expected to habitually 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 tax if the exemption in Article 5(6) of the UK-Ireland tax treaty applies. This exemption will apply if the Investment Manager is regarded as an agent of independent status acting in the ordinary course of its business for the purpose of the UK-Ireland tax treaty (although please note the discussion below on the PPT (as defined below) in "*Action Plan on Base Erosion and Profit Shifting*" below). It should be noted that the specific domestic UK tax exemption for profits generated in the UK by an investment manager on behalf of its non-resident clients (Section 1146 of the Corporation Tax Act 2010) may not be available in the context of this transaction if the Investment Manager, amongst other conditions, (or certain connected entities) has a beneficial entitlement to more than 20 per cent. of the Issuer's chargeable profit arising from the transactions carried out through the Investment Manager. However, the inapplicability of this domestic exemption should not have any effect on the UK corporation tax position of the Issuer if the exemption in Article 5(6) of the UK-Ireland tax treaty, as referred to above, applies.

Should the Investment Manager (subject to certain exceptions) be assessed to UK tax on behalf of the Issuer, it may 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 relevant Priorities of Payment on any Payment Date. 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 shall be liable to pay UK tax on its UK taxable profit attributable to its UK activities (such payment to be made in accordance with the relevant 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 relevant Priorities of Payment). 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 in accordance with Condition 7(g) (*Redemption following Note Tax Event*).

2.5 Action Plan on Base Erosion and Profit Shifting

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

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

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

On 24 November 2016, the OECD published the text and explanatory statement of the "Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting", developed by an ad hoc group of 99 countries which included Ireland and the UK (the "**Multilateral Instrument**"). The Multilateral Instrument is to be applied alongside existing tax treaties (rather than amending them directly), modifying the application of those existing treaties in order to implement BEPS measures.

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 deposited its instrument of ratification with the OECD on 29 June 2018 and therefore the Multilateral Instrument came into force in respect of the United Kingdom on 1 October 2018. Ireland deposited its instrument of ratification with the OECD on 29 January 2019 and therefore the Multilateral Instrument came into force in respect of Ireland on 1 May 2019. As such, in respect of the UK/Ireland double tax treaty, the Multilateral Instrument will generally enter into effect on 1 January 2020 for withholding taxes and from 1 November 2019 for other taxes.

Upon ratifying the multilateral convention Ireland provided a list of reservations and notifications to be made pursuant to it. Upon ratifying the multilateral convention the United Kingdom deposited a non-provisional list of reservations and notifications to be made pursuant to it. Based on the information contained in these documents and the multilateral convention Action 6 would be implemented into the double tax treaties Ireland has entered into with the United Kingdom and other jurisdictions by the inclusion of a PPT.

In particular it remains uncertain as to how the PPT in the UK/Ireland double tax treaty will in practice be applied. For example, the inclusion of the PPT in the UK/Ireland treaty should not affect the Issuer's exposure to UK corporation tax provided that it is carrying on investment, rather than trading, activities. If however the

Issuer were to be trading, then there may be a risk that the PPT could operate in relation to the Issuer's arrangements with the Investment Manager, meaning that the Issuer could be subject to UK corporation tax. If UK corporation tax is so 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 in accordance with Condition 7(g) (Redemption following Note Tax Event).

Furthermore, it remains to be seen what specific changes will be made to 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.

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

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

2.6 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 1 January 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 per cent. of an entity's earnings before interest, tax, depreciation and amortisation will not be deductible in the year in which they are incurred but would remain available for carry forward. However, the restriction on interest deductibility would only be in respect of the amount by which the borrowing costs exceed "interest revenues and other equivalent taxable revenues from financial assets". Accordingly, as the Issuer will generally fund interest payments it makes under the Notes from interest payments to which it is entitled under Collateral Debt Obligations (that is such that the Issuer pays limited or no net interest), the restriction may be of limited relevance to the Issuer even if the Anti-Tax Avoidance Directive were implemented as originally published. There is also a carve out in the Anti-Tax Avoidance Directive for financial undertakings, although as currently drafted the Issuer would not be treated as a financial undertaking. The European Commission is also pursuing other initiatives, such as the introduction of a common corporate tax base, the impact of which, if implemented, is uncertain. On 21 February 2017, the Economic and Financial Affairs Council of the European Union agreed an amendment to the Anti-Tax Avoidance Directive to provide for minimum standards for counteracting hybrid mismatches involving EU Member States and third countries ("**Anti-Tax Avoidance Directive 2**"). Anti-Tax Avoidance Directive 2 requires EU Member States to either delay deduction of payments, expenses or losses or include payments as taxable income, in case of hybrid mismatches. Anti-Tax Avoidance Directive 2 needs to be implemented in the EU Member Sates' national laws and regulations by 31 December 2019 and will have to apply as of 1 January 2020, except for the provision on reverse hybrid mismatches for which implementation can be postponed to 31 December 2021, and will apply as of 1 January 2022.

2.7 The Common Reporting Standard

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 CRS provides that certain entities (known as Financial Institutions) shall identify "Accounts" (as defined, broadly equity and debt interests in the Financial Institution) held by persons who are tax resident in another CRS participating jurisdiction. That information is then subject to annual automatic exchange between governments in CRS participating jurisdictions.

Directive 2014/107/EU on Administrative Cooperation in the Field of Taxation ("**DAC II**") implements CRS in a European context and creates a mandatory obligation for all EU Member States to exchange financial account

information in respect of residents in other EU Member States on an annual basis commencing in 2017 in respect of the 2016 calendar year. Ireland has provided for the implementation of CRS through Section 891F of the TCA and the enactment of the Returns of Certain Information by Reporting Financial Institutions Regulations 2015 (the "**CRS Regulations**"). Irish Financial Institutions will be obliged to make a single return in respect of CRS and DAC II. CRS has applied in Ireland since 1 January 2016.

The Issuer is expected to constitute a Financial Institution for CRS purposes. In order to comply with its obligations under CRS and DAC II, the Issuer shall be entitled to require Noteholders to provide certain information in respect of the Noteholder's and, in certain circumstances, their controlling persons' tax status, identity or residence. Noteholders will be deemed, by their holding of the Notes, to have authorised the automatic disclosure of such information by the Issuer (or any nominated service provider) to the Irish Revenue Commissioners. The information will be reported by the Issuer to the Irish Revenue Commissioners who will then exchange the information with the tax or governmental authorities of other participating jurisdictions, as applicable. To the extent that the Notes are held within a recognised clearing system, the Issuer should have no reportable accounts in a tax year.

Provided the Issuer complies with these obligations, it should be deemed compliant for CRS and DAC II purposes. Failure by the Issuer to comply with its CRS and DAC II obligations may result in it being deemed to be noncompliant in respect of its CRS obligations and monetary penalties may be imposed pursuant to the Irish implementing legislation.

2.8 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 Refinancing Notes.

2.9 FATCA

Under FATCA, the Issuer may be subject to a 30 per cent. withholding tax on certain income. Additionally under existing Treasury Regulations, FATCA withholding on gross proceeds from the sale or other disposition of U.S. Collateral Debt Obligations was to take effect on January 1, 2019; however, recent proposed Treasury Regulations, which may currently be relied upon, would eliminate FATCA withholding on such types of payments. 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 Refinancing Notes to the Office of the Revenue Commissioners of Ireland, which would then provide this information to the IRS. The Issuer shall use reasonable best efforts to comply with the intergovernmental agreement and these regulations; however, there can be no assurance that the Issuer will be able to do so. Moreover, the intergovernmental agreement or the Irish implementing regulations could be amended to require the Issuer to withhold on "passthru" payments to holders that fail to provide certain information to the Issuer or are certain "foreign financial institutions" that do not comply with FATCA.

Each investor will be required to provide the Issuer with information necessary for the Issuer to comply with FATCA. Investors that do not supply this information, or whose ownership of Refinancing Notes would otherwise cause the Issuer to fail to comply with FATCA, may be subject to punitive measures, including a forced transfer of their Refinancing Notes.

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

The U.S. federal income tax consequences of an investment in the Refinancing Notes are uncertain, as to both the timing and character of any inclusion in income in respect of the Refinancing Notes. On December 22, 2017, the United States enacted federal tax legislation commonly referred to as the Tax Cuts and Jobs Act ("**TCJA**"). There are a significant number of technical issues and uncertainties with respect to the interpretation and application of the TCJA, which may be clarified by future guidance. It is not possible to predict whether such clarifications will result in adverse consequences to the Issuer or to investors in the Refinancing Notes. Because of this uncertainty, prospective investors are urged to consult their tax advisors as to the tax consequences of an investment in a Refinancing Note, including with respect to the effects of the TCJA and to monitor future guidance issued with respect to the TCJA and any other potential amendments to relevant tax law. For a more complete discussion of the U.S. federal income tax consequences of an investment in a Refinancing Note, please see the summary under "*Tax Considerations – United States Federal Income Taxation*" below.

3. REGULATORY INITIATIVES

In Europe, the U.S. and elsewhere there has been, and there continues to be is 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 none of the Issuer, the Initial Purchaser, the Arranger, 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.

3.1 Basel III

The Basel Committee on Banking Supervision ("**BCBS**") has approved significant changes to the Basel regulatory capital and liquidity framework (such changes being commonly referred to as "**Basel III**") and has proposed certain revisions to the securitisation framework. Basel III provides for a substantial strengthening of existing prudential rules, including new requirements intended to reinforce capital standards (with heightened requirements for global systemically important banks) and to establish a leverage ratio "backstop" for financial institutions and certain minimum liquidity standards (referred to as the Liquidity Coverage Ratio ("**LCR**") and the Net Stable Funding Ratio ("**NSFR**")). BCBS member countries agreed to implement the initial phase of the Basel III reforms from 1 January 2013 and the second phase from 1 January 2022, subject to transitional and phase-in arrangements for certain requirements (for example, the LCR requirements refer to implementation from the start of 2015, with full implementation by January 2019, and the NSFR requirements refer 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 (e.g. as LCR eligible assets or not), may be subject to some level of national variation. It should also be noted that changes to regulatory capital requirements have been introduced for insurance and reinsurance undertakings through jurisdiction-specific initiatives, such as the framework in the EU under Directive 2009/138/EC (including any implementing and/or delegated regulation, technical standards and guidance related thereto, as may be amended, replaced or supplemented from time to time).

Prospective investors, including credit institutions, investment firms, insurance and reinsurance undertakings, are responsible for analysing their own regulatory position and 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.

3.2 Risk Retention and Due Diligence Requirements

EU Retention and Transparency 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 in respect of various types of EU regulated investors including credit institutions, alternative investment fund managers who manage or market alternative investment funds in the EU, investment firms, insurance and reinsurance undertakings, institutions for occupational retirement schemes and management companies of UCITS funds (or internally managed UCITS) which are set out in Regulation (EU) 2017/2402 (the "**Securitisation Regulation**"). 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 the investor has verified that: (a) where the originator or original lender is established in the EU and is not a credit institution or an investment firm (as defined in points (1) and (2) of Article 4(1) of the CRR), it grants all the credits giving rise to the underlying exposures on the basis of sound and well-defined criteria and clearly established processes for approving, amending, renewing and financing those credits and has effective systems in place to apply those criteria and processes in accordance with Article 9(1) of the Securitisation Regulation; (b) the originator, sponsor or original lender will retain, on an ongoing basis, a material net economic interest of not less than five per cent. in respect of certain specified credit risk tranches or securitised exposures; and (c) the Issuer, the originator or the original lender has, where applicable, made available the information required to be disclosed in accordance with Article 7 of the Securitisation Regulation (as to which see below) in accordance with the frequency and modalities provided for in that Article. 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 Refinancing 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, including any disclosures made in accordance with Article 7 of the Securitisation Regulation (as to which see "*Transparency Requirements*" below), 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, the Arranger, the Initial Purchaser, the Trustee, the Agents, the Retention Holder, their respective Affiliates or any other Person makes any representation, warranty or guarantee that any such information is sufficient for such purposes or any other purpose or that the structure of the Notes and the transactions described herein are compliant with the EU 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. Without limiting the foregoing, investors should be aware that, at this time, the EU authorities have published only limited binding guidance relating to the satisfaction of the EU Risk Retention and Due Diligence Requirements by an institution similar to the Retention Holder. Furthermore, any relevant regulator's view with regard to the EU Risk Retention and Due Diligence Requirements may not be based exclusively on technical standard, guidance or other information known at this time.

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 and the Issuer and the Investment Manager, in its capacity as Retention Holder, may be subject to administrative sanctions in the case of negligence or intentional infringement of the requirements of Article 7 of the Securitisation Regulation, including pecuniary sanctions of up to at least EUR5,000,000 (or its equivalent) or 10 per cent. of total annual net turnover.

The Issuer shall not be entitled to indemnification by the Investment Manager in respect of any such sanction unless the relevant circumstances are caused by an Investment Manager Breach. Investors should note that Article 32 of the Securitisation Regulation refers to a liability standard of "negligence or intentional infringement" whereas the definition of Investment Manager Breach refers to a less onerous liability standard of "bad faith, fraud, wilful misconduct or due to the gross negligence" – see risk factor 4.25 "Investment Manager" in the 2016 Prospectus. Investors should also be aware that the Investment Manager will be entitled to indemnification by the Issuer in respect of any pecuniary sanctions to which the Investment Manager may become liable pursuant to Article 32 of the Securitisation Regulation not arising as a result of any act or omission that constitutes an Investment Manager Breach. Investors should therefore be aware that the Issuer could therefore face a pecuniary charge under the Securitisation Regulation as a result of both (a) any act by the Investment Manager triggering the liability of the Issuer under Article 32 of the Securitisation Regulation but with such act by the Investment Manager falling below the less onerous liability standard required for indemnification by the Investment Manager pursuant to "gross negligence" or (b) the Issuer being required to indemnify the Investment Manager for an act by the Investment Manager triggering its own liability under Article 32 of the Securitisation Regulation but such act falling below the less onerous liability standard under the definition of an Investment Manager Breach that would preclude any indemnification by the Issuer. Furthermore, the Investment Management and Collateral Administration Agreement provides that the Investment Manager shall not be responsible or liable in respect of the services to be provided to the Issuer in respect of the EU Transparency Requirements if any information requested or required by the Issuer for the purpose of its obligations under the EU Transparency Requirements cannot be procured or sourced by the Investment Manager using reasonably efforts. There is therefore no guarantee that the Investment Manager will be able to procure or source for the Issuer at all or in timely fashion the information required by the Issuer to satisfy the Issuer's obligations in respect of the EU Risk Retention and Due Diligence Requirements.

Any such pecuniary sanctions levied on the Issuer may materially adversely affect the Issuer's ability to perform its obligations under the Notes, could have a negative impact on the price and liquidity of the Notes in the secondary market and any such pecuniary sanctions levied on the Investment Manager may materially and adversely affect the ability of the Investment Manager to perform its obligations under the Transaction Documents. Any changes in the law or regulation, the interpretation or application of any law or regulation, or changes in the regulatory capital treatment of the Notes for some or all investors may negatively impact the regulatory position of individual investors and, in addition, may have a negative impact on the price and liquidity of the Notes in the secondary market. Without limiting the foregoing, no assurance can be given that the EU Risk Retention and Due Diligence Requirements, or the interpretation or application thereof, will not change and, if any such change is effected, whether such change would affect the regulatory position of current or future investors in the Notes. The Retention Holder does not have an obligation to change the quantum or nature of its holding of the Retention Notes due to any future changes in the EU Risk Retention and Due Diligence Requirements or in the interpretation thereof. Any costs incurred by the Issuer in connection with satisfying the requirements of the Securitisation Regulation shall be paid by the Issuer as Administrative Expenses.

Investors should make themselves aware of the EU Risk Retention and Due Diligence Requirements set out in the 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 Refinancing Notes.

With respect to the commitment of the Retention Holder to retain a material net economic interest in the securitisation, please see the statements set out in "*Description of the Investment Management and Collateral Administration Agreement—The Retention Requirements*" in the 2016 Prospectus and the section entitled "*The EU Retention Requirements—The Retention Requirements*" *below*.

EU Transparency Requirements

Article 7 of the Securitisation Regulation contains transparency requirements (the "**EU Transparency Requirements**") that require the originator, sponsor and securitisation special purpose entity ("**SSPE**") (which, for the purposes of the issuance of the Refinancing Notes, shall be the Issuer) of a securitisation to make certain

prescribed information relating to the securitisation available to investors, competent authorities and, upon request, to potential investors. The originator, sponsor and SSPE must designate amongst themselves one entity to fulfil the disclosure requirements (the "**reporting entity**") under the Securitisation Regulation. The Issuer has undertaken to act as the reporting entity in relation to the securitisation constituted by the Notes and shall be liable for ensuring the satisfaction of the disclosure requirements. Notwithstanding the designation of the Issuer as the reporting entity, the Investment Manager, as originator, may also be responsible for ensuring compliance with the disclosure requirements.

U.S. Bank Global Corporate Trust Limited, as Collateral Administrator, acting on the instructions of and on behalf of the Issuer, will make the documentation (as provided to it by the Issuer or the Investment Manager on behalf of the Issuer) referred to in Article 7(1)(b) of the Securitisation Regulation available to the Noteholders, prospective holders of the Notes and the competent authorities before pricing of the Refinancing Notes via a website. Investors should note that, while Article 7(1)(b) of the Securitisation Regulation requires the provision of, among other things, the "final offering circular" and the "closing transaction documentation" before pricing, this is not possible and, therefore, the Issuer (or the Investment Manager on its behalf) has made available such documents in draft form to potential investors in the Refinancing Notes prior to pricing and shall make final versions of such documents available to investors, competent authorities and, upon request, potential investors as soon as reasonably possible and, in any case, within five Business Days of the Issue Date. As a result, investors should note that the documents which were made available before pricing are subject to change. None of the Issuer, the Investment Manager, the Retention Holder, the Initial Purchaser, the Trustee, any Hedge Counterparty or any other person gives any assurance as to whether competent authorities will determine that such disclosure is sufficient for the purposes of the Securitisation Regulation.

Article 7 of the Securitisation Regulation also includes ongoing reporting obligations which include quarterly portfolio level disclosure ("**Loan Reports**") pursuant to Article 7(1)(a) of the Securitisation Regulation; quarterly investor reports ("**Investor Reports**") containing certain information prescribed by Article 7(1)(e) of the Securitisation Regulation; any inside information relating to the securitisation that the reporting entity is obliged to make public under the Market Abuse Regulation ((EU) No 596/2014) ("**Inside Information**"); and any significant events in relation to the securitisation ("**Significant Events**").

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

In addition, in relation to the reporting obligations in the EU Transparency Requirements, (a) the Issuer will be designated as the entity responsible to fulfil such reporting obligations, (b) the Investment Manager will undertake to, on behalf of and at the expense of the Issuer, provide to the Collateral Administrator (and/or any applicable third party reporting entity) and the Issuer any reports, data and other information (or access to such information) (i) which is in the possession of the Investment Manager, (ii) which is not subject to legal or contractual restrictions on its disclosure (unless the relevant information can be summarised or disclosed in an anonymised form, as appropriate), (iii) to which the Collateral Administrator or the Issuer does not otherwise have access, which is not already required to be provided to the Issuer directly or which is not otherwise in the Issuer's possession (in each case, as applicable), and (iv) which is required by the Issuer in connection with the proper performance by the Issuer, as the designated entity, of its obligation to make available to the Noteholders, potential investors in the Notes and the competent authorities the reports and information necessary to fulfil the reporting requirements of the EU Transparency Requirements provided that, prior to the Securitisation Regulation Reporting Effective Date (as defined below) (A) the Issuer intends to fulfil those requirements contained in subparagraph (a) and (e) of Article 7(1) of the Securitisation Regulation through the provision of the Monthly Reports and the Payment Date Reports (see "*Description of the Reports*") and (B) the Investment Manager shall not be required to provide any reports, data or other information (other than such information and data necessary for completion of the Monthly Reports and the Payment Date Reports) in connection with the reporting requirements contained in subparagraphs (a) and (e) of Article 7(1) of the Securitisation Regulation to the Issuer pursuant to the Investment Management and Collateral Administration Agreement prior to the adoption of such final disclosure templates. Whether the Investment Manager will be able to obtain and report all of the information required to be reported in accordance with Article 7 of the Securitisation Regulation is unclear. Following the adoption of the final disclosure templates in respect of the EU Transparency Requirements, the Issuer (with the consent of the Investment Manager) will propose in writing to the Collateral Administrator the form, content, frequency and method of distribution of the reports required

under Article 7 of the Securitisation Regulation. The Collateral Administrator shall consult with the Issuer and the Investment Manager with a view to agreeing such reporting on such proposed terms (or other alternative terms as may be agreed between the Collateral Administrator, the Issuer and the Investment Manager) and, if it agrees to provide such reporting, shall confirm the proposed terms of reporting in writing to the Issuer and the Investment Manager. To the extent agreed by the Collateral Administrator, the Collateral Administrator shall make such reports and information available either upon request or via a website currently located at https://pivot.usbank.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Trustee, the Investment Manager, the Retention Holder, each Hedge Counterparty, the Initial Purchaser and the Noteholders from time to time in accordance with Condition 16 (*Notices*)) (the "**Reporting Website**") or in such other manner as required by any competent authority, which shall be accessible to any person who certifies to the Collateral Administrator (such certification to be in the form set out in Schedule 27 (*Form of Website Certification*) to the Investment Management and Collateral Administration Agreement, which certification may be given electronically and upon which certification the Collateral Administrator shall be entitled to rely absolutely and without enquiry or liability) that it is: (i) the Issuer, (ii) the Trustee, (iii) the Initial Purchaser, (iv) a Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, (v) the Investment Manager, (vi) a Rating Agency, (vii) a Noteholder, (viii) a competent authority or (ix) a potential investor in the Notes. If the Collateral Administrator does not agree on the terms of reporting or in the Issuer's reasonable opinion (acting on the advice of the Investment Manager) the Collateral Administrator is or will be unable or unwilling to provide such reporting (and such notice given by the Issuer in respect of this determination by the Issuer shall include a description of the Issuer's grounds for such determination), the Issuer (with the consent of the Investment Manager) shall be entitled to appoint another entity to make the relevant information available for the purposes of Article 7 of the Securitisation Regulation. In addition, the Issuer may (with the consent of the Investment Manager) by notice in writing to the Collateral Administrator at any time: (i) if the Issuer has reasonable grounds to believe that the Collateral Administrator will fail or be unable to perform any of its duties or responsibilities under the Investment Management and Collateral Administration Agreement insofar as they relate to the reporting requirements set out in Article 7 of the Securitisation Regulation (and any notice given in respect of this paragraph (i) shall include a description of the Issuer's grounds for such belief); or (ii) following the occurrence of a default, failure or inability of the Collateral Administrator to perform any of its duties or responsibilities under the Investment Management and Collateral Administration Agreement insofar as they relate to the reporting requirements set out in Article 7 of the Securitisation Regulation which has not been cured within five days of the occurrence of such default, failure or inability to perform, assume itself or appoint another third party to assume the obligations of the Collateral Administrator to make the relevant information available for the purposes of Article 7 of the Securitisation Regulation.

For the avoidance of doubt, to the extent the Collateral Administrator and/or the Investment Manager agrees to provide any such information and reporting on behalf of the Issuer, neither the Collateral Administrator nor the Investment Manager will assume any statutory responsibility for the Issuer's obligations as the entity responsible to fulfil the reporting obligations under the EU Transparency Requirements. In providing such information and reporting, the Collateral Administrator and the Investment Manager also assume no responsibility or liability to Noteholders or prospective Noteholders (including for their use or onward disclosure of any documentation posted on the website) and has the benefit of the powers, protections and indemnities granted to it under the Transaction Documents.

Any failure by the Issuer, or the Investment Manager or the Collateral Administrator, on behalf of the Issuer, to fulfil their obligations in respect of the reporting obligations of Article 7 of the Securitisation Regulation, whether as a result of the inability of the Collateral Administrator to agree the format of reporting after the effective implementation date of the final disclosure templates in respect of Article 7 of the Securitisation Regulation (the "**Securitisation Regulation Reporting Effective Date**"), the inability of the Investment Manager to provide all or any of the additional information which may be required to be provided by it after the Securitisation Regulation Reporting Effective Date or for any other reason, may cause the transaction to be non-compliant with the Securitisation Regulation. Please see above on penalties for non-compliance with the Securitisation Regulation.

Prospective investors should also note that any such pecuniary sanction levied on the Issuer will be paid to the competent authority on each Payment Date as an Administrative Expense pursuant to the Priorities of Payments. Should the amount payment of the sanction exceed the Senior Expenses Cap in any period, payment in full will be subject to the Issuer making such payment in accordance with the priority of payments and after all amounts due on the Rated Notes have been paid. There is no guarantee that the Issuer will have sufficient funds to pay the sanction in full or in a timely manner and there is no guarantee that the Issuer will be able to agree a payment plan with the regulator so that payments can be spread over several Payment Dates. The regulator may

take further action against the Issuer in respect of any outstanding amounts including, for example, imposing daily penalty interest or taking further enforcement action. Any such further actions taken by the regulator, could have a negative impact on the price and liquidity of the Notes and the return the investors receive on the Notes may be impacted.

On 22 August 2018, ESMA published its final report (the "**Final Report**") on the technical standards on the disclosure requirements under the Securitisation Regulation. The Final Report follows on from ESMA's consultation paper dated 19 December 2017 and consists of draft regulatory technical standards and draft implementing technical standards. The Final Report includes detailed disclosure templates that are required to be completed with respect to the Loan Reports, Investor Reports, Inside Information and Significant Events. There remains significant uncertainty as to the scope and application of the reporting requirements contained in the Final Report and whether the reporting requirements contained in the Final Report will be adopted in its current form. Clarification is being sought by industry participants on these matters. ESMA has recommended to the European Commission that a transition period of 15-18 months be granted for the implementation of the disclosure requirements. At present it remains unclear whether such a transition period will be granted and, if it is, what its duration and terms will be.

In addition, the grandfathering provisions of the Securitisation Regulation with respect to the reporting obligations provide that until the regulatory technical standards relating to Article 7 of the Securitisation Regulation to be adopted by the European Commission apply, for the purposes of the Loan Reports and the Investor Reports, the reporting entity shall make available the information referred to in Annexes I to VIII of Delegated Regulation (EU) 2015/3 (the "**CRA3 RTS**"). In their current form, the CRA3 RTS only apply to structured finance instruments for which a reporting template has been specified. Currently there is no template for CLO transactions nor is it expected that one will be developed in accordance with the CRA3 RTS. However, the Issuer intends to initially make available the information referred to in Annex VIII of the CRA3 RTS through the Payment Date Reports (see "*Description of the Reports*").

On 30 November 2018, the EBA, ESMA and the European Insurance and Occupational Pensions Authority (collectively the "**European Supervising Authorities**" or "**ESAs**") published a joint statement (the "**Joint Statement**") regarding the reporting templates under Article 7 of the Securitisation Regulation. In the Joint Statement the ESAs note that the reporting templates to be prepared by ESMA for the purposes of fulfilling the on-going disclosure requirements applicable to the relevant reporting entities under the Securitisation Regulation were not be adopted by 1 January 2019.

The ESAs have stated that they expect national competent authorities to generally apply their supervisory powers in their day-to-day supervision and enforcement of applicable legislation in a proportionate and risk-based manner. This approach entails that national competent authorities ("**CAs**") can, when examining reporting entities' compliance with the disclosure requirements of the Securitisation Regulation (which applied from 1 January 2019, albeit in a non-standardised manner), take into account the type and extent of information already being disclosed by reporting entities. The ESAs also noted that they expect that difficulties with compliance will be solved with the final adoption of the disclosure templates in respect of the Transparency Requirements of Article 7 of the Securitisation Regulation. As such, the Joint Statement from the ESAs should be viewed as a temporary measure. The Joint Statement goes on to state that this approach does not entail general forbearance, but a case-by-case assessment by the CAs of the degree of compliance with the Securitisation Regulation.

In light of the Joint Statement, the transaction described herein will initially seek to comply with subparagraphs (a) and (e) of Article 7(1) of the Securitisation Regulation through preparation of the Monthly Reports and the Payment Date Reports (see "*Description of the Reports*") and which will not be in the form prescribed under the CRA3 RTS as none exist for CLO transactions (other than with respect to Annex VIII of the CRA3 RTS, as described above). Investors should note that it is for the relevant CAs to determine whether they consider that this form of reporting satisfies Article 7 of the Securitisation Regulation and none of the Issuer, the Investment Manager, the Initial Purchaser, the Trustee or any other person gives any assurance as to whether this form of reporting will satisfy Article 7 of the Securitisation Regulation. As the Joint Statement does not "grandfather" transactions that are issued after 1 January 2019 but before the final disclosure templates are formally adopted, such transactions, including the transaction described herein, will need to comply with the disclosure templates required by Article 7 of the Securitisation Regulation once they are adopted.

U.S. Risk Retention Rules

On 21 October 2014, the final rules implementing the credit risk retention requirements of Section 941 of the Dodd-Frank Act (the "**U.S. Risk Retention Rules**") were issued. Except with respect to asset-backed securities transactions that satisfy certain exemptions, the U.S. Risk Retention Rules generally require a "sponsor" of asset-backed securities or its "majority-owned affiliate" (as defined in the U.S. Risk Retention Rules) to retain not less than five per cent. of the credit risk of the assets collateralizing asset-backed securities.

On 9 February 2018, the United States Court of Appeals for the District of Columbia Circuit ruled in favour of the LSTA in its lawsuit against the Securities and Exchange Commission and the Board of Governors of the Federal Reserve System and instructed the United States District Court for the District of Columbia to grant summary judgment in favour of the LSTA (the "**LSTA Decision**") on the issue of whether the U.S. Risk Retention Rules apply to collateral managers of "open market" CLOs under Section 941 of the Dodd-Frank Act. As a result, each prospective investor should be aware that no party involved in the transaction will obtain on the Issue Date and retain any Notes intended to satisfy the U.S. Risk Retention Rules.

It should also be noted that the LSTA Decision did not address all of the features of the current transaction, including the Investment Manager's activities prior to the Issue Date to comply with the then applicable EU Retention Requirements nor whether an "open market CLO" includes transactions such as this one, in which the Issuer is permitted to acquire bonds in addition to loans, however, consistent with an "open market CLO", the Issuer is expected to acquire any bonds pursuant to arms-length negotiations in the open market. However, there can be no assurance that the federal agencies responsible for the U.S. Risk Retention Rules will not seek to distinguish this transaction from the open market CLOs covered by the LSTA Decision and apply the U.S. Risk Retention Rules to this transaction.

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

If any determination is made that this transaction is subject to the U.S. Risk Retention Rules or that this transaction does not constitute an "open market CLO" (including as a result of actions taken by the Investment Manager to comply with the Originator Requirement and the EU Retention Requirements prior to the Issue Date), the Investment Manager may fail to comply (or not be able to comply) with the U.S. Risk Retention Rules, which may have a material adverse effect on the Investment Manager, the Issuer and/or the market value and/or liquidity of the Notes.

In the event that the U.S. Risk Retention Rules become applicable to this transaction in the future, the Issuer's ability to effect any additional issuance of Notes, any Refinancing or any material amendment may be impaired or limited due to the consent rights of the Investment Manager with respect to each such action. In granting or withholding its consent to any such action to the extent it is required under the Trust Deed with respect thereto, it should be expected that the Investment Manager will act in its own self-interest (and will not take into account the interests of any other Person, including the Issuer and/or any holders of Notes).

None of the Issuer, the Arranger, the Initial Purchaser, the Investment Manager, the Retention Holder, the Trustee or any of their Affiliates makes any representation, warranty or guaranty or provides any assurances regarding, or assumes any responsibility to any prospective investor or purchaser of the Notes regarding the application of the U.S. Risk Retention Rules, to the Issuer, or to such investor's investment in the Notes on the Issue Date or at any time in the future.

3.3 EMIR

The European Market Infrastructure Regulation EU 648/2012 ("**EMIR**") and its various delegated regulations and technical standards impose a range of obligations on parties to "over-the-counter" ("**OTC**") derivative contracts according to whether they are "financial counterparties" such as investment firms, alternative investment funds (see 2.6 (*Alternative Investment Fund Managers Directive*) below and in the 2016 Prospectus), 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 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*" in the 2016 Prospectus.

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

Prospective investors should be aware that the regulatory changes arising from EMIR may in due course significantly increase the cost of entering into derivative contracts (including the potential for non-financial counterparties such as the Issuer to become subject to marking to market and collateral posting requirements in respect of non-cleared OTC derivatives such as Asset Swap Transactions and Interest Rate Hedge Transactions). These changes may adversely affect the Issuer's ability to enter the currency hedge swaps and therefore the Issuer's ability to acquire Non-Euro Obligations and/or manage interest rate risk. As a result of such increased costs and/or additional regulatory requirements, investors may receive significantly less or no interest or return, as the case may be as the 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**"). The Proposal contained features which may impact the Issuer's ability to hedge the Notes: securitisation special purpose entities such as the Issuer were to 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. The Council of the European Union has published its amendments to the Proposal in "compromise proposals" dated 15 and 28 November 2017. The Council of the European Union compromise proposals delete the inclusion of securitisation special purpose entities ("**SSPEs**") in the FC definition. The Proposal is now also subject to scrutiny in the European Parliament. The European Parliament's Economic and Monetary Affairs Committee published a draft report dated 26 January 2018 on the Proposal, in which they also proposed that SSPEs would remain outside the category of FC. This position was confirmed in the text adopted by the European Parliament in plenary session on 12 June 2018.

EMIR Refit Regulation

Regulation (EU) 2019/834 of the European Parliament and of the Council of 20 May 2019 (the "**EMIR Refit Regulation**") was published in the Official Journal on 28 May 2019 and entered into effect on 17 June 2019. The EMIR Refit Regulation has amended EMIR with respect to the definition of financial counterparties ("**FCs**"), the clearing obligation, the suspension of the clearing obligation, the reporting requirements, the risk-mitigation techniques for OTC derivatives contracts not cleared by a central counterparty, the registration and supervision of trade repositories and the requirements for trade repositories. The EMIR Refit Regulation has also introduced a new concept of a "small financial counterparty" ("**SFC**") whereby SFCs shall be exempted from the clearing obligation but are subject to risk mitigation obligations (including collateral exchange). A SFC is a FC whose derivative positions are below the clearing thresholds and therefore will be exempted from the clearing obligation. The EMIR Refit Regulation also includes a material change in the way clearing thresholds are calculated for both FCs and NFCs. Instead of using the 30-day rolling average calculation, the aggregate month-end notional average amount for each of the previous 12 months must be used. In the event that the relevant clearing threshold has been exceeded, the counterparty must begin clearing for: (a) that class of derivatives, if it is an NFC; or (b) all clearing classes of derivatives, if it is an FC. For such purposes, FCs will be required to include all of their OTC derivative contracts or all OTC derivative contracts entered into by other entities within the group, within such calculation.

Investors should consult their own independent advisers and make their own assessment about the potential risks posed by EMIR, the relevant regulatory technical standards, any other secondary legislation and the EMIR Refit Regulation in making any investment decision in respect of the Notes.

3.4 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 MiFID II. As the Investment Manager is not permitted to be authorised under both AIFMD and under MiFID II, it will not be able to apply for an authorisation under AIFMD unless it gives up its authorisation under MiFID II. 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 with respect to Hedge Transactions and/or other risk mitigation techniques, including obligations to post margin to any central clearing counterparty or market counterparty (under the Proposal, all AIFs will be FCs whether or not managed by an authorised AIFM). See also 3.3 "*EMIR*" above and in the 2016 Prospectus.

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 of Ireland has confirmed that pending such further clarification from ESMA, "registered financial vehicle corporations" with the meaning of Article 1(2) of Regulation (EC) No 24/2009 of the European Central Bank, such as the Issuer, do not need to seek authorisation as an AIF or appoint an AIFM unless the Central Bank issues further guidance advising them to do so.

If the SSPE Exemption does not apply and the Issuer is considered to be an AIF, the 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 which the Issuer certifies are required to comply with the requirements of AIFMD which may become applicable at a future date.

3.5 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 requires many lengthy rulemaking processes that have resulted in, and will continue to result in in the adoption of a multitude of new regulations potentially applicable to entities which transact business in the U.S. or with U.S. persons outside the U.S. Once fully implemented, the Dodd-Frank Act will affect 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 certain regulations implementing various provisions of the Dodd-Frank Act have been finalised and adopted, many implementing regulations currently exist only in draft form and are subject to comment and revision. Other implementing regulations may yet be proposed. It is therefore difficult to predict the extent to which and manner whereby 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 and regulators provide further guidance with respect thereto.

This uncertainty is further compounded by the numerous regulatory efforts underway outside the U.S. Certain of these efforts overlap with the substantive provisions of the Dodd-Frank Act, while others, such as proposals for financial transaction and/or bank taxes in particular countries or regions, do not. In addition, even where these U.S. and international regulatory efforts overlap, these efforts generally have not been undertaken on a fully coordinated basis. Areas where divergence between U.S. regulators and their international counterparts exists or has begun to develop (whether with respect to scope, interpretation, timing, approach or otherwise) include trading, clearing and reporting requirements for derivatives transactions, higher U.S. capital and margin requirements relating to uncleared derivatives transactions, and capital and liquidity requirements, among others.No assurance can be made that the United States federal government or any U.S. regulatory body (or other authority or regulatory body) will not continue to take further legislative or regulatory action, and the effect of such actions, if any, cannot be known or predicted. None of the Issuer, the Investment Manager, the Initial Purchaser, the Arranger or the Retention Holder makes any representation as to such matters.

Investors should be aware that these risks are material and that the Issuer and, consequently, an investment in the Notes, could be materially and adversely affected thereby. 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.

3.6 CFTC Regulations

Pursuant to the Dodd-Frank Act regulators in the United States have promulgated and continue to promulgate a range of new regulatory requirements that may affect the pricing, terms and compliance costs associated with the entry into any Hedge Transaction by the Issuer and the availability of such Hedge Transactions. Some or all of the Hedge Transactions that the Issuer may enter into may be affected by (i) the requirement that certain swaps be centrally cleared and traded on a designated contract market or swap execution facility, (ii) initial or variation margin requirements of any central clearing organisation (with respect to cleared swaps) or initial or variation margin requirements with respect to uncleared swaps, (iii) swap reporting and recordkeeping obligations, and other matters. These new requirements may (x) significantly increase the cost to the Issuer and/or the Investment Manager of entering into Hedge Transactions such that the Issuer may be unable to purchase certain types of Collateral Debt Obligations, (y) have unforeseen legal consequences on the Issuer or the Investment Manager or (z) have other material adverse effects on the Issuer or the Noteholders. Furthermore, regulations requiring the posting of variation margin on uncleared swaps entered into by entities such as the Issuer entered into effect in the United States on 1 March 2017. Hedge Transactions may be subject to such requirements, depending on the identity of the Hedge Counterparty. The Trust Deed does not permit the Issuer to post variation margin. Accordingly, the application of United States regulations to a Hedge Transaction or a proposed Hedge Transaction could have a material adverse effect on the Issuer's ability to hedge its interest or currency rate exposure, or on the cost of such hedging.

3.7 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" ("**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 Commodity Futures Trading Commission ("**CFTC**") and must register with the CFTC and the National Futures Association ("**NFA**") unless an exemption from registration is available. Based on CFTC interpretive guidance, the Issuer is not expected to be treated as a commodity pool. The Investment Manager shall only cause the Issuer to enter into Hedge Agreements in respect of which, prior to entering into such Hedge Agreement the Issuer obtains legal advice of reputable legal counsel to the effect that the entry into such Hedge Agreement shall not require any of the Issuer, its Directors or officers or the Investment Manager, its directors, officers or employees to register with the United States Commodity Futures Trading Commission as a CPO or a CTA pursuant to the CEA.

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 per cent. of the liquidation value of the Issuer's assets is used as margin, premiums and required minimum security deposits to establish such positions, or (ii) the aggregate net notional value of the Issuer's positions in commodity interests does not exceed 100 per cent. of the Issuer's liquidation value. If the 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 CFTC guidance referred to above changes or the Issuer engages in one or more activities that might cause it to be treated as a "commodity pool" 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 or a CTA could cause the Investment Manager to be subject to extensive compliance and reporting requirements that would 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 would 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 Offering Circular or any related subscription agreement.

3.8 Volcker Rule

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

An "ownership interest" is defined widely and may arise through a holder's exposure to the profits and losses of the "covered fund", as well as through certain rights of the holder to participate in the selection or removal of an investment advisor, investment manager, or general partner, trustee, or member of the board of directors of the "covered fund". A "covered fund" is defined widely, and includes any issuer which would be an investment company under the Investment Company Act 1940 (the "**ICA**") but is exempt from registration solely in reliance on section 3(c)(1) or 3(c)(7) of that Act, subject to certain exemptions found in the Volcker Rule's implementing regulations.

It should be noted that a commodity pool as defined in the CEA (see 3.7 "*Commodity Pool Regulation*", above and in the 2016 Prospectus) could, depending on which CEA exemption is used by such commodity pool or its commodity pool operator, also fall within the definition of a covered fund as described above.

The Transaction Documents provide that the 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 Non-Voting Exchangeable Notes or IM Non-Voting Notes are 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 instruments issued by the Issuer not being characterised as "ownership interests" in the Issuer.

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

Earlier this year, the five federal agencies responsible for implementing the Volcker Rule approved for issuance a notice of proposed rulemaking which would amend certain aspects of the implementing regulations. As part of that notice, though, the agencies also requested public comment on the need for potential changes to virtually all aspects of the implementing regulations, including those aspects of the regulations relevant to securitisations and their treatment under the Volcker Rule's covered fund provisions. It is unclear at this time what changes

ultimately will be made to the Volcker Rule's implementing regulations arising from this public comment process, and whether any such changes will affect the ability of banking entities to acquire and retain any of the Notes or to exercise voting rights with respect to the selection or replacement of the Investment Manager.

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

3.9 Retention Financing

The Investment Manager may from time to time enter into financing arrangements in respect of the Retention Notes that it is required to acquire in order to comply with the Retention Requirements and could grant security over, or transfer title to, the Retention Notes in connection with any such financing. Such financing arrangements would be on full-recourse terms. It is possible that any such financing could be provided directly or indirectly by the Initial Purchaser or any of their Affiliates. If the collateral arrangements in respect of such financing are by way of title transfer, the Investment Manager would retain the economic risk in those Notes but not legal ownership of them. None of the Initial Purchaser, the Investment Manager, any Agent, the Issuer, the Trustee or any of their respective Affiliates makes any representation, warranty or guarantee that such financing arrangements will comply with the Retention Requirements. In particular, should the Investment Manager default in the performance of its obligations under any such financing arrangements, the lender thereunder may have the right to enforce the security granted by the Investment Manager, including effecting the sale or appropriation of some or all of the Retention Notes or, if the collateral arrangements in respect of such financing are by way of title transfer, the Investment Manager would most likely not be entitled to have the Retention Notes (or equivalent securities) retransferred to it. In exercising its rights pursuant to any such financing arrangements, the lender would not be required to have regard to the Retention Requirements and any such sale or appropriation may therefore cause the transaction described in this Offering Circular to be non-compliant with the Retention Requirements.

The term of any retention financing may also be considerably shorter than the effective term of the Notes, requiring the Investment Manager to repay or refinance the retention financing whilst some or all Classes of Notes are Outstanding. If refinancing opportunities were limited at such time and the Investment Manager was unable to repay the retention financing from other sources, the Investment Manager 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 Retention Requirements and such sales may therefore cause the transaction described in this Offering Circular to be noncompliant with the Retention Requirements.

3.10 Japanese Retention Requirements

On 28 December 2018, the Japanese Financial Services Agency (the "**JFSA**") published a proposal to introduce a risk retention requirement which would apply to certain categories of Japanese investors seeking to invest in securitisation transactions. A further notification regarding the proposal was published on 9 January 2019 (together, the "**JRR Proposal**"). The consultation period for the JRR Proposal ended on 8 February 2019, the final form of the Japanese Retention Requirements was published on 15 March 2019, which came into effect on 31 March 2019 (the "**JRR Final Rules**").

The JRR Final Rules provide that certain types of Japanese financial institutions should apply an increased regulatory capital risk weighting to a securitisation exposure unless such institution has established that the "originator" of the transaction retains a "securitisation exposure" in the transaction equal to not less than 5 per cent. of the total underlying assets by (i) retaining equal portions of each tranche or (ii) holding all or part of the most junior tranche, in each case equal to at least 5 per cent. of the total underlying assets or (iii) if the most junior tranche represents less than 5 per cent. of the total underlying assets, holding both the entirety of such most junior tranche and equal portions of each of the more senior tranches so that the total amount held is equal to at least 5 per cent. of the total underlying assets (the "**Japanese Retention Requirements**"). For the purposes of the Japanese Retention Requirements, "originator" is defined as: (i) a person who is involved in the origination of underlying assets directly or indirectly or (ii) a sponsor of an ABCP conduit or other similar program which acquires exposures from third parties.

Under the JRR Final Rules, Japanese investors that are subject to the Japanese Retention Requirements face an increased capital charge if they invest in securitisation transactions which are found to be non-compliant, up to a maximum weighting of 1250 per cent.. The Japanese Retention Requirements would not apply where an

investor is able to judge, by performing its own due diligence, that the origination of the underlying assets is appropriately conducted, based on various factors such as the originator's involvement in the underlying assets and the quality of the underlying assets or any other relevant circumstances which show that the underlying assets were not "inappropriately formed". The precise scope and application of these exceptions remains unclear.

The JRR Final Rules include grandfathering provisions which broadly apply to investors who hold investments as of 31 March 2019. However, it should be noted that any secondary sale to investors which are subject to the Japanese Retention Requirements may, if undertaken on or after 31 March 2019, bring the transaction described herein within the scope of the such requirements, and any subsequent Refinancing or additional issuance may be subject to such requirements, which may reduce liquidity of the Notes on and after the implementation date thereof.

None of the Issuer, the Investment Manager, any Investment Manager Related Person, the Arranger, the Initial Purchaser, the Collateral Administrator, the Trustee, their respective Affiliates or any other Person makes any representation, warranty or guarantee that the transaction described herein will be compliant with the Japanese Retention Requirements or any other applicable legal or regulatory requirements and no such person shall have any liability to any prospective investor or any other person with respect to any failure of the transactions contemplated hereby to comply with or otherwise satisfy such requirements. Each investor should evaluate the impact that any such non-compliance may have on it before investing in the Notes.

3.11 Centre of Main Interests

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 the Issuer's COMI is presumed to be Ireland, any main insolvency proceedings in respect of the Issuer would fall within the jurisdiction of the courts of Ireland. As to what might constitute "proof to the contrary" regarding the location of a company's COMI, the key decision is that in Re Eurofood IFSC Ltd ([2004] 4 IR 370 (Irish High Court); [2006] IESC 41 (Irish Supreme Court); [2006] Ch 508; ECJ Case C-341/04 (European Court of Justice)), given in respect of the equivalent provision in the previous EU Insolvency Regulation (Regulation (EC) No. 1346/2000). In that case, on a reference from the Irish Supreme Court, the European Court of Justice concluded that "factors which are both objective and ascertainable by third parties" would be needed to demonstrate that a company's actual situation is different from that which the location of its registered office is deemed to reflect. For instance, if a company with its registered office in Ireland does not carry on any business in Ireland, that could rebut the presumption that the company's COMI is in Ireland. However, if a company with its registered office in Ireland does carry on business in Ireland, the fact that its economic choices are controlled by a parent undertaking in another jurisdiction would not, of itself, be sufficient to rebut the presumption. As the Issuer has its registered office in Ireland, has Irish directors, is registered for tax in Ireland and has retained an Irish corporate services provider, the Issuer does not believe that factors exist that would rebut the presumption that its COMI is located in Ireland, 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 was found to be in another EU jurisdiction and not in Ireland, main insolvency proceedings would be opened in that jurisdiction instead.

4. RELATING TO THE REFINANCING NOTES

4.1 Inability to refinance Refinancing Notes

Investors should note that the Class A-1 Notes and the Class C Notes are excluded from the redemption rights set out under Condition 7(b)(ii) (*Optional Redemption in Part—Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*) and may therefore not be refinanced in future, other than in connection with a refinancing in whole.

5. 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)

Morgan Stanley 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 Debt 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 Debt 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 Debt 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*" below and "*Description of the Investment Management and Collateral Administration Agreement*" in the 2016 Prospectus.

Certain Conflicts of Interest Involving the Investment Manager and its Affiliates

Various potential and actual conflicts of interest may arise from the overall management, advisory, investment and other activities of the Investment Manager, its Affiliates including its ultimate parent Man Group plc and its Affiliates (collectively, the "**GLG Group**") and their respective clients or as party to or in connection with the investment of any funds in Eligible Investments. The following briefly summarises some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

The GLG Group and its clients may invest in securities that would be appropriate as security for the Notes. Such investments may be different from those made on behalf of the Issuer. Members of the GLG Group may also have ongoing relationships with, render services to or engage in transactions with, companies whose securities are pledged to secure the Notes and may own equity or debt securities issued by issuers of and other obligors on Collateral Debt Obligations. As a result, directors, officers and/or employees of members of the GLG Group may possess information relating to issuers of Collateral Debt Obligations which is not known to the individuals at the Investment Manager responsible for monitoring the Collateral Debt Obligations and performing the other obligations under the Investment Management and Collateral Administration Agreement. GLG Group members, in trading on behalf of other clients or their own accounts, may make use of information obtained by them in the course of managing the Issuer. No member of the GLG Group has any obligation to the Issuer for any profits earned from its use of such information or to compensate the Issuer in any respect for its receipt of such information. In addition, the GLG Group and its clients may invest in loans and securities that are senior to, or have interests different from or adverse to, the Collateral Debt Obligations that are pledged to secure the Notes. Members of the GLG Group may at certain times be simultaneously seeking to purchase or dispose of investments for its or their own account, for the Issuer, for any similar entity for which it serves as manager or adviser and for the GLG Group and/or its clients. It is intended that all Collateral Debt Obligations will be purchased and sold by the Issuer on terms prevailing in the market. The Investment Manager may effect any transaction with or for the Issuer in which the Investment Manager (or another member of the GLG Group) has

a relationship with another person which may involve or conflict with the Investment Manager's duty to the Issuer. No member of the GLG Group is under any obligation to offer investment opportunities of which they have become aware to the Issuer or to account to the Issuer (or share with the Issuer or inform the Issuer of) for any such transaction or any benefit received by them from any such transaction. Furthermore, any member of the GLG Group may make an investment on behalf of any account that it manages or advises without offering the investment opportunity to or making any investment on behalf of the Issuer. No member of the GLG Group has any affirmative obligation to offer any investments to the Issuer or to inform the Issuer of any investments before offering any investments to other funds or accounts that a member of the GLG Group manages or advises. Furthermore, other members of the GLG Group may make an investment on their own behalf without offering the investment opportunity to, or the Investment Manager making any investment on behalf of, the Issuer. Affirmative obligations may exist or may arise in the future, whereby Affiliates of the Investment Manager are obliged to offer certain investments to funds or accounts that such Affiliates manage or advise before or without the Investment Manager offering those investments to the Issuer. Affiliates of the Investment Manager have no affirmative obligation to offer any investments to the Issuer or to inform the Issuer of any investments before engaging in any investments for themselves. The Investment Manager will endeavour to resolve conflicts with respect to investment opportunities in a manner which it deems equitable to the extent possible under the prevailing facts and circumstances. Although the professional staff of the Investment Manager will devote as much time to the Issuer as the Investment Manager deems appropriate to perform its duties in accordance with the Investment Management and Collateral Administration Agreement, those staff may have conflicts in allocating their time and services among the Issuer and the Investment Manager's other accounts.

The Investment Manager may, subject to the provisions of the Investment Management and Collateral Administration Agreement, deal or arrange for the dealing on the Issuer's behalf in (i) securities or other obligations of which the issue or offer for sale was undertaken, underwritten, managed or arranged by the Investment Manager or an Affiliate of the Investment Manager; (ii) securities or other obligations which have been issued by, held or acquired for the account of any Affiliate of the Investment Manager or the Investment Manager itself; and (iii) securities or other obligations issued by, purchased or sold to anyone with whom any Affiliate of the Investment Manager or the Investment Manager itself has a banking or other relationship; provided that any activity or decision made by the Investment Manager on behalf of the Issuer shall take place outside the United States.

In addition, no termination or resignation of the Investment Manager shall be effective unless and until a replacement Investment Manager has agreed to assume all the duties and obligations arising out of the Investment Management and Collateral Administration Agreement and the Trust Deed, in accordance with the terms and conditions of the Investment Management and Collateral Administration Agreement. Any Notes held by or on behalf of an Investment Manager Related Person will have no voting rights with respect to, and shall not be counted for the purposes of determining a quorum and the result of, any vote (or written direction or consent) in connection with an IM Removal Resolution; provided, however, that any Notes held by or on behalf of an Investment Manager Related Person will, save as otherwise expressly provided, have voting rights (including in respect of written directions and consents) with respect to all other matters as to which Noteholders of IM Voting Notes are entitled to vote (including, without limitation, any vote in respect of an IM Replacement Resolution). See "*Description of the Investment Management and Collateral Administration Agreement*" in the 2016 Prospectus.

The Investment Manager may directly or indirectly enter into "principal transactions" with the Issuer within the meaning of Section 206(3) of the Investment Advisers Act. A principal transaction is one in which the Investment Manager (or an Affiliate of the Investment Manager) acts as principal for its own account with respect to the sale of a Collateral Debt Obligation to, or the purchase of a Collateral Debt Obligation from, the Issuer, but in certain circumstances may also be interpreted to include any transaction that may be effected between the Issuer and any Affiliate of the Investment Manager or any other fund, account or other vehicle as to which the Investment Manager or its Affiliates may act as investment adviser, investment manager or in a similar capacity (each such fund or account, a "Related Account" and any such transaction described in this sentence, an "**Affiliate Transaction**"). In analysing Affiliate Transactions, the Investment Manager will have a conflict between acting in the best interests of the Issuer and assisting itself, other members of the GLG Group, Man Group plc and/or a Related Account by selling or purchasing a particular Collateral Debt Obligation. All Affiliate Transactions, and any other transactions involving a conflict of interest between the Issuer and the Investment Manager, any member of the GLG Group or any Related Account: (i) must be exempt from the prohibited transaction rules of ERISA and the Code and (ii) will be conducted in compliance with the Investment Advisers Act and the Investment Company Act, if applicable.

Subject to the requirements stated herein, the Issuer will, pursuant to the Investment Management and Collateral Administration Agreement, prospectively authorise the Investment Manager to effect agency cross transactions (where the Investment Manager causes a purchase or sale of a Collateral Debt Obligation to be effected between the Issuer and any Related Account, in each case which do not require consent of the Issuer under Section 206(3) of the Investment Advisers Act); provided, however, that to the extent required by the Investment Advisers Act, such prospective authorisation may be revoked by the Issuer at any time upon written notice to the Investment Manager.

The Investment Manager may cause the Issuer to engage in Affiliate Transactions when the Investment Manager believes such transactions are appropriate and in the best interests of the Issuer. In the event the Investment Manager wishes to reduce the investment of the Issuer or one or more of such Related Accounts, or increase the investment of the Issuer or one or more Related Accounts, in any particular portfolio investment, it may effect an Affiliate Transaction by directing the sale and purchase of such portfolio investment or other obligation between funds. Any such Affiliate Transaction will be subject to the conditions noted above. The Investment Manager may also cause the Issuer to purchase or sell an investment that is being sold or purchased, respectively, at the same time by the Investment Manager, an Affiliate or a Related Account. The Investment Management and Collateral Administration Agreement requires that all such purchases from or sales to the Investment Manager, its Affiliates or their respective clients (including the Issuer) be made in compliance with the provisions of the Investment Advisers Act.

Notwithstanding whether any such Affiliated Transaction or other transaction involving a conflict of interest between the Issuer and the Investment Manager requires consent of the Issuer under Section 206(3) of the Investment Advisers Act, all principal trades and agency cross transactions shall be conducted in compliance with the investment Manager's policy and procedures with respect thereto.

In addition, the Investment Manager and/or its Affiliates may have ongoing relationships (including, without limitation, the provision of investment banking, commercial banking and investment management or advisory services or engaging in securities derivatives transactions) with Obligors of Collateral Debt Obligations and may own equity or other securities of Obligors of Collateral Debt Obligations while also maintaining ongoing relationships (including, without limitation, the provision of investment banking, commercial banking and advisory services or engaging in securities derivatives transaction) with purchasers of the Notes. The Issuer may invest in the securities of companies Affiliated with the Investment Manager or their respective Affiliates or companies in which the Investment Manager or their respective Affiliates have an equity or participation interest. The purchase, holding and sale of such investments by the Issuer may enhance the profitability of the Investment Manager's or their Affiliates' own investments in such companies. It is possible that one or more of the Affiliates of the Investment Manager may also act as counterparty with respect to one or more Participations or Hedge Transactions.

It is also possible that one or more Affiliates of the Investment Manager may also act as counterparty with respect to one or more Participations or Hedge Transactions. This may result in a conflict of interest between the Investment Manager in its role as such and any Affiliate thereof acting as a counterparty under one or more such instruments as a result of the Investment Manager's position as manager on behalf of the Issuer in respect of such instruments and the authority delegated to it to take action on the Issuer's behalf in respect of such instruments.

There is no limitation or restriction on the Investment Manager or any of their respective Affiliates with regard to acting as Investment Manager (or in a similar role) to other parties or persons. The Investment Manager and/or its Affiliates may at certain times be simultaneously seeking to purchase or dispose of Collateral Debt Obligations and to purchase or dispose of investments for its own account or the account of one of its Affiliates, any similar entity for which it serves as manager and/or advisor and for its other clients. Subject to the requirements of the applicable agreements pertaining to the Investment Manager or its Affiliates, investment opportunities sourced by the Investment Manager will generally be allocated to the Investment Manager's clients in a manner that is considered to be reasonable and equitable and in a manner that is consistent with each client's investment objectives and guidelines. The Investment Manager may determine that an investment opportunity or particular purchases or sales are appropriate for one or more clients, but not for other clients, or are appropriate for or available to certain clients but in different sizes, terms, or timing than is appropriate for others. The Investment Manager will make allocations for clients of such investments with reference to numerous factors including, without limitation, the Investment Manager's perception of the appropriate risks and rewards for each client, investment objectives and guidelines of each client, leverage of each client, the liquidity of the client at the time of the investment and on a going-forward basis, risk parameters for each client, regulatory restrictions affecting the client, in the case of offerings (initial or secondary), the size of the offering

and such other factors as are relevant in the judgment of the Investment Manager. Although allocating orders among clients may create potential conflicts of interest because of the interests of the Investment Manager and any of its Affiliates or its employees or because the Investment Manager may receive greater fees or compensation from on client over another, the Investment Manager will not make allocation decisions based on such interests or greater fees or compensation. Allocation among clients in any particular circumstance may be more or less advantageous to any client. In addition, transactions in investments by multiple clients may have the effect of diluting or otherwise impairing the values, prices or investment strategies of an individual client, particularly, but not limited to, in small capitalization, emerging market, or less liquid strategies. Therefore, the amount, timing, structuring, or terms of an investment by some clients may differ from, and performance may be lower than, investments and performance of other clients. This and other future activities of the Investment Manager and/or their Affiliates may give rise to additional conflicts of interest. Investors in the Notes will not be permitted to inspect the records relating to trades by GLG Group. Certain members of the GLG Group and/or their Affiliates may also have material non-public information about an issuer in whose securities or other financial instruments the Issuer has invested and may not share such information with the Issuer or GLG Group personnel responsible for the Issuer's trading.

The Investment Manager may, notwithstanding any other provisions of the Investment Management and Collateral Administration Agreement, at any time refrain from effecting the acquisition or sale of obligations (i) of persons of which the Investment Manager, its Affiliates, or any of their or their Affiliates' officers, partners, directors or employees are partners, directors or officers; (ii) of persons for which the Investment Manager or any of its Affiliates act as financial advisers or underwriter; (iii) of persons about which the Investment Manager has information which the Investment Manager deems confidential, non-public, price sensitive or which otherwise might prohibit it from trading such assets in accordance with applicable laws including without limitation any insider dealing laws; or (iv) of persons whose obligation the Investment Manager has recommended be acquired by a vehicle or fund in respect of whose assets the Investment Manager acts as Investment Manager. In addition, the Investment Manager shall not be obliged to provide with the respect to the Portfolio any particular investment opportunity of which it becomes aware.

Certain holders of Notes may have access to more or better information than other investors or holders of Notes such as, but not limited to, portfolio risk, personnel and/or investment-related information. In addition, in the course of conducting due diligence, current or prospective investors or holders of Notes may request information pertaining to investments, portfolios or the Investment Manager. The Investment Manager may respond to such requests and provide a response containing information which is not generally made available to other investors although it may require investors receiving such information to agree to keep such information confidential. When the Investment Manager provides this requested information, it does so without an obligation to provide it to other investors or to correct or update any such information previously provided.

The Investment Manager may, in its sole discretion, agree with one or more Noteholders to rebate a portion of its Investment Management Fees and, if such agreement is made, the Investment Manager will not be obliged to enter into similar agreements with or to notify other Noteholders. Such rebates may affect the incentives of the Investment Manager in managing the Collateral Debt Obligations and may also affect the actions of the relevant Noteholders in taking any actions it may be permitted to take in respect of the Notes, including votes concerning amendments. The Investment Manager may enter into agreements with one or more holders of the Notes pursuant to which the Investment Manager may agree, subject to its obligations under the Transaction Documents and applicable law, to take actions with respect to such holders of the Notes that it will not take with respect to other holders of the Notes, including but not limited to any fee rebates as set out above.

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 Morgan Stanley and its Affiliates

Morgan Stanley & Co. International plc ("**Morgan Stanley**") and any of its Affiliates will act in their own commercial interests in these various capacities without regard to whether its interests conflict with those of the Noteholders or any other party. None of Morgan Stanley or its Affiliates take any responsibility for, and have no obligations to potential investors or other third parties in respect of, the Issuer.

The Issuer may have purchased prior to the Issue Date, and may purchase or sell after the Issue Date, Collateral Debt Obligations including from, to or through one or more of Morgan Stanley or its Affiliates. Certain Eligible Investments may be issued, managed or underwritten by one or more of Morgan Stanley or its Affiliates. One or more of Morgan Stanley or its Affiliates may provide investment banking, commercial banking, asset management, financing and financial advisory services and products to the Investment Manager, its Affiliates, and/or funds managed by the Investment Manager or its Affiliates, and purchase, hold and sell, both for their respective accounts or for the account of their respective clients, on a principal or agency basis, loans, securities, and other obligations and financial instruments of the Investment Manager, its Affiliate(s), and funds managed by the Investment Manager or its Affiliate(s). As a result of such transactions or arrangements, one or more of Morgan Stanley or its Affiliates may have interests adverse to those of the Issuer and Noteholders. Morgan Stanley is not obligated to consider the interests of the Noteholders or any effect that such positions could have on them.

Morgan Stanley and its Affiliates may from time to time hold some or all of the Notes of any Class for investment trading or other purposes, and may sell at any time any or all Notes held by them. Morgan Stanley and its Affiliates will have the right to vote the Notes that they hold. The interests and incentives of Morgan Stanley or its Affiliates will not necessarily be aligned with those of the other Noteholders.

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 higher or lower fee being paid to the Initial Purchaser in respect of those Notes. The Initial Purchaser may elect in its sole discretion to rebate a portion of its fees in respect of the Notes to certain investors, including the Retention Holder. The Initial Purchaser may assist clients and counterparties in transactions related to the Notes (including assisting clients in future purchases and sales of the Notes and hedging transactions). The Initial Purchaser expects to earn fees and other revenues from these transactions.

In addition, the Issuer has purchased and may sell prior to the Issue Date, and may purchase or sell after the Issue Date, Collateral Debt Obligations from, to or through one or more of Morgan Stanley or its Affiliates (including purchases of Collateral Debt Obligations in anticipation of the Issue Date). Certain Eligible Investments may be issued, managed or underwritten by one or more of Morgan Stanley or its Affiliates. One or more of Morgan Stanley or its Affiliates may provide investment banking, commercial banking, asset management, financing and financial advisory services and products to the Investment Manager, its Affiliates, and/or funds managed by the Investment Manager or its Affiliates, and purchase, hold and sell, both for their respective accounts or for the account of their respective clients, on a principal or agency basis, loans, securities, and other obligations and financial instruments of the Investment Manager, its Affiliate(s), and funds managed by the Investment Manager or its Affiliate(s). As a result of such transactions or arrangements, one or more of Morgan Stanley or its Affiliates may have interests adverse to those of the Issuer and Noteholders. Morgan Stanley is not obligated to consider the interests of the Noteholders or any effect that such positions could have on them.

Morgan Stanley and its Affiliates may have underwritten or be acting as agent, counterparty or lender in respect of certain of the Collateral Debt Obligations, may have on-going relationships (including, without limitation, the provision of investment banking, commercial banking and advisory services or engaging in securities or derivatives transactions) with issuers whose debt obligations constitute Collateral Debt Obligations and may own either equity securities or debt obligations (including the debt obligations that constitute Collateral Debt Obligations) issued by such issuers. Morgan Stanley and its Affiliates may also have on-going relationships (including, without limitation, the provision of investment banking, commercial banking and advisory services or engaging in securities or derivatives transactions) with purchasers of the Notes or the Investment Manager or their respective Affiliates. Morgan Stanley and its Affiliates and clients may also invest in debt obligations that have interests different from or adverse to the debt obligations that constitute Collateral Debt Obligations. From time to time the Issuer may purchase, enter into, terminate or sell Collateral Debt Obligations from or through Morgan Stanley or any of its Affiliates.

In addition, certain "private side" and "walled off" areas of Morgan Stanley or its Affiliates may have access to material non-public information regarding the Collateral Debt Obligations or the issuers whose debt obligations constitute Collateral Debt Obligations. These areas have not participated in the preparation of this Offering Circular, nor have they provided any material non-public information to any employee of Morgan Stanley involved in the preparation of this Offering Circular.

Morgan Stanley will be entitled to be paid certain fees in connection with the structuring and offering of the Notes from the proceeds of the issuance of the Notes. Morgan Stanley may forego a portion of or otherwise

choose to accept a reduced amount of such fees for any reason. Whether any such amount will be foregone or reduced may depend on the terms of the securities issued on the Issue Date (including, without limitation, the interest rates and purchase prices of Notes purchased for the account of Morgan Stanley or its Affiliates or otherwise for distribution), the purchase price of the Collateral Debt Obligations and other terms of the transaction.

Noteholder acknowledgements

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

DESCRIPTION OF THE REFINANCING NOTES

The information set forth in this section should be read in conjunction with the section entitled "*Terms and Conditions*" in the 2016 Prospectus.

Pursuant to the Original Trust Deed as supplemented by pursuant to the terms of the Deed of Amendment and Supplement to be dated on or about the Issue Date, the Refinancing Notes will be issued on the Issue Date and the Refinanced Notes will be redeemed at their Redemption Prices on the same date.

Purchasers of the Refinancing Notes will be deemed to have approved the modifications contained in the Deed of Amendment and Supplement.

Except as expressly set forth herein, the Class A-1 Notes and the Class C Notes will be subject to the same terms and conditions as the Original Class A-1 Notes and the Original Class C Notes. Therefore, except as expressly set forth herein, the information regarding the Original Class A-1 Notes and the Original Class C Notes set forth in the 2016 Prospectus also applies to the Class A-1 Notes and the Class C Notes.

The revised terms and conditions of the Notes will be set forth in the Deed of Amendment and Supplement and are set out below. This Offering Circular, together with the 2016 Prospectus, summarises certain provisions of the Trust Deed and other transaction documents. **The summaries do not purport to be complete** and (whether or not so stated in this Offering Circular or the 2016 Prospectus) are subject to, are qualified in their entirety by reference to, and incorporate by reference, the provisions of the Transaction Documents (including definitions of terms). See also the description of the amendments to the Investment Management and Collateral Administration Agreement set out in the sections entitled "*The Portfolio*" and "*Description of the Reports*" below.

A. Amendments to the Conditions in respect of the Refinancing Notes

In connection with the Refinancing, the Issuer intends to enter into the Deed of Amendment and Supplement which will, amongst other things, supplement the Trust Deed concurrently with the Refinancing. The purchasers of Refinancing Notes will be deemed to approve the amendments to the Trust Deed pursuant to the Deed of Amendment and Supplement.

The following list is not exhaustive and is subject to, and qualified in its entirety by reference to the provisions of the Deed of Amendment and Supplement.

It is anticipated that the following supplements will be effected by entry into the Deed of Amendment and Supplement by the Issuer and the Trustee, however, there is no guarantee that the Issuer will be able to sell the Refinancing Notes with the terms set forth in the contemplated amendments and thus one or more of the amendments may not be implemented or effective on the Issue Date and there is no guarantee at what time, if any, they will be implemented or become effective with respect to the Refinancing Notes.

(1) Condition 1 (*Definitions*) is amended as follows:

(a) New definitions are added (in alphabetical order) as follows:

"**Deed of Amendment and Supplement**" means the deed of amendment and supplement entered into on or about the Issue Date between, amongst others, the Issuer and the Trustee, supplementing the Original Trust Deed and amending the Original Investment Management and Collateral Administration Agreement and the Original Agency Agreement.

"**EU Transparency Requirements**" means Article 7 of the Securitisation Regulation, together with any guidance published in relation thereto by ESMA, including any regulatory and/or implementing technical standards, provided that any reference to the EU Transparency Requirements shall be deemed to include any successor or replacement provisions of Article 7 of the Securitisation Regulation included in any European Union directive or regulation.

"**Initial Accrual Period**" means:

(a) in respect of the Refinancing Notes, the period from, and including, the Payment Date immediately preceding the Issue Date to, but excluding, the Payment Date immediately following the Issue Date; and

(b) in respect of any Class of Notes that is subject to a Refinancing (other than the Refinancing Notes), either:

(i) if such Refinancing occurs on a Payment Date, the period from (and including) such Payment Date; or

(ii) if such Refinancing occurs on a date other than a Payment Date, the period from (and including) the Payment Date immediately preceding the date of such Refinancing,

in each case, to (but excluding) the Payment Date immediately following the date of such Refinancing.

"**Original Agency Agreement**" means the agency agreement entered into between, amongst others, the Issuer and the Investment Manager dated on or about the Original Issue Date.

"**Original Investment Management and Collateral Administration Agreement**" means the investment management and collateral administration agreement entered into between, amongst others, the Issuer and the Investment Manager dated on or about the Original Issue Date.

"**Original Issue Date Retention Notes**" means the Original Notes (other than the Refinanced Notes) of each Class subscribed for by the Investment Manager on the Original Issue Date and comprising not less than 5 per cent. of the nominal value of each Class of Notes for the purposes of satisfying Article 6 of the Securitisation Regulation.

"**Original Notes**" means the Refinanced Notes, the Class A-2 Notes, the Class B Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes.

"**Original Trust Deed**" means the trust deed entered into between, amongst others, the Issuer and the Trustee dated on or about the Original Issue Date.

"**Other Plan Law**" means any federal, state, local or non-U.S. law or regulation that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code.

"**Refinancing Notes**" means the Class A-1 Notes and the Class C Notes.

"**Securitisation Regulation Reporting Effective Date**" means the effective implementation date of the Transparency RTS.

"**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 federal, state, local or non-U.S. law or regulation that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code.

"**Subscription Agreement**" means the subscription agreement between the Issuer and the Initial Purchaser dated on or about the Issue Date.

"**Transparency RTS**" means regulatory technical standards in relation to Article 7(3) of the Securitisation Regulation relating to transparency to be adopted by the European Commission.

(b) The following existing definitions shall be deleted in their entirety and replaced as follows (in alphabetical order):

"**Investment Management and Collateral Administration Agreement**" means the investment management and collateral administration agreement dated on or about the Original

Issue Date and entered into between the Issuer, the Investement Manager, the Trustee, the Custodian and the Collateral Administrator, as amended pursuant to the Deed of Amendment and Supplement.

"**Issue Date**" means:

(a) in respect of the Class A-1 Notes and the Class C Notes, 23 August 2019; and

(b) in respect of the Class A-2 Notes, the Class B Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes, 14 December 2016.

"**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 and at the expense of the Issuer on such dates as are set forth in, and in accordance with, the Investment Management and Collateral Administration Agreement, is made available in PDF format (with the underlying portfolio data being made available in CSV format) via a secured website currently located at https://pivot.usbank.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Trustee, the Arranger, the Initial Purchaser, each Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, the Investment Manager, each Rating Agency and the Noteholders from time to time) to any person who certifies to the Collateral Administrator (such certification to be in the form set out in Schedule 27 (*Form of Website Certification*) to the Investment Management and Collateral Administration Agreement, which certification may be given electronically and upon which certification the Collateral Administrator shall be entitled to rely absolutely and without enquiry or liability) that it is: (i) the Issuer, (ii) the Trustee, (iii) the Arranger, (iv) the Initial Purchaser, (v) a Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, (vi) the Investment Manager, (vii) a Rating Agency, (viii) a Noteholder, (ix) a competent authority or (x) a potential investor in the Notes.

"**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 and at the expense of the Issuer in accordance with the Investment Management and Collateral Administration Agreement as of each Determination Date and made available in CSV format via a secured website currently located at https://pivot.usbank.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Trustee, the Arranger, the Initial Purchaser, each Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, the Investment Manager, each Rating Agency and the Noteholders from time to time) to any person who certifies to the Collateral Administrator (such certification to be in the form set out in Schedule 27 (*Form of Website Certification*) to the Investment Management and Collateral Administration Agreement, which certification may be given electronically and upon which certification the Collateral Administrator shall be entitled to rely absolutely and without enquiry or liability) that it is: (i) the Issuer, (ii) the Trustee, (iii) the Arranger, (iv) the Initial Purchaser, (v) a Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, (vi) the Investment Manager, (vii) a Rating Agency, (viii) a Noteholder, (ix) a competent authority or (x) a potential investor in the Notes.

"**Refinancing**" means, as the context requires:

(a) a refinancing in accordance with Condition 7(b)(v) (Optional Redemption effected in whole or in part through Refinancing); or

(b) the Refinancing of the Class A-1 Notes and the Class C Notes that took effect on the Issue Date.

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

"**Transaction Documents**" means the Trust Deed (including these Conditions), the Agency Agreement, the Subscription and Placement Agency Agreement, the Investment Management and Collateral Administration Agreement, any Hedge Agreements, the Collateral Acquisition Agreements, the Participation Agreements, the Corporate Services Agreement, the Subscription Agreement, the Deed of Amendment and Supplement, any Reporting Delegation Agreement and any document supplemental thereto or issued in connection therewith.

"**Trust Deed**" means the trust deed dated on or around the Original Issue Date between (among others) the Issuer and the Trustee, as supplemented pursuant to the Deed of Amendment and Supplement.

The definition "**Irish Stock Exchange**" shall be deleted in its entirety and replaced with the following:

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

and each reference to "Irish Stock Exchange" that appears in the Conditions shall be deemed to be replaced by a reference to "Euronext Dublin."

The definition "**Retention Requirements**" shall be deleted in its entirety and replaced with the following:

"**Securitisation Regulation**" means Regulation (EU) 2017/2402 relating to a European framework for simple, transparent and standardised securitisation, as amended, varied or substituted from time to time including any implementing regulation, technical standards and official guidance related thereto and applicable laws, regulations, rules, guidance or other implementing measures of the FCA or other relevant UK regulator (or their successor) relating to the application of the Securitisation Regulation regime in the UK including, from the date when the UK withdrawal from the EU becomes effective, such laws, regulations, rules, guidance or other implementing measures come into effect",

and each reference to "Retention Requirements" that appears in the Conditions shall be deemed to be replaced by a reference to "Securitisation Regulation".

(c) The following terms shall be deleted from the Conditions in their entirety:

The definition of "**AIFMD**".

The definition of "**AIFMD Retention Requirements**".

The definition of "**CRR**".

The definition of "**CRR Retention Requirements**".

The definition of "**Solvency II**".

The definition of "**Solvency II Retention Requirements**".

(d) Each reference to "GLG Euro CLO II D.A.C." is deleted and replaced with a reference to "Man GLG Euro CLO II D.A.C.".

(e) All references to the Elavon Financial Services DAC acting through its UK Branch as Collateral Administrator, the Information Agent and the Calculation Agent in the Conditions shall be read and construed as to U.S. Bank Global Corporate Trust Limited.

(2) The following Conditions are amended as follows:

(a) Condition 2(j) (*Forced Transfer pursuant to ERISA*) is deleted in its entirety and replaced with the following:

"If any Noteholder is determined by the Issuer to be a Noteholder who has made or is deemed to have made a prohibited transaction, Benefit Plan Investor, Controlling Person, Other Plan Law or Similar Law representation that is subsequently shown to be

false or misleading, or whose beneficial ownership otherwise causes a violation of the 25 per cent. limitation set out in Title I of ERISA and the related U.S. Department of Labor regulations (any such Noteholder a "**Non-Permitted ERISA Holder**"), the Non-Permitted ERISA Holder shall be required by the Issuer to sell or otherwise transfer its Notes (or its interests therein) to an eligible purchaser at a price to be agreed between the Issuer and such eligible purchaser at the time of sale, subject to the transfer restrictions set out in the Trust Deed. Each Noteholder and each other Person in the chain of title from the Noteholder, by its acceptance of such Notes (or any interest therein), agrees to cooperate with the Issuer, to the extent required to effect such transfers. None of the Issuer, the Trustee and the Registrar shall be liable to any Noteholder having an interest in the Notes sold or otherwise transferred as a result of any such sale or transfer. The Issuer shall be entitled to deduct from the sale or transfer price an amount equal to all the expenses and costs incurred and any loss suffered by the Issuer as a result of such forced transfer. The Non-Permitted ERISA Holder will receive the balance, if any."

(b) A new Condition 2(n) (*Modifications*) is added as follows:

"(n) Modifications

The holders of the Class A-1 Notes issued on the Issue Date are deemed to have consented, by their subscription for such Refinancing Notes on the Issue Date:

(i) to the modifications contemplated in the Deed of Amendment and Supplement; and

(ii) to the amendments in respect of the Fitch Test Matrix and the Moody's Test Matrix and the definitions of the "Fitch Recovery Rate", the "Minimum Weighted Average Fixed Coupon" and to the extension of the period set out in the definition of "Maximum Weighted Average Life Test" (the "**Amendments**") and accordingly, consent to the Amendments shall be deemed to have been given by and shall take effect as an Ordinary Resolution of the Controlling Class for the purposes of Condition 14(c)(xxvii) (*Modification and Waiver*)."

(c) Condition 5(a) (*Covenants of the Issuer*) shall be amended to include a new sub-paragraph (xvii) as follows:

"(xvii) promptly notify the Initial Purchaser, the Trustee, each Hedge Counterparty, the Investment Manager, the Collateral Administrator, the Rating Agencies and the Noteholders upon becoming aware of the occurrence of any of the events specified in Article 7(1)(f) or (g) of the Securitisation Regulation and without delay ensure that such information is made available as required by the EU Transparency Requirements."

(d) Condition 6(a)(i) (*Rated Notes*) is deleted in its entirety and replaced with the following:

"(i) Rated Notes

The Class A-1 Notes and the Class C Notes bear interest from (and including) the Payment Date immediately preceding the Issue Date, and the Class A-2 Notes, the Class B Notes, the Class D Notes, the Class E Notes and the Class F Notes each bear interest from (and including) the Original Issue Date, and, in each case, such interest will be payable:

(A) in the case of interest accrued during the Initial Accrual Period, on the Payment Date immediately following the Issue Date;

(B) in respect of each six month Accrual Period, semi-annually; and

(C) in respect of each three month Accrual Period, quarterly,

in each case, in arrear on each Payment Date."

(e) Condition 6(e)(i)(D)(1) and (3) (*Floating Rate of Interest*) are deleted in their entirety and replaced with the following:

(1) in the case of the Class A-1 Notes:

(i) for the period from (and including) the Payment Date immediately preceding the Issue Date to (but excluding) the Issue Date, 1.03 per cent. per annum; and

(ii) thereafter, 0.87 per cent. per annum;

(3) in the case of the Class C Notes:

(i) for the period from (and including) the Payment Date immediately preceding the Issue Date to (but excluding) the Issue Date, 2.50 per cent. per annum; and

(ii) thereafter, 2.45 per cent. per annum;"

(f) Condition 7(b)(i) (*Optional Redemption in Whole—Subordinated Noteholders*) is deleted and replaced with the following:

"(i) Optional Redemption in Whole—Subordinated Noteholders

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*), Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*), Condition 7(b)(vi) (*Refinancing in relation to a Redemption in Whole*) and Condition 7(b)(ix) (*Optional Redemption in whole of all Classes of Notes effected through Liquidation only*), the Rated Notes may be redeemed in whole but not in part by the Issuer at the applicable Redemption Prices, from Sale Proceeds or any Refinancing Proceeds (or a combination thereof):

(A) on any Business Day falling on or after 23 August 2020, at the direction of the Subordinated Noteholders acting by Ordinary Resolution (with duly completed Redemption Notices); or

(B) upon the occurrence of a Collateral Tax Event, on any Business Day falling after such occurrence at the direction of the Subordinated Noteholders acting by Ordinary Resolution (with duly completed Redemption Notices)."

(g) Condition 7(b)(ii) (*Optional Redemption in Part—Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*) is deleted and replaced with the following:

"(ii) Optional Redemption in Part—Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*), Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) and Condition 7(b)(vii) (*Refinancing in relation to a Redemption in Part*), the Rated Notes of any Class (other than the Class A-1 Notes and the Class C Notes) may be redeemed by the Issuer at the applicable Redemption Prices, solely from Refinancing Proceeds (in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) below) on any Business Day falling on or after expiry of the Non-Call Period at the direction of the Subordinated Noteholders acting by Ordinary Resolution (with duly completed Redemption Notices).

No such Optional Redemption may occur unless any Class of Rated Notes (other than the Class A-1 Notes and the Class C Notes) to be redeemed represents the entire Class of such Rated Notes."

B. Supplements to the Trust Deed

In addition to "*Supplements to the Conditions in respect of the Refinancing Notes*" above, the Issuer intends to make the following supplements to the Trust Deed pursuant to the Deed of Amendment and Supplement. The purchasers of Refinancing Notes will be deemed to approve the supplements to the Trust Deed pursuant to the Deed of Amendment and Supplement.

The following list is not exhaustive and is subject to, and qualified in its entirety by reference to the provisions of the Deed of Amendment and Supplement.

It is anticipated that the following amendments will be effected by entry into Deed of Amendment and Supplement by (among others) the Issuer and the Trustee, however, there is no guarantee that the Issuer will be able to sell the Refinancing Notes with the terms set forth in the contemplated amendments and thus one or more of the amendments may not be implemented or effective on the Issue Date and there is no guarantee at what time, if any, they will be implemented or become effective with respect to the Refinancing Notes.

(a) All references to the Elavon Financial Services DAC as Collateral Administrator, the Information Agent and the Calculation Agent in the Conditions and each of the Transaction Documents shall be read and construed as to U.S. Bank Global Corporate Trust Limited.

(b) The following is added as a new Clause 10.40 (*Notice of events specified in Article 7(1)(f) or (g) of the Securitisation Regulation*) to the Trust Deed:

"10.40 EU Transparency Requirements

(a) The Issuer shall promptly notify the Initial Purchaser, the Arranger, the Trustee, each Hedge Counterparty, the Investment Manager, the Collateral Administrator, the Rating Agencies and the Noteholders upon becoming aware of the occurrence of any of the events specified in Article 7(1)(f) or (g) of the Securitisation Regulation and without delay ensure the dissemination of such information as required by the EU Transparency Requirements.

(b) Upon the Collateral Administrator's request, the Issuer agrees to notify or procure the notification to the Collateral Administrator of the "legal entity identifier" numbers ("**LEIs**") of Issuer and the Investment Manager and the ISINs of the Notes."

(c) The following is added as a new Clause 33 (*EU Transparency Requirements*) to the Trust Deed:

"**33 EU TRANSPARENCY REQUIREMENTS**

The Trustee and each Agent (other than the Collateral Administrator) shall provide to the Collateral Administrator (to the extent required by the Collateral Administrator, provided that the Collateral Administrator shall require such information where required to be disclosed in accordance with the EU Transparency Requirements and the Collateral Administrator is not otherwise able to obtain such information) details of any credit ratings which are applicable to it and shall, so long as such information is required to be disclosed in accordance with the EU Transparency Requirements, promptly notify the Collateral Administrator (to the extent required by the Collateral Administrator, provided that the Collateral Administrator shall require such notification where required to be disclosed in accordance with the EU Transparency Requirements and the Collateral Administrator is not otherwise able to obtain such information) of any rating downgrades or changes to such credit ratings."

C. Amendments to the Investment Management and Collateral Administration Agreement in respect of the Refinancing Notes

In connection with the Refinancing, the Issuer intends to enter into an Deed of Amendment and Supplement, which will, amongst other things, amend the Original Investment Management and

Collateral Administration Agreement concurrently with the Refinancing. The purchasers of Refinancing Notes will be deemed to approve the amendments and supplements to the Original Investment Management and Collateral Administration Agreement pursuant to the Deed of Amendment and Supplement.

The changes set out in the section entitled "*The Portfolio*" and the following changes below will be made to the Original Investment Management and Collateral Administration Agreement, as applicable. It is anticipated that the following amendments will be effected by entry into the Deed of Amendment and Supplement by (among others) the Issuer and the Trustee, however, there is no guarantee that the Issuer will be able to sell the Refinancing Notes with the terms set forth in the contemplated amendments and thus one or more of the amendments may not be implemented or effective on the Issue Date and there is no guarantee at what time, if any, they will be implemented or become effective with respect to the Refinancing Notes.

The following list is not exhaustive and is subject to, and qualified in its entirety by reference to the provisions of the Deed of Amendment and Supplement.

(a) All references to the Elavon Financial Services DAC as Collateral Administrator, the Information Agent and the Calculation Agent in the Investment Management and Collateral Administration Agreement shall be read and construed as to U.S. Bank Global Corporate Trust Limited.

(b) The following is added as new definitions (in alphabetical order) to Clause 1.1 (*Definitions*) to the Investment Management and Collateral Administration Agreement:

"**Irish STS Regulations**" means the European Union (General Framework for Securitisation and Specific Framework for Simple, Transparent and Standardised Securitisation) Regulations 2018 of Ireland;"

"**Originator Requirement**" means the requirement which will be satisfied if:

(a) the Aggregate Principal Balance of all Collateral Debt Obligations that have been originated by the Investment Manager; divided by

(b) the Target Par Amount,

is greater than or equal to 10 per cent.

(c) The following is added as a new paragraph at the end of Clause 16.2 (*No Liability*) to the Investment Management and Collateral Administration Agreement:

"Notwithstanding anything to the contrary in the Transaction Documents, the Investment Manager shall not be responsible or liable in respect of the services to be provided to the Issuer pursuant to Clause 48 (*Securitisation Regulation Reporting Requirements*) if any information requested or required by the Issuer for the purpose of its obligations under the EU Transparency Requirements is unable to be procured or sourced by the Investment Manager using reasonable efforts."

(d) The following is added as a new paragraph (u) to Clause 23.6 (*Disclosure of Reports*) of the Investment Management and Collateral Administration Agreement:

"(u) to assist the Issuer in fulfilling its obligations as the designated reporting entity under the Securitisation Regulation as required in accordance with Clause 48 (*Securitisation Regulation Reporting Requirements*) below;"

(e) The following is added as a new Clause 23.6 (*Disclosure of Reports*) to the Investment Management and Collateral Administration Agreement:

"23.6 Disclosure of Reports

The Collateral Administrator shall, on a non-reliance basis, permit the disclosure of any Monthly Reports or Payment Date Reports by the Investment Manager to any potential investors in an offering pursuant to a refinancing, reset or restructuring of the Notes."

(f) The following is added as a new paragraph (o) to Clause 28.1 (*Issuer Representations and Warranties*) of the Investment Management and Collateral Administration Agreement:

"The Issuer shall make the filing of the necessary securitisation notification with the Central Bank in the form and manner required by the Central Bank pursuant to the Irish STS Regulations."

(g) The following is added as a new Clause 48 (*Securitisation Regulation Reporting Requirements*) to the Investment Management and Collateral Administration Agreement:

"**48 Securitisation Regulation Reporting Requirements**

48.1 In accordance with Article 7(2) of the Securitisation Regulation, the Issuer undertakes to be designated as the entity responsible to fulfil the reporting obligations of Article 7(1) of the Securitisation Regulation and to adhere to its obligations in respect thereof. Without limiting the foregoing, the Issuer shall promptly notify the Initial Purchaser, the Arranger, the Trustee, each Hedge Counterparty, the Investment Manager, the Collateral Administrator, the Rating Agencies and the Noteholders upon becoming aware of the occurrence of any of the events specified in Article 7(1)(f) or (g) of the Securitisation Regulation and without delay ensure the dissemination of such information as required by the EU Transparency Requirements.

48.2 The Investment Manager undertakes to (i) reasonably assist the Issuer in complying with its obligations under the EU Transparency Requirements, including by providing to the Collateral Administrator (or any applicable third party reporting entity) any reports, data and other information required for compliance by the Issuer with the EU Transparency Requirements (save to the extent such reports, data and/or other information has already been provided to, or is already available to, the Collateral Administrator (or such applicable third party reporting entity)) provided that the Investment Manager shall not be responsible or liable for failing to provide any reports, data and other information that the Investment Manager is unable to procure or source using reasonable efforts and (ii) make all filings in respect of the necessary securitisation notification with the FCA in the form and manner and in accordance with the timeframes required by the FCA pursuant to the Securitisation Regulation.

48.3 As soon as reasonably practicable following the adoption of the final reporting templates pursuant to the EU Transparency Requirements, the Issuer and the Investment Manager will propose in writing to the Collateral Administrator the form, content, timing and method of distribution of the additional reporting templates and information relating thereto. The Collateral Administrator shall consult with the Issuer and the Investment Manager and, if it agrees (in its sole and absolute discretion) to assist the Issuer with such reporting on such proposed terms, shall confirm in writing to the Issuer and the Investment Manager.

48.4 If the Collateral Administrator agrees to assist the Issuer with the reporting described in this Clause 48.4 (*Securitisation Regulation Reporting Requirements*), the Collateral Administrator shall make such information, including each Report, available (A) via a secured website currently located at https://pivot.usbank.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Initial Purchaser, the Arranger, the Trustee, the Investment Manager, each Hedge Counterparty and the Information Agent and as further notified by the Issuer to the Rating Agencies and the Noteholders from time to time) (the "**Reporting Website**") which shall be accessible to any person who certifies to the Collateral Administrator (such certification to be in the form set out in Schedule 27 (*Form of Website Certification*) to the Investment Management and Collateral

Administration Agreement or such other form as may be agreed between the Issuer, the Investment Manager and the Collateral Administrator from time to time, such certification may be given electronically and upon which certification the Collateral Administrator shall be entitled to rely absolutely and without enquiry or liability) that it is: (i) the Issuer, (ii) the Trustee, (iii) the Initial Purchaser, (iv) the Arranger, (v) a Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, (vi) the Investment Manager, (vii) a Rating Agency, (viii) a Noteholder, (ix) a competent authority or (x) a potential investor in the Notes; and/or (B) by such other method of dissemination as is required by the Securitisation Regulation or by a relevant competent authority (as determined under the Securitisation Regulation) (as instructed by the Issuer or the Investment Manager on its behalf). If the Collateral Administrator does not agree to assist the Issuer with such reporting in accordance with this Clause 48.4 (*Securitisation Regulation Reporting Requirements*), the Issuer and the Investment Manager shall appoint another entity to make such information available.

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

48.6 The Collateral Administrator shall not be liable for the accuracy and completeness of the information or data that has been provided to it and the Collateral Administrator will not be obliged to verify, re-compute, reconcile or recalculate any such information or data and shall be entitled to assume its sufficiency for the purposes of satisfying all relevant regulatory requirements.

48.7 If the Collateral Administrator agrees to assist the Issuer and the Investment Manager with the reporting described in Clause 48.4 (*Securitisation Regulation Reporting Requirements*) above, the Collateral Administrator shall: (a) not have any duty to monitor, enquire or satisfy itself as to the veracity, accuracy or completeness of any documentation provided to it under this Clause 48 (*Securitisation Regulation Reporting Requirements*) or whether or not the provision of such information accords with, and is sufficient to satisfy the requirements of, the EU Transparency Requirements and shall be entitled to rely conclusively upon any instructions given by (and any determination by) the Issuer (or the Investment Manager on its behalf) regarding the same, and shall have no obligation, responsibility or liability whatsoever for the provision of information and documentation (by such method of dissemination as is required or permitted by the Securitisation Regulation (as instructed by the Issuer (or the Investment Manager on its behalf) and as agreed with the Collateral Administrator)). The Collateral Administrator shall not be responsible for monitoring the Issuer's compliance with the EU Transparency Requirements; (b) not assume or have any responsibility or liability for monitoring or ascertaining whether any person to whom it makes the information and/or documentation available (by such method of dissemination as is required or permitted by the Securitisation Regulation (as instructed by the Issuer (or the Investment Manager on its behalf) and as agreed with the Collateral Administrator)) falls within the category of persons permitted or required to receive such information under the EU Transparency Requirements. Each of the Issuer and the Investment Manager acknowledges and agrees that the documents, Reports and information posted on the Reporting Website shall be downloadable by any person with access to the Reporting Website, including potential investors in the Notes.

48.8 The Collateral Administrator shall procure that the records required to be prepared and maintained by the Collateral Administrator pursuant to this Agreement shall be provided upon reasonable request to the Issuer's independent accountants as of the end of each fiscal year. Such information shall only be made available in the Collateral Administrator's standard format.

48.9 The Investment Manager and Collateral Administrator shall provide to the Issuer, the Collateral Administrator (in the case of the Investment Manager only) and the Investment Manager (in the case of the Collateral Administrator only) details of any credit ratings which are applicable to it and shall, so long as such information is required to be disclosed in accordance with the EU Transparency Requirements, promptly notify the Issuer, the Collateral Administrator and the Investment Manager (as applicable) of any rating downgrades or changes to such credit ratings.

48.10 The Collateral Administrator shall provide the Issuer with such information and in such a format relating to the Portfolio as the Issuer (or the Investment Manager on its behalf) may reasonably request and which is in the possession of the Collateral Administrator, in order for the Issuer to satisfy its obligation to make certain filings of information with the Central Bank of Ireland and in respect of the preparation of its financial statements and tax returns."

(h) Schedule 22 (*Description of the Reports*) to the to the Investment Management and Collateral Administration Agreement is amended as follows:

- The first paragraph of the section entitled "*Monthly Reports*" is deleted in its entirety and replaced with the following:

"**Monthly Reports**

The Collateral Administrator shall, not later than the 10th London Business Day following the 8th day of each month (or, if such day is not a Business Day, the following Business Day) (save in respect of any month for which a Payment Date Report or Effective Date Report has been prepared), on behalf, and at the expense, of the Issuer and in consultation with the Investment Manager, compile and make available a monthly report (the "**Monthly Report**") (in PDF format with the underlying portfolio data being made available in CSV format):

(a) via a secured website currently located at https://pivot.usbank.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer (who shall notify the Noteholders in accordance with Condition 16 (*Notices*)), the Trustee, the Investment Manager, the Initial Purchaser, the Arranger, each Hedge Counterparty in respect of which one or more Hedge Transaction have been entered into and remain in force and the Rating Agencies from time to time), which shall be accessible to any person who certifies to the Collateral Administrator (such certification to be in the form set out in Schedule 27 (*Form of Website Certification*) to the Investment Management and Collateral Administration Agreement, which certification may be given electronically and upon which certification the Collateral Administrator shall be entitled to rely absolutely and without enquiry or liability) that it is: (i) the Issuer, (ii) the Trustee, (iii) the Initial Purchaser, (iv) the Arranger, (v) a Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, (vi) the Investment Manager, (vii) a Rating Agency, (viii) a Noteholder, (ix) a competent authority or (x) a potential investor in the Notes; and

(b) by such other method of dissemination as is required by the Securitisation Regulation or by a relevant competent authority (as determined under the Securitisation Regulation) (as instructed by the Issuer or the Investment Manager on its behalf),

such Monthly Report to be determined by the Collateral Administrator as of the 8th day of each month (or, if such day is not a Business Day, the immediately following Business Day) in consultation with the Investment Manager."

- The first paragraph of the section entitled "*Payment Date Reports*" is deleted in its entirety and replaced with the following:

"**Payment Date Report**

The Collateral Administrator, on behalf, and at the expense, of the Issuer and in consultation with, and based on the information received from, the Investment Manager, shall render a report (the "**Payment Date Report**"), prepared and determined as of each Determination Date, and made available no later than the Business Day preceding the related Payment Date (in PDF format with the underlying portfolio data being made available in CSV format):

(a) via a secured website currently located at https://pivot.usbank.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer (who shall notify the Noteholders in accordance with Condition 16 (*Notices*)), the Trustee, the Investment Manager, the Initial Purchaser, the Arranger, each Hedge Counterparty in respect of which one or more Hedge Transaction have been entered into and remain in force and the Rating Agencies from time to time), which shall be accessible to any person who certifies to the Collateral Administrator (such certification to be in the form set out in Schedule 27 (*Form of Website Certification*) to the Investment Management and Collateral Administration Agreement, which certification may be given electronically and upon which certification the Collateral Administrator shall be entitled to rely absolutely and without enquiry or liability) that it is: (i) the Issuer, (ii) the Trustee, (iii) the Initial Purchaser, (iv) the Arranger, (v) a Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, (vi) the Investment Manager, (vii) a Rating Agency, (viii) a Noteholder, (ix) a competent authority or (x) a potential investor in the Notes; and

(b) by such other method of dissemination as is required by the Securitisation Regulation or by a relevant competent authority (as determined under the Securitisation Regulation) (as instructed by the Issuer or the Investment Manager on its behalf).

Upon receipt of each Payment Date Report, the Principal Paying Agent, in the name and at the expense of the Issuer, shall notify Euronext Dublin of the Principal Amount Outstanding of each Class of Notes after giving effect to the principal payments, if any, on the next Payment Date."

- The following is added as a new subsection to the "*Description of the Reports – Monthly Reports*" section:

"*Summary of Transaction Parties*

Details of all the entity names of all transaction parties to the Transaction Documents (the "**Transaction Parties**"), their roles and, where subject to a Rating Requirement, their credit ratings (as referred to in the definition of Rating Requirement) (as provided to the Collateral Administrator by the Issuer, or the Investment Manager on its behalf).

Details of the "legal entity identifier" numbers (LEIs) of the Issuer and the Investment Manager and the International Securities Identification Number of the Notes (ISINs) (as provided to the Collateral Administrator by the Issuer, or the Investment Manager on its behalf).

Details of any rating downgrades and/or replacements of Transaction Parties (as provided to the Collateral Administrator by the Issuer, or the Investment Manager on its behalf).

Details of any collateral postings made in respect of any Hedge Transaction.

The following information shall not be included in the Monthly Report:

(a) any information relating to interest payments on the Notes required pursuant to the section entitled "*Payment Date Report – Notes*";

(b) the information required pursuant to the section entitled "*Payment Date Report – Payment Date Payments*"; and

(c) any other such information as the Investment Manager informs the Collateral Administrator will not be necessary for these purposes."

- The following is added as a new "*Securitisation Regulation Reports*" section:

"**Securitisation Regulation Reports**

Once the Transparency RTS has been adopted by the European Commission and following the occurrence of the Securitisation Regulation Reporting Effective Date, the Collateral Administrator (to the extent agreed by the Collateral Administrator in its sole and absolute discretion (or should the Collateral Administrator not agree, a third party entity)), on behalf, and at the expense, of the Issuer and in consultation with the Investment Manager, shall compile and make available a report (in form and content to be proposed by the Issuer (in consultation with the Investment Manager) and agreed by the Collateral Administrator) no later than the Business Day occurring, on a quarterly basis, one month after the related Payment Date (the "**Securitisation Regulation Report**"), prepared and determined as of the relevant Determination Date, provided that, following the occurrence of a Frequency Switch Event on a date which would otherwise have been a Determination Date, the Securitisation Regulation Report shall be prepared and determined as of such Determination Date, which, in each case, will include the information required to be disclosed in accordance with the Transparency RTS. The Securitisation Regulation Report shall be made available:

(A) via a secured website currently located at https://pivot.usbank.com (or such other website as may be notified in writing by the Collateral Administrator (or such other third party entity compiling such reports) to the Issuer, the Initial Purchaser, the Arranger, the Trustee, the Investment Manager, each Hedge Counterparty and the Information Agent and as further notified by the Issuer to the Rating Agencies and the Noteholders from time to time) which shall be accessible to any person who certifies to the Collateral Administrator (or such other third party entity compiling such reports) (such certification to be in the form set out in Schedule 27 (*Form of Website Certification*) to the Investment Management and Collateral Administration Agreement or such other form as may be agreed between the Issuer, the Investment Manager and the Collateral Administrator from time to time, such certification may be given electronically and upon which certification the Collateral Administrator shall be entitled to rely absolutely and without enquiry or liability) that it is: (i) the Issuer, (ii) the Trustee, (iii) the Initial Purchaser, (iv) the Arranger, (v) a Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, (vi) the Investment Manager, (vii) a Rating Agency, (viii) a Noteholder, (ix) a competent authority or (x) a potential investor in the Notes; and/or

(B) by such other method of dissemination as is required or permitted by the Securitisation Regulation or a competent authority (as determined under the Securitisation Regulation) (as instructed by the Issuer or the Investment Manager on its behalf).

In addition, for so long as any of the Notes are Outstanding, the Securitisation Regulation Report will be available for inspection at the offices of, and copies thereof may be obtained free of charge upon request from, the Issuer.

Pursuant to the Investment Management and Collateral Administration Agreement, as soon as reasonably practicable following the finalisation of the Transparency RTS, the Issuer (with the assistance and consent of the Investment Manager) shall propose in writing to the Collateral Administrator, the form, timing, frequency of distribution, method of distribution and content of the reporting related to the requirements of the Transparency RTS. The Collateral Administrator shall then consult with the Issuer and the Investment Manager and, if it agrees (in its sole and absolute discretion) to provide such reporting on such proposed terms, shall confirm in writing to the Issuer and the Investment Manager. If the Collateral Administrator does not agree to compile such report or the Issuer (acting on the advice of the Investment Manager) elects not to appoint the Collateral Administrator to provide such reporting, the Issuer (with the consent of the Investment Manager) shall appoint another service provider in this regard."

- The following is added as a new Schedule 27 (*Form of Website Certification*) to the Investment Management and Collateral Administration Agreement:

"**SCHEDULE 27**

FORM OF WEBSITE CERTIFICATION

We refer to the issuance of notes (the "**Notes**") by Man GLG Euro CLO II D.A.C. (the "**Issuer**") pursuant to a trust deed dated 24 December 2016, as amended and supplemented pursuant to the terms of a deed of amendment and supplement dated on or about the Issue Date, and in each case made between, among others, the Issuer, GLG Partners LP (the "**Investment Manager**"), U.S. Bank Global Corporate Trust Limited (the "**Collateral Administrator**") and U.S. Bank National Association (the "**Trustee**") (the "**Trust Deed**"). Capitalised terms used but not defined in this certificate shall have the meanings ascribed to them in the Trust Deed.

We hereby certify that we are one of the following:

(i) the Issuer;

(ii) the Arranger;

(iii) the Initial Purchaser;

(iv) the Trustee;

(v) a Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force;

(vi) the Investment Manager;

(vii) a Rating Agency;

(viii) a Noteholder;

(ix) a potential investor in the Notes; or

(x) a competent authority (as defined in Article 29 of Regulation (EU) 2017/2402 (as amended, varied or substituted from time to time, the "**Securitisation Regulation**"),

and hereby request the Collateral Administrator grant us access to the Collateral Administrator's website in order to view postings of certain information, documentation

and reports (the "**Information**") which, among other things, are being disclosed by the Issuer pursuant to Article 7 of the Securitisation Regulation.

If we are requesting access to the Information in our capacity as a Noteholder or a potential investor in the Notes, we hereby confirm that we can lawfully acquire (or have lawfully acquired) the Notes under the laws or regulations applicable to us and agree that we: (a) will use Information for the purposes of buying, holding and/or disposing of the Notes and for such other purposes as may be required under applicable law or by any supervisory or regulatory authority or any governmental agency having jurisdiction over us; (b) will keep confidential all such Information and will not communicate or transmit any such Information to any person other than our officers or employees or our agents, auditors or affiliates who need to know the same in order to monitor and administer the financial condition of the Issuer and the Portfolio and to appropriately treat or report the transactions; and (c) will maintain procedures designed to ensure that no such Information is used by our directors, officers or employees or any of our affiliates (other than those in a supervisory or operational capacity) other than for the purposes stated above; except that such Information may be disclosed by us or used by us: (i) to the extent required under applicable law by any supervisory or regulatory authority or any governmental agency having jurisdiction over us; (ii) to the extent required by pursuant to any subpoena or similar legal process served on us; (iii) to provide to a credit protection provider (who shall be made subject to a similar obligation of confidentiality); (iv) in connection with any suit, action or proceeding brought by us to enforce any of our rights under the Notes while a Event of Default has occurred and is continuing; or (v) with the consent of the Issuer or the Investment Manager.

We agree that we: (a) will not use Information for any purpose other than to monitor and administer the financial condition of the Issuer and the Portfolio and to appropriately treat or report the transactions; (b) will keep confidential all such Information and will not communicate or transmit any such Information to any person other than our officers or employees or our agents, auditors or affiliates who need to know the same in order to monitor and administer the financial condition of the Issuer and the Portfolio and to appropriately treat or report the transactions; and (c) will maintain procedures designed to ensure that no such Information is used by our directors, officers or employees or any of our affiliates (other than those in a supervisory or operational capacity) who are trading, in each case with trading strategies substantially the same as any of the Issuer, with respect to Collateral Obligations of the type owned by the Issuer; except that such Information may be disclosed by us or used by us: (i) to the extent required under applicable law by any supervisory or regulatory authority or any governmental agency having jurisdiction over us; (ii) to the extent required by pursuant to any subpoena or similar legal process served on us; (iii) to provide to a credit protection provider (who shall be made subject to a similar obligation of confidentiality); (iv) in connection with any suit, action or proceeding brought by us to enforce any of our rights under the Notes while a Event of Default has occurred and is continuing; or (v) with the consent of the Issuer or the Investment Manager.

We acknowledge and agree that:

(a) the obligation to provide the Information to us is the obligation of the Issuer as the entity responsible to fulfil the reporting obligations under Article 7 of the Securitisation Regulation and the Collateral Administrator does not have or assume any statutory responsibility therefor;

(b) in providing the information, the Collateral Administrator has the benefit of the powers, protections and indemnities granted to it under the Transaction Documents;

(c) the Collateral Administrator has no responsibility or liability to us or to any other person for the Information, nor for the adequacy, accuracy, reasonableness and/or completeness of such Information, which is provided by the Collateral Administrator solely in its capacity as such on behalf of the Issuer under the Transaction Documents;

(d) the Information is based on information provided to the Collateral Administrator by the Issuer and other third parties, and has not been independently verified by the Collateral Administrator or at all;

(e) the Collateral Administrator acts solely as agent of the Issuer and has no relationship of agency or trust and owes no duty of care to or with us or any other holder, beneficial owner or potential investor in the Notes or any other party;

(f) the Collateral Administrator, has not made and does not make any express or implied representation or warranty in respect of the Information, whether written, oral, by conduct, arising from statute, or arising otherwise in law, as to the accuracy or completeness of such Information, including but not limited to the past, current or future performance of the Portfolio; and

(g) the Information does not constitute or form part of, and should not be construed as, an offer, inducement or recommendation by the Issuer, the Investment Manager, the Collateral Administrator, the Initial Purchaser or any other person for sale, exchange or subscription of, or a solicitation of any offer to buy, exchange or subscribe for, any securities of the Issuer or any other entity in any jurisdiction and any potential investors should consult with their legal, financial and other professional advisors.

We hereby represent and warrant that we have the necessary corporate power and authority to give this certificate and that we have taken all necessary action to authorise this certificate and the delivery hereof.

Nothing herein is intended to exclude or limit any liability for, or remedy in respect of fraud.

This certificate shall be construed in accordance with, and this certificate and all matters arising out of or relating in any way whatsoever (whether in contractual or non-contractual) to this certificate shall be governed by, English law and the courts of England shall have exclusive jurisdiction to settle any disputes which may arise out of or in connection with this certificate.".

D. **Amendments to the Agency Agreement in respect of the Refinancing Notes**

In connection with the Refinancing, the Issuer intends to enter into a Deed of Amendment and Supplement, which will, amongst other things, amend the Original Agency Agreement concurrently with the Refinancing. The purchasers of Refinancing Notes will be deemed to approve the amendments to the Original Agency Agreement pursuant to the Deed of Amendment and Supplement.

It is anticipated that the following amendment will be effected by entry into the Deed of Amendment and Supplement by (among others) the Issuer and the Trustee, however, there is no guarantee that the Issuer will be able to sell the Refinancing Notes with the terms set forth in the contemplated amendments and thus one or more of the amendments may not be implemented or effective on the Issue Date and there is no guarantee at what time, if any, they will be implemented or become effective with respect to the Refinancing Notes.

The following list is not exhaustive and is subject to, and qualified in its entirety by reference to the provisions of the Deed of Amendment and Supplement.

(a) All references to the Elavon Financial Services DAC as Collateral Administrator, the Information Agent and the Calculation Agent in the Agency Agreement shall be read and construed as to U.S. Bank Global Corporate Trust Limited.

(b) The following is added as a new Clause 3.4 (*EU Transparency Requirements*) to the Agency Agreement:

"3.4 EU Transparency Requirements

Each Agent (other than the Collateral Administrator) shall, prior to the date of the first Payment Date Report, provide to the Collateral Administrator details of any credit ratings which are applicable to it and shall, so long as such information is required to be disclosed in accordance with the EU Transparency Requirements, promptly notify the Collateral Administrator of any rating downgrades or changes to such credit ratings."

THE PORTFOLIO

Prospective investors should carefully consider the following information, in addition to the "The Portfolio" section of the 2016 Prospectus and matters set forth elsewhere in this Offering Circular and the 2016 Prospectus, prior to investing in the Refinancing Notes. To the extent any statement in this "The Portfolio" section conflicts with any statement in the "The Portfolio" section of the 2016 Prospectus, the statements herein shall supersede any such statements in the 2016 Prospectus.

Collateral Debt Obligations

The Latest Monthly Report has been filed with the Euronext Dublin and is available for viewing at: https://www.ise.ie/debt_documents/GLG%20II%20Aug%202019%20MR_8e3d1b52-8a43-43ac-8807-39892fdfb786.pdf.

The information in the Latest Monthly Report has not been audited or otherwise reviewed by any accounting firm. Such information is limited and does not provide a full description of all Collateral Debt Obligations previously held or sold by the Issuer, nor the gains or losses associated with purchases or sales of Collateral Debt Obligations, nor the levels of compliance with the Coverage Tests and Collateral Quality Tests during periods prior to the periods covered by the Latest Monthly Report. As such, the information in the Latest Monthly Report may no longer reflect the characteristics of the Collateral Debt Obligations as of the date of this Offering Circular or on or after the Issue Date. Neither the Initial Purchaser nor the Arranger have participated in the production of any Monthly Report (including the Latest Monthly Report) or Payment Date Report, take no responsibility in respect of any report, provide any representations or warranties as to the accuracy or completeness thereof and will have no liability whatsoever for any information, estimates, approximations or projections contained therein.

The composition of the Collateral Assets will change over time as a result of (i) scheduled and unscheduled principal payments on the Collateral Debt Obligations, (ii) sales of Collateral Debt Obligations and reinvestment of Sale Proceeds and other Principal Proceeds and (iii) other factors, subject to the limitations described under "*The Portfolio*" in the 2016 Prospectus.

Amendments to the Investment Management and Collateral Administration Agreement in respect of the Refinancing Notes

The Original Investment Management and Collateral Administration Agreement shall be amended by the Deed of Amendment and Supplement on or about the Issue Date (the "**Investment Management and Collateral Administration Agreement**"), in order to, *inter alia*, give effect to the matters set out in this section of this Offering Circular. Purchasers of the Refinancing Notes will be deemed to have approved the modifications contained in the Investment Management and Collateral Administration Agreement, as set out herein.

With effect from the Issue Date, the below amends the relevant part of each applicable section in the 2016 Prospectus and the Deed of Amendment and Supplement will amend the Original Investment Management and Collateral Administration Agreement.

Purchasers of the Refinancing Notes will be deemed to have consented to and approved the modifications to the Original Investment Management and Collateral Administration Agreement contained in the Deed of Amendment and Supplement upon their subscription for the Refinancing Notes, and Subordinated Noteholders will have approved, as applicable and as required, to such modifications via an Ordinary Resolution, such modifications to include (without limitation) the amendments to the Fitch Test Matrix and the Moody's Test Matrix and the definitions of the "Fitch Recovery Rate", the "Minimum Weighted Average Fixed Coupon" and the "Maximum Weighted Average Life Test" as set out below.

For the purpose of Condition 14(c)(xxvii) (Modification and Waiver), the Noteholders of the Refinancing Notes which are Class A-1 Notes (the Class A-1 Notes being the Controlling Class) consent (deemed to be acting by way of an Ordinary Resolution) to the modifications to the Investment Management and Collateral Administration Agreement contained herein (including but not limited to the modification of the components and/or operation of the Fitch Test Matrix and the Moody's Test Matrix and the definitions of the "Fitch Recovery Rate", the "Minimum Weighted Average Fixed Coupon" and the "Maximum Weighted Average Life Test") (in the form set out below) by their subscription for such Class A-1 Notes, provided that Rating Agency Confirmation is received from Fitch and Moody's.

(a) The matrix in Schedule 6 (*Fitch Test Matrix*) to the Investment Management and Collateral Administration Agreement is deleted in its entirety and replaced with the following matrix:

Minimum Weighted Average Spread (%)	**Fitch Maximum Weighted Average Rating Factor**										
	30	**31**	**32**	**33**	**34**	**35**	**36**	**37**	**38**	**39**	**40**
2.40	72.20	73.50	74.70	75.70	76.70	77.50	78.40	79.30	80.10	81.10	82.20
2.60	69.10	70.50	71.80	73.00	74.20	75.30	76.20	77.60	78.90	80.10	81.10
2.80	66.30	67.70	69.10	70.40	72.00	73.60	75.10	76.50	77.80	79.00	80.10
3.00	64.10	65.80	67.40	69.00	70.60	72.30	73.90	75.40	76.70	77.90	79.00
3.20	62.60	64.30	66.10	67.80	69.40	71.10	72.70	74.10	75.50	76.70	78.00
3.40	61.20	63.00	64.80	66.50	68.10	69.70	71.30	72.90	74.30	75.60	76.90
3.60	59.80	61.60	63.40	65.10	66.70	68.30	69.90	71.50	73.00	74.50	75.80
3.80	58.10	60.10	61.90	63.70	65.30	67.00	68.60	70.10	71.60	73.10	74.60
4.00	56.40	58.50	60.50	62.30	64.00	65.60	67.30	68.80	70.30	71.80	73.30
4.20	54.80	56.90	59.00	60.90	62.60	64.30	65.90	67.50	69.00	70.60	72.30
4.40	53.00	55.20	57.30	59.40	61.20	62.90	64.50	66.20	67.90	69.50	71.00
4.60	51.30	53.50	55.60	57.70	59.70	61.60	63.40	65.10	66.70	68.20	69.70
4.80	49.60	51.90	54.00	56.10	58.40	60.40	62.10	63.80	65.40	66.90	68.40
5.00	47.90	50.20	52.50	54.80	56.90	58.90	60.80	62.50	64.10	65.70	67.20
5.20	46.30	48.80	51.10	53.30	55.40	57.50	59.50	61.30	63.00	64.60	66.20
5.40	44.90	47.20	49.60	51.80	54.00	56.10	58.10	60.00	61.70	63.30	64.90
5.60	43.60	45.70	48.00	50.30	52.50	54.60	56.60	58.60	60.50	62.20	63.90

(b) The matrix in Schedule 7 (*Moody's Test Matrix*) to the Investment Management and Collateral Administration Agreement is deleted in its entirety and replaced with the following matrix:

Maximum Moody's Weighted Average Rating Factor		**Minimum Moody's Diversity Score**																
		28	**30**	**32**	**34**	**36**	**38**	**40**	**42**	**44**	**46**	**48**	**50**	**52**	**54**	**56**	**58**	**60**
Minimum Weighted Average Spread	2.40%	1910	1925	1940	1955	1970	1985	2000	2011	2023	2034	2046	2057	2063	2069	2075	2081	2087
	2.50%	1978	1999	2024	2050	2069	2098	2106	2115	2125	2135	2145	2147	2159	2167	2174	2181	2185
	2.60%	2100	2129	2158	2192	2210	2216	2243	2260	2277	2280	2285	2290	2308	2312	2316	2321	2325
	2.70%	2158	2194	2231	2257	2279	2317	2344	2364	2385	2402	2412	2420	2431	2435	2446	2463	2469
	2.80%	2245	2290	2305	2357	2366	2408	2432	2445	2461	2504	2505	2509	2520	2543	2578	2585	2594
	2.90%	2278	2325	2380	2405	2422	2437	2480	2495	2510	2545	2572	2582	2590	2604	2616	2629	2645
	3.00%	2345	2388	2416	2444	2472	2500	2519	2538	2557	2589	2610	2623	2634	2650	2675	2681	2695
	3.10%	2379	2429	2465	2500	2535	2548	2574	2594	2615	2652	2659	2673	2689	2697	2713	2725	2744
	3.20%	2428	2468	2507	2517	2571	2594	2618	2641	2665	2696	2707	2722	2743	2759	2763	2776	2794
	3.30%	2457	2503	2545	2584	2613	2658	2685	2693	2720	2747	2761	2776	2798	2811	2817	2848	2857
	3.40%	2491	2541	2580	2614	2647	2681	2715	2733	2761	2789	2807	2825	2840	2876	2889	2898	2902
	3.50%	2503	2572	2615	2657	2699	2712	2763	2786	2810	2839	2858	2892	2907	2921	2937	2950	2966
	3.60%	2535	2607	2651	2695	2740	2765	2801	2826	2862	2887	2900	2938	2959	2971	2984	3001	3014
	3.70%	2567	2613	2684	2732	2765	2797	2838	2869	2915	2924	2941	2962	3000	3018	3020	3039	3061
	3.80%	2611	2656	2700	2747	2794	2831	2883	2920	2942	2976	2993	3016	3038	3063	3066	3088	3119
	3.90%	2643	2688	2728	2788	2829	2869	2924	2950	2991	3013	3034	3063	3071	3097	3102	3126	3130
	4.00%	2675	2717	2758	2830	2861	2903	2948	2977	3022	3050	3076	3091	3104	3132	3138	3153	3168
	4.10%	2705	2749	2793	2848	2903	2934	2980	3010	3056	3087	3100	3117	3135	3166	3175	3191	3206
	4.20%	2734	2779	2824	2879	2924	2959	3008	3043	3078	3113	3127	3137	3166	3201	3211	3230	3244
	4.30%	2752	2819	2865	2917	2954	2992	3039	3076	3103	3125	3163	3185	3207	3229	3242	3263	3277
	4.40%	2781	2860	2895	2951	2989	3027	3075	3099	3127	3166	3189	3212	3235	3258	3265	3290	3315
	4.50%	2833	2876	2919	2996	3019	3062	3117	3141	3171	3195	3219	3243	3267	3292	3302	3329	3345
	4.60%	2859	2904	2949	3016	3054	3108	3143	3169	3199	3224	3249	3274	3300	3312	3339	3356	3376
	4.70%	2886	2937	2985	3053	3080	3126	3164	3193	3226	3254	3283	3311	3325	3353	3365	3382	3406
	4.80%	2912	2964	3015	3062	3117	3146	3186	3216	3251	3281	3310	3340	3361	3378	3391	3422	3437
	4.90%	2939	3005	3055	3108	3136	3169	3224	3245	3288	3316	3349	3363	3384	3403	3433	3449	3467
	5.00%	2965	3031	3067	3127	3168	3204	3249	3269	3309	3345	3367	3400	3421	3441	3460	3477	3492
	5.10%	2991	3057	3094	3158	3182	3238	3266	3303	3344	3373	3402	3423	3444	3466	3487	3504	3529

	5.20%	3045	3084	3123	3172	3216	3255	3304	3343	3387	3407	3429	3450	3472	3493	3514	3531	3556
	5.30%	3069	3109	3149	3200	3258	3312	3340	3380	3403	3425	3456	3479	3501	3515	3538	3558	3583
	5.40%	3094	3136	3179	3231	3279	3336	3379	3402	3425	3459	3481	3504	3526	3548	3570	3586	3610
	5.50%	3118	3162	3206	3260	3309	3368	3393	3430	3454	3478	3502	3526	3550	3574	3598	3613	3637
	5.60%	3144	3190	3236	3293	3339	3381	3419	3445	3471	3497	3522	3548	3574	3599	3625	3645	3665
	5.70%	3170	3217	3263	3323	3365	3408	3435	3463	3491	3519	3547	3574	3602	3630	3651	3672	3693
	5.80%	3195	3242	3288	3344	3374	3420	3451	3482	3512	3543	3574	3604	3635	3657	3678	3700	3721
	5.90%	3221	3269	3322	3364	3396	3443	3475	3507	3539	3571	3603	3635	3658	3681	3703	3726	3749
	6.00%	3247	3305	3347	3400	3442	3500	3530	3560	3590	3620	3650	3671	3692	3714	3735	3756	3777

(c) The definition of "Fitch Recovery Rate" in Schedule 9 (*Fitch Minimum Weighted Average Recovery Rate Test*) to the Investment Management and Collateral Administration Agreement is deleted in its entirety and replaced with the following:

""**Fitch Recovery Rate**" means, with respect to a Collateral Debt Obligation, the recovery rate determined in accordance with paragraphs (a) to (b) below or (in any case) such other recovery rate as Fitch may either notify the Investment Manager or publish from time to time:

(a) if such Collateral Debt Obligation has a public Fitch recovery rating, or a recovery rating is assigned by Fitch in the context of provision by Fitch of a credit opinion to the Investment Manager, the recovery rate corresponding to such recovery rating in the table below (unless an obligation's specific recovery rate (expressed as a percentage) is provided by Fitch in which case such recovery rate is used):

Fitch recovery rating	Fitch recovery rate (%)
RR1	95
RR2	80
RR3	60
RR4	40
RR5	20
RR6	5

(b) if such Collateral Debt Obligation (A) has no public Fitch recovery rating and (B) neither a recovery rating nor an obligation's specific recovery rate is assigned by Fitch in the context of provision by Fitch of a credit opinion to the Investment Manager, (x) if such Collateral Debt Obligation is a Secured Senior Bond, the recovery rate applicable to such Secured Senior Bond shall be the recovery rate corresponding to the Fitch recovery rating of "RR3" in the table set out under (a) above and (y) otherwise the recovery rate shall be determined in accordance with the table below, where the Collateral Debt Obligation shall be categorised as "Strong Recovery" if it is a Secured Senior Loan, "Moderate Recovery" if it is an Unsecured Senior Loan or an Unsecured Bond and otherwise "Weak Recovery", and shall fall into the country group corresponding to the country in which the Obligor thereof is Domiciled:

	Group 1	Group 2	Group 3
Strong Recovery	80	70	35
Moderate Recovery	45	45	25
Weak Recovery	20	20	5

The country group of a Collateral Debt Obligation shall be determined, by reference to the country where the Obligor thereof is Domiciled, in accordance with the below:

Group 1: Australia, Bermuda, Canada, Cayman Islands, New Zealand, Puerto Rico (U.S.), United States.

Group 2: Austria, Barbados, Belgium, Czech Republic, Denmark, Estonia, Finland, France, Germany, Gibraltar, Hong Kong, Ireland, Israel, Italy, Japan, Jersey, Latvia, Liechtenstein, Lithuania, Luxembourg, Netherlands, Norway, Poland, Portugal, Singapore, Slovakia, South Korea, Spain, Sweden, Switzerland, Taiwan, United Kingdom.

Group 3: Albania, Argentina, Asia Others, Bahamas, Bosnia and Herzegovina, Brazil, Bulgaria, Chile, China, Colombia, Costa Rica, Croatia, Cyprus, Dominican Republic, Eastern Europe Others, Ecuador, Egypt, El Salvador, Greece, Guatemala, Hungary, India, Indonesia, Iran, Jamaica, Kazakhstan, Liberia, Macedonia, Malaysia, Malta, Marshall Islands, Mauritius, Mexico, Middle East and North Africa Others, Moldova, Morocco, Other Central America, Other South America, Other Sub Saharan Africa, Pakistan, Panama, Peru, Philippines, Qatar, Romania, Russia, Saudi Arabia, Serbia and Montenegro, South Africa, Thailand, Tunisia, Turkey, Ukraine, Uruguay, Venezuela, Vietnam."

(d) The definition of "Effective Spread" in Schedule 13 (*Minimum Weighted Average Spread Test*) to the Investment Management and Collateral Administration Agreement is amended such that the wording "plus the positive difference between (A) its Base Rate Floor and (B) the greater of (x) its Base Rate and (y) zero" in the last paragraph shall be deleted and replaced with the following:

"including the positive difference between (A) its Base Rate Floor and (B) the greater of (x) its Base Rate and (y) zero (and, for the avoidance of doubt, without double counting the Base Rate Floor for such determination in respect of paragraphs (a), (b) or (c) above)".

(e) The definition of "Minimum Weighted Average Fixed Coupon" in Schedule 14 (*Minimum Weighted Average Fixed Coupon Test*) to the Investment Management and Collateral Administration Agreement is deleted in its entirety and replaced with the following:

"**Minimum Weighted Average Fixed Coupon**" means 4.70 per cent."

(f) The definition of "Maximum Weighted Average Life Test" in Schedule 15 (*Maximum Weighted Average Life Test*) to the Investment Management and Collateral Administration Agreement is amended such that the date "14 December 2024" referred to therein is deleted and replaced with the following date:

"14 December 2025".

USE OF PROCEEDS

The estimated net proceeds of the issue of the Refinancing Notes are expected to be approximately €224,979,807.00, including the total Accrued Interest Amount. Such proceeds will be used by the Issuer to redeem the Refinanced Notes at the aggregate Redemption Prices of the entire Class or Classes of Rated Notes subject to the Optional Redemption. Refinancing Costs will be paid as Administrative Expenses and/or Trustee Fees and Expenses, as applicable, in accordance with the Conditions. The Refinancing Costs will be paid on Payment Dates or other Business Days following the Issue Date. In each case, any such payment of Refinancing Costs shall be paid in accordance with and subject to the Conditions (including the Senior Expenses Cap).

RATINGS OF THE REFINANCING NOTES

General

It is a condition of the issue and sale of the Refinancing Notes that the Refinancing Notes be issued with at least the following ratings: the Class A-1 Notes: "AAA(sf)" from Fitch and "Aaa(sf)" from Moody's; and the Class C Notes: "A(sf)" from Fitch and "A2(sf)" from Moody's.

The ratings assigned to the Class A-1 Notes by Fitch address the timely payment of interest and the ultimate payment of principal. The ratings assigned to the Class C Notes by Fitch address the ultimate payment of principal and interest. The ratings assigned to the Refinancing Notes by Moody's address the expected loss posed to investors by the legal final maturity on the Maturity Date.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the applicable rating agency.

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

Fitch Ratings

The ratings assigned to the Refinancing Notes by Fitch are based upon Fitch's statistical analysis of historical default rates on debt obligations with similar characteristics to the Collateral Debt Obligations and the various eligibility requirements that the Collateral Debt Obligations are required to satisfy.

Fitch analyses the likelihood that each Collateral Debt Obligation will default, based on historical default rates for similar debt obligations, the historical volatility of such default rates (which increases as obligations 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 Ratings of the Refinancing Notes were established under various assumptions and scenarios.

There can be no assurance that actual defaults on the Collateral Debt Obligations will not exceed those assumed by Fitch in its analysis, or that recovery rates with respect thereto (and consequently loss rates) will not differ from those assumed by Fitch.

In addition to those quantitative tests, Fitch Ratings take into account qualitative features of a transaction, including the experience of the Investment Manager, the legal structure and the risks associated with such structure and other factors that Fitch deems relevant.

Moody's Ratings

Moody's Ratings address the expected loss posed to investors by the legal final maturity on the Maturity Date.

Moody's analysis of the likelihood that each Collateral Debt Obligation will default is based on historical default rates for similar debt obligations, the historical volatility of such default rates (which increases as securities with lower ratings are added to the portfolio) and an additional default assumption to account for future fluctuations in defaults. Moody's then determines the level of credit protection necessary to achieve the expected loss associated with the rating of the Refinancing Notes, 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 Debt Obligations held by the Issuer will not exceed the rates assumed by Moody's in its analysis.

In addition to these quantitative tests, Moody's ratings take into account qualitative features of a transaction, including the experience of the Investment Manager, the legal structure and the risks associated with such structure and other factors that they deem relevant.

THE ISSUER

The information in this section should be read in conjunction with the section entitled "*The Issuer*" in the 2016 Prospectus.

General

The telephone number of the registered office of the Issuer is +353 1 614 6240 and the facsimile number is +353 0(1) 614 6250.

Corporate Services Provider

TMF Administration Services Limited (the "**Corporate Services Provider**"), an Irish company, acts as the corporate services provider for the Issuer.

The Corporate Services Provider's principal office is at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.

Directors and Company Secretary

The Directors of the Issuer as at the date of this Offering Circular are Kevin Butler and Stephen Healy. The business address of the Directors is 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.

The Company Secretary is TMF Administration Services Limited of 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.

Business Activity

On the Original Issue Date and on the Issue Date, the Issuer issued the Original Notes and the Refinancing Notes, respectively, in respect of which it entered into a number of agreements. On the Issue Date, the Refinanced Notes will be redeemed in full and the amounts owing to all of the holders of the Refinanced Notes will be fully repaid. The Original Notes were issued on the Original Issue Date and are not being offered pursuant to this Offering Circular. The terms and conditions applicable to the Non-Refinanced Notes will be amended to reflect the Conditions of the Notes as outlined in this Offering Circular.

The Issuer has not previously carried on any business or activities other than those incidental to its incorporation, the authorisation and entry into of the Warehouse Arrangements, the acquisition of the Portfolio, the authorisation and issue of the Original Notes and the Refinancing Notes and activities incidental to the exercise of its rights and compliance with its obligations under the Original Notes, the Refinancing Notes, the Transaction Documents and the other documents and agreements entered into in connection with the issue of the Notes and the purchase of the Portfolio.

Indebtedness

The Issuer has no indebtedness as at the date of this Offering Circular, other than (i) the Original Notes, (ii) the Refinanced Notes will be redeemed in full on the Issue Date and (iii) that which the Issuer has incurred or shall incur in relation to the transactions contemplated herein and in connection with the documents and agreements described herein.

Financial Statements

The Issuer has filed its most recent audited financial statements in respect of the financial years ended 31 December 2016 and 31 December 2017, together with the audit reports thereon, with Euronext Dublin. The Issuer will not prepare interim financial statements. The financial year of the Issuer ends on 31 December in each year.

The Issuer's financial statements covering the years ended 31 December 2016 and 31 December 2017 and the audit reports thereon, respectively, are incorporated into and form part of this Offering Circular. Audited financial statements have been and will be prepared by the Issuer on an annual basis.

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 Initial Purchaser, the Arranger or any other party. The Issuer confirms that where information has been sourced from a third party, such information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information which has been published by the Investment Manager, no facts have been omitted which would render the reproduced information inaccurate or misleading. None of the Initial Purchaser, the Arranger or any other party other than the Investment Manager assumes any responsibility for the accuracy or completeness of such information.

The Investment Manager is a limited partnership formed on 3 March 2000 and registered under the Limited Partnerships Act 1907, of England and Wales. The Investment Manager is authorised and regulated by the FCA and is engaged in providing investment advice and execution service to select institutions and high net worth individuals worldwide, specialising in discretionary asset management. As at 31 March 2019, the GLG investment division of Man Group plc had funds under management of approximately USD 33.7 billion.

The Investment Manager is an indirect wholly owned subsidiary of Man Group plc ("**Man Group**"). Man Group is a financial services company whose origins date from 1783 and is listed on the London Stock Exchange. Through its investment management subsidiaries (collectively "**Man**"), Man Group is a global investment management business providing a range of fund products and investment management services for institutional and private investors globally. As at 31 March 2019, Man collectively managed approximately USD 112.3 billion of assets.

The Investment Manager is registered with the SEC as an investment adviser under the Investment Advisers Act. The Investment Manager's SEC registration does not indicate any level of expertise or qualification, nor has the SEC in any respect approved the Investment Manager, this Offering Circular or the offering of the Notes.

As a European manager of leveraged finance portfolios, Man provides investors with access to a diversified pool of European sub-investment grade credit including senior secured, mezzanine and second lien loans and high yield bonds. The Investment Manager acts in a similar role as investment manager or adviser to five CLO transactions: Man GLG Euro CLO I Designated Activity Company, Man GLG Euro CLO II D.A.C., Man GLG Euro CLO III D.A.C., Man GLG Euro CLO IV D.A.C. and Man GLG Euro CLO V D.A.C..

Key individuals for managing the Portfolio:

SIMON FINCH – CIO of Credit, Man GLG

Simon Finch is the CIO of Credit at Man GLG. He has over 25 years of experience in credit investing. He is also a member of the Man Group Executive Committee. He joined Man GLG in April 2018 from CQS where he was the CIO and ran several funds including the firm's multi-asset credit fund, having initially joined CQS in 2004. Simon began his career in 1993 when he joined Abbey National and spent his final year there as Head of Portfolio Management. Simon holds an MA in Economics from the University of St Andrews. He is also a CFA Charterholder.

FRANÇOISE DEVENOGES – Portfolio Manager

Françoise Devenoges is a Portfolio Manager at Man GLG and has over 20 years of finance and investment experience. She joined RMF Investment Management, a predecessor of Man FRM in 2000, where she helped to establish the European Leveraged Finance business. Prior to joining Man, she spent three years with BNP Paribas, most recently in Zurich, where she worked in LBO/Acquisition Finance, specializing in leveraged loan transactions. Françoise previously worked in the Geneva Corporate Banking department, having first joined the Corporate Finance group of Paribas, London in 1997. Françoise received her Master of Science degree in Economics from the University of Lausanne, Switzerland. She is a CFA Charterholder and a member of the Swiss CFA Society.

MAREK KUZDRA – Portfolio Manager

Marek Kuzdra is a Portfolio Manager at Man GLG and has over 20 years of finance and investment experience. He joined Man GLG in 2006, where he helped to establish the European Leveraged Finance business. Prior to joining Man GLG, he was a member of the Leveraged Finance team of MetLife, Inc. focusing on a broad range

of bridge loans, syndicated bank loans, mezzanine, high yield and private equity products. Marek received his MBA degree in Finance from the Graduate School of Management at Rutgers University, New Jersey, USA.

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 Initial Purchaser or any other party. None of the Initial Purchaser or any other party other than the Collateral Administrator assumes any responsibility for the accuracy or completeness of such information.

The Issuer confirms that the information appearing in this section has been accurately reproduced and that as far as the Issuer is aware, and is able to ascertain from information published by the Collateral Administrator, no facts have been omitted which would render the reproduced information inaccurate or misleading.

U.S. Bank Global Corporate Trust Limited

U.S. Bank Global Corporate Trust Limited, a limited company registered in England and Wales having the registration number 05521133 and a registered address at 125 Old Broad Street, Fifth Floor, London EC2N 1AR.

U.S. Bank Global Corporate Trust Limited was appointed Collateral Administrator on the Refinancing Date (previously, Elavon Financial Services DAC had acted as Collateral Administrator).

THE EU RETENTION REQUIREMENTS

Prospective investors should carefully consider the following information, in addition to the "Description of the Investment Management and Collateral Administration Agreement – The Retention Requirements" section of the 2016 Prospectus and matters set forth elsewhere in this Offering Circular and the 2016 Prospectus, prior to investing in the Refinancing Notes. The information appearing in this section headed "The EU Retention Requirements" amends the section headed "Description of the Investment Management and Collateral Administration Agreement – The Retention Requirements" in the 2016 Prospectus and in the Investment Management and Collateral Administration Agreement, as such amendments are provided for in the Deed of Amendment and Supplement.

The Retention Requirements

Description of the Retention Holder

The Investment Manager shall act as the Retention Holder for the purposes of the EU Retention Requirements, subject as provided below.

EU Retention Requirements

As part of the Refinancing, Clause 29.1 (*Retention Undertaking*) of the Original Investment Management and Collateral Administration Agreement shall be deleted in its entirety and replaced with the following by the Deed of Amendment and Supplement on or about the Issue Date, in order to, *inter alia*, give effect to the matters set out in this section of this Offering Circular. Purchasers of the Refinancing Notes will be deemed to have approved the modifications contained in the Investment Management and Collateral Administration Agreement, as set out herein.

"29.1 Retention Undertaking

The Investment Manager hereby covenants and undertakes, for the benefit of the Issuer, the Initial Purchaser, the Arranger, the Trustee and the Collateral Administrator, that for so long as any Class of Notes remains Outstanding:

(a) to (i) subscribe for and hold on an ongoing basis a material net economic interest of not less than 5 per cent. of the outstanding nominal value (calculated as of the Issue Date) of each Class of the Refinancing Notes in accordance with Article 6(3)(a) of the Securitisation Regulation as in effect on the Issue Date and (ii) hold on an ongoing basis for so long as any Class of Notes remains Oustanding, a material net economic interest of not less than 5 per cent. of the outstanding nominal value of each Class of the Original Notes issued on the Original Issue Date pursuant to the Investment Management and Collateral Administration Agreement (the "**Original Issue Date Retention Notes**") (together, the "**Retention Notes**"), with the intention of complying with the EU Retention Requirements, *provided that* the Class A-1 Notes and the Class A-2 Notes together shall be deemed to constitute a single Class for the purposes of determining compliance with the EU Retention Requirements;

(b) neither it nor any of its Affiliates will sell, hedge or otherwise mitigate its credit risk under or associated with the Retention Notes, except to the extent permitted in accordance with the EU Retention Requirements;

(c) subject to any regulatory requirements:

(i) it will take such further reasonable action, provide such information (subject to any duty of confidentiality), on a confidential basis, and enter into such other agreements as may reasonably be required to satisfy the EU Retention Requirements; and

(ii) it will provide to the Issuer, on a confidential basis, information in the possession of the Investment Manager relating to its holding of the Retention Notes, at the cost and expense of the party seeking such information, and to the extent such information is not subject to a duty of confidentiality,

in each case, at any time prior to maturity of the Notes;

(d) it will:

(i) confirm in writing promptly upon the request of the Trustee, the Collateral Administrator, the Initial Purchaser, the Arranger or the Issuer, in each case, to such party making such request; and

(ii) confirm in writing to the Collateral Administrator on or before the 8th calendar day of each month commencing in September for the purposes of inclusion of such confirmation in each Monthly Report in each case, at any time prior to maturity of the Notes,

its continued compliance with the covenants set out at paragraphs (a) and (b) above;

(e) it shall promptly notify the Issuer, the Trustee and the Collateral Administrator if for any reason it:

(i) ceases to hold the Retention Notes in accordance with paragraph (a) above; or

(ii) fails to comply with the agreements and covenants (as applicable) set out in paragraph (b) or paragraph (c) above in any material way;

(f) on the Issue Date, it will represent that the Investment Manager reasonably believes that it has "established" and is "managing" (as such terms are used in Article 3(4)(a) of the Commission Delegated Regulation (EU) No. 625/2014) the transaction consisting of the issuance by the Issuer of the Original Notes described in the 2016 Prospectus and the Refinancing Notes described in this Offering Circular;

(g) it will represent that the Originator Requirement was satisfied as at the Original Issue Date; and

(h) it will represent that it was not established and does not operate for the sole purpose of securitising exposures.

The Investment Manager's undertaking in this Clause 29 (*Retention*) shall be made as of the Issue Date, with such undertakings being binding for so long as any of the Notes remain Outstanding. The Investment Manager shall not have any obligation to change the quantum, method or nature of its holding of the Retention Notes as a result of any changes to the EU Retention Requirements following the Issue Date."

Prospective investors should consider the discussion in "*Risk Factors—Regulatory Initiatives—Risk Retention and Due Diligence—EU Retention and Transparency Requirements*".

Origination of Collateral Debt Obligations

Please see "*Description of the Investment Management and Collateral Administration Agreement – The Retention Requirements – Origination Procedures*" in the 2016 Prospectus in addition to the discussion below.

The Investment Manager is aware of its obligations under Article 9 of the Securitisation Regulation. It will, as part of its due diligence on each asset securitised in respect of which it has not undertaken the original credit-granting, verified to the extent required pursuant to Article 9(3) that the entity directly or indirectly involved in the original agreement which created such asset, has applied to the asset the same sound and well-defined criteria for credit-granting that such entity applies to its non-securitised exposures. Such verification has been made by confirming that the original syndicate of lenders in respect of an Originator Asset has at least one credit institution that is subject to Regulation (EU) No. 575/2013 of the European Parliament and of the Council (as the same may be amended from time to time).

The Investment Manager is also aware of its obligations under Article 6(2) of the Securitisation Regulation and has not selected Originator Asset to be transferred to the Issuer with the aim of rendering losses on the assets transferred to the Issuer, over a maximum period of 4 years, higher than the losses over the same period on comparable assets held on its balance sheet.

EU Transparency Requirements

In accordance with Article 7(2) of the Securitisation Regulation, each of the originator, sponsor and the Issuer are required to designate amongst themselves one entity to fulfil the reporting obligations of Article 7(1) of the Securitisation Regulation. The Issuer has agreed to be the designated entity.

Pursuant to the Investment Management and Collateral Administration Agreement as amended on the Issue Date, the Investment Manager shall undertake to, on behalf of and at the expense of the Issuer, provide to the Collateral Administrator (and/or any applicable third party reporting entity) and the Issuer any reports, data and other information (or access to such information) (i) which is in the possession of the Investment Manager, (ii) which is not subject to legal or contractual restrictions on its disclosure (unless the relevant information can be summarised or disclosed in an anonymised form, as appropriate), (iii) to which the Collateral Administrator or the Issuer does not otherwise have access, which is not already required to be provided to the Issuer directly or which is not otherwise in the Issuer's possession (in each case, as applicable), and (iv) which is required by the Issuer in connection with the proper performance by the Issuer, as the designated entity, of its obligation to make available to the Noteholders, potential investors in the Notes and the competent authorities the reports and information necessary to fulfil the reporting requirements of the EU Transparency Requirements provided that, prior to the Securitisation Regulation Reporting Effective Date (as defined below) (A) the Issuer intends to fulfil those requirements contained in subparagraph (a) and (e) of Article 7(1) of the Securitisation Regulation through the provision of the Monthly Reports and the Payment Date Reports (see "*Description of the Reports*") and (B) the Investment Manager shall not be required to provide any reports, data or other information (other than such information and data necessary for completion of the Monthly Reports and the Payment Date Reports) in connection with the reporting requirements contained in subparagraphs (a) and (e) of Article 7(1) of the Securitisation Regulation to the Issuer pursuant to the Investment Management and Collateral Administration Agreement prior to the adoption of such final disclosure templates. Whether the Investment Manager will be able to obtain and report all of the information required to be reported in accordance with Article 7 of the Securitisation Regulation is unclear.

Following the adoption of the final disclosure templates in respect of the EU Transparency Requirements, the Issuer (with the consent of the Investment Manager) will propose in writing to the Collateral Administrator the form, content, frequency and method of distribution of the reports required under Article 7 of the Securitisation Regulation.

The Collateral Administrator shall consult with the Issuer and the Investment Manager with a view to agreeing such reporting on such proposed terms (or other alternative terms as may be agreed between the Collateral Administrator, the Issuer and the Investment Manager) and, if it agrees to provide such reporting, shall confirm the proposed terms of reporting in writing to the Issuer and the Investment Manager. To the extent agreed by the Collateral Administrator, the Collateral Administrator shall make such reports and information available either upon request or via a website currently located at https://pivot.usbank.com (or such other website as may be notified in writing by the Collateral Administrator to the Issuer, the Trustee, the Investment Manager, the Retention Holder, each Hedge Counterparty, the Initial Purchaser and the Noteholders from time to time in accordance with Condition 16 (*Notices*)) (the "**Reporting Website**") or in such other manner as required by any competent authority, which shall be accessible to any person who certifies to the Collateral Administrator (such certification to be in the form set out in Schedule 27 (*Form of Website Certification*) to the Investment Management and Collateral Administration Agreement, which certification may be given electronically and upon which certification the Collateral Administrator shall be entitled to rely absolutely and without enquiry or liability) that it is: (i) the Issuer, (ii) the Trustee, (iii) the Initial Purchaser, (iv) a Hedge Counterparty in respect of which one or more Hedge Transactions have been entered into and remain in force, (v) the Investment Manager, (vi) a Rating Agency, (vii) a Noteholder, (viii) a competent authority or (ix) a potential investor in the Notes. If the Collateral Administrator does not agree on the terms of reporting or in the Issuer's reasonable opinion (acting on the advice of the Investment Manager) the Collateral Administrator is or will be unable or unwilling to provide such reporting (and such notice given by the Issuer in respect of this determination by the Issuer shall include a description of the Issuer's grounds for such determination), the Issuer (with the consent of the Investment Manager) shall be entitled to appoint another entity to make the relevant information available for the purposes of Article 7 of the Securitisation Regulation.

In addition, the Issuer may (with the consent of the Investment Manager) by notice in writing to the Collateral Administrator at any time: (i) if the Issuer has reasonable grounds to believe that the Collateral Administrator will fail or be unable to perform any of its duties or responsibilities under the Investment Management and Collateral Administration Agreement insofar as they relate to the reporting requirements set out in Article 7 of the Securitisation Regulation (and any notice given in respect of this paragraph (i) shall include a description of

the Issuer's grounds for such belief); or (ii) following the occurrence of a default, failure or inability of the Collateral Administrator to perform any of its duties or responsibilities under the Investment Management and Collateral Administration Agreement insofar as they relate to the reporting requirements set out in Article 7 of the Securitisation Regulation which has not been cured within five days of the occurrence of such default, failure or inability to perform, assume itself or appoint another third party to assume the obligations of the Collateral Administrator to make the relevant information available for the purposes of Article 7 of the Securitisation Regulation.

For the avoidance of doubt, to the extent the Collateral Administrator and/or the Investment Manager agrees to provide any such information and reporting on behalf of the Issuer, neither the Collateral Administrator nor the Investment Manager will assume any statutory responsibility for the Issuer's obligations as the entity responsible to fulfil the reporting obligations under the EU Transparency Requirements. In providing such information and reporting, the Collateral Administrator and the Investment Manager also assume no responsibility or liability to Noteholders or prospective Noteholders (including for their use or onward disclosure of any documentation posted on the website) and has the benefit of the powers, protections and indemnities granted to it under the Transaction Documents.

For the avoidance of doubt, the Reporting Website and the contents thereof do not form part of this Offering Circular.

TAX CONSIDERATIONS

1. GENERAL

Purchasers of Refinancing 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 Refinancing Note.

POTENTIAL PURCHASERS ARE WHOLLY RESPONSIBLE FOR DETERMINING THEIR OWN TAX POSITION IN RESPECT OF THE REFINANCING NOTES. POTENTIAL PURCHASERS WHO ARE IN ANY DOUBT ABOUT THEIR TAX POSITION ON PURCHASE, OWNERSHIP, TRANSFER OR EXERCISE OF ANY REFINANCING NOTE SHOULD CONSULT THEIR OWN TAX ADVISERS. IN PARTICULAR, NO REPRESENTATION IS MADE AS TO THE MANNER IN WHICH PAYMENTS UNDER THE REFINANCING 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 REFINANCING NOTES.

2. IRISH TAXATION

The following is a summary of the principal Irish tax consequences for individuals and companies of ownership of the Refinancing Notes based on the laws and practice of the Irish Revenue Commissioners currently in force in Ireland and may be subject to change. It deals with Noteholders who beneficially own their Refinancing Notes as an investment. Particular rules not discussed below may apply to certain classes of taxpayers holding Refinancing Notes, such as dealers in securities, trusts etc. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Refinancing Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Refinancing Notes and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.

Taxation of Noteholders

Withholding Tax

In general, tax at the standard rate of income tax (currently 20 per cent.), is required to be withheld from payments of Irish source interest which should include interest payable on the Refinancing Notes. The Issuer will not be obliged to make a withholding or deduction for or on account of Irish income tax from a payment of interest on a Refinancing Note so long as the interest paid on the relevant Refinancing Note falls within one of the following categories:

1. Interest paid on a quoted Eurobond

The Issuer will not be obliged to make a withholding or deduction for or on account of Irish income tax from a payment of interest on a Refinancing Note where:

(a) the Refinancing Notes are quoted Eurobonds i.e. securities which are issued by a company (such as the Issuer), which are listed on a recognised stock exchange (such as Euronext Dublin) and which carry a right to interest; and

(b) the person by or through whom the payment is made is not in Ireland, or if such person is in Ireland, either:

(i) the Refinancing Notes are held in a clearing system recognised by the Irish Revenue Commissioners; (Euroclear and Clearstream, Luxembourg are, amongst others, so recognised); or

(ii) the person who is the beneficial owner of the Refinancing Notes and who is beneficially entitled to the interest is not resident in Ireland and has made a declaration to a relevant person (such as a paying agent located in Ireland) in the prescribed form.

Thus, so long as the Refinancing Notes continue to be quoted on Euronext Dublin and are held in

Euroclear and/or Clearstream, Luxembourg, interest on the Refinancing Notes can be paid by any paying agent acting on behalf of the Issuer free of any withholding or deduction for or on account of Irish income tax. If the Refinancing Notes continue to be quoted but cease to be held in a recognised clearing system, interest on the Refinancing Notes may be paid without any withholding or deduction for or on account of Irish income tax provided such payment is made through a paying agent outside Ireland, or where the paying agent is in Ireland, the Noteholder has provided a declaration of non-residence in prescribed form.

2. Interest paid by a qualifying company to certain non-residents

If, for any reason, the exemption referred to above ceases to apply, interest payments may still be made free of withholding tax provided that the Issuer remains a "qualifying company" as defined in Section 110 of the TCA and the Noteholder is a person which is resident in a Relevant Territory (and for these purposes "Relevant Territory" means a Member State of the European Union (other than Ireland) or a country with which Ireland has signed a double tax treaty), and, where the recipient is a body corporate, the interest is not paid to it in connection with a trade or business carried on by it in Ireland through a branch or agency. The test of residence is determined by reference to the law of the Relevant Territory in which the Noteholder claims to be resident. The Issuer must be satisfied that the terms of the exemption are satisfied.

Encashment Tax

In certain circumstances, Irish tax will be required to be withheld at the standard rate of income tax (currently 20 per cent.) from interest on any Note, where such interest is collected or realised by a bank or encashment agent in Ireland on behalf of any Noteholder. There is an exemption from encashment tax where the beneficial owner of the interest is not resident in Ireland and has made a declaration to this effect in the prescribed form to the encashment agent or bank.

Income Tax, PRSI and Universal Social Charge

Notwithstanding that a Noteholder may receive interest on the Refinancing Notes free of withholding tax, the Noteholder may still be liable to pay Irish income tax with respect to such interest. Noteholders resident or ordinarily resident in Ireland who are individuals may be liable to pay Irish income tax, social insurance (PRSI) contributions and the universal social charge in respect of interest they receive on the Refinancing Notes.

Interest paid on the Refinancing Notes may have an Irish source and therefore may be within the charge to Irish income tax, notwithstanding that the Noteholder is not resident in Ireland. In the case of Noteholders who are non-resident individuals such Noteholders may also be liable to pay the universal social charge in respect of interest they receive on the Refinancing Notes.

Ireland operates a self-assessment system in respect of tax and any person, including a person who is neither resident nor ordinarily resident in Ireland, with Irish source income comes within its scope.

There are a number of exemptions from Irish income tax available to certain non-residents. Firstly, interest payments made by the Issuer are exempt from income tax so long as the Issuer is a qualifying company for the purposes of Section 110 of the TCA, the recipient is not resident in Ireland and is resident in a Relevant Territory and the interest is paid out of the assets of the Issuer. Secondly, interest payments made by the Issuer in the ordinary course of its trade or business to a company are exempt from income tax provided the recipient company is not resident in Ireland and is either resident for tax purposes in a Relevant Territory which imposes a tax that generally applies to interest receivable in that territory by companies from sources outside that territory and which corresponds to income tax or corporation tax in Ireland or the interest is exempted from the charge to Irish income tax under the terms of a double tax agreement which is either in force or which will come into force once all ratification procedures have been completed. Thirdly, interest paid by the Issuer free of withholding tax under the quoted Eurobond exemption is exempt from income tax where the recipient is a person not resident in Ireland and resident in a Relevant Territory or is a company not resident in Ireland which is under the control, whether directly or indirectly, of person(s) who by virtue of the law of a Relevant Territory are resident for the purposes of tax in a Relevant Territory and is not under the control of person(s) who are not so resident or is a company not resident in Ireland, where the principal class of shares of the company or its 75 per cent. parent is substantially and regularly traded on a recognised stock exchange. For the purposes of these exemptions and where not specified otherwise, residence is determined under the terms of the relevant double taxation agreement or in any other case, the law of the country in which the recipient claims to be resident. Interest falling within the above exemptions is also exempt from the universal social charge.

Notwithstanding these exemptions from income tax, a corporate recipient that carries on a trade in Ireland through a branch or agency in respect of which the Refinancing Notes are held or attributed, may have a liability to Irish corporation tax on the interest.

Relief from Irish income tax may also be available under the specific provisions of a double tax treaty between Ireland and the country of residence of the recipient.

Interest on the Refinancing Notes which does not fall within the above exemptions is within the charge to income tax, and, in the case of Noteholders who are individuals, the charge to the universal social charge. In the past the Irish Revenue Commissioners have not pursued liability to income tax in respect of persons who are not regarded as being resident in Ireland except where such persons have a taxable presence of some sort in Ireland or seek to claim any relief or repayment in respect of Irish tax. However, there can be no assurance that the Irish Revenue Commissioners will apply this treatment in the case of any Noteholder.

Capital Gains Tax

A gift or inheritance of Refinancing Notes will be within the charge to capital acquisitions tax (which subject to available exemptions and reliefs, is currently levied at 33 per cent.) if either (i) the disponer or the donee/successor in relation to the gift or inheritance is resident or ordinarily resident in Ireland (or, in certain circumstances, if the disponer is domiciled in Ireland irrespective of his residence or that of the donee/successor) on the relevant date or (ii) if the Refinancing Notes are regarded as property situate in Ireland (i.e. if the Refinancing Notes are physically located in Ireland or if the register of the Refinancing Notes is maintained in Ireland).

Capital Acquisitions Tax

A gift or inheritance of Refinancing Notes will be within the charge to capital acquisitions tax (which subject to available exemptions and reliefs, is currently levied at 33 per cent.) if either (i) the disponer or the donee/successor in relation to the gift or inheritance is resident or ordinarily resident in Ireland (or, in certain circumstances, if the disponer is domiciled in Ireland irrespective of his residence or that of the donee/successor) on the relevant date or (ii) if the Refinancing Notes are regarded as property situate in Ireland (i.e. if the Refinancing Notes are physically located in Ireland or if the register of the Refinancing Notes is maintained in Ireland).

Stamp Duty

No stamp duty or similar tax is imposed in Ireland (on the basis of an exemption provided for in Section 85(2)(c) of the Stamp Duties Consolidation Act, 1999 so long as the Issuer is a qualifying company for the purposes of Section 110 of the TCA and the proceeds of the Refinancing Notes are used in the course of the Issuer's business), on the issue, transfer or redemption of the Refinancing Notes.

3. UNITED STATES FEDERAL INCOME TAXATION

In General

The following discussion summarises certain of the material U.S. federal income tax consequences of the purchase, beneficial ownership, and disposition and retirement of the Refinancing Notes.

For purposes of this summary, a "**U.S. Holder**" is a beneficial owner of a Refinancing Note that is:

(a) an individual who is a citizen or a resident of the United States, for U.S. federal income tax purposes;

(b) a corporation (or other entity that is treated as a corporation for U.S. federal tax purposes) that is created or organised in or under the laws of the United States, any State thereof, or the District of Columbia;

(c) an estate whose income is subject to U.S. federal income taxation regardless of its source; or

(d) a trust if a court within the United States is able to exercise primary supervision over its administration, and one or more United States persons have the authority to control all of its substantial decisions.

For purposes of this summary, a "**Non-U.S. Holder**" is a beneficial owner of a Refinancing Note that is:

(a) a nonresident alien individual for U.S. federal income tax purposes;

(b) a foreign corporation for U.S. federal income tax purposes;

(c) an estate whose income is not subject to U.S. federal income tax on a net income basis; or

(d) a trust if no court within the United States is able to exercise primary jurisdiction over its administration or if no United States persons have the authority to control all of its substantial decisions.

In the case of a partnership, or other entity treated as a pass-through for U.S. federal income tax purposes, that is a beneficial owner of a Refinancing Note, the tax treatment of a partner of such partnership (or other equity holder of such other pass-through entity) will generally depend on the status of such partner (or other equity holder) and upon the activities of such pass-through entity. Partners of partnerships (or other equity holders of other pass-through entities, as applicable) that are beneficial owners of the Refinancing Notes should consult their tax advisors as to the tax consequences of an investment in the Refinancing Notes.

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 does not address tax considerations that apply to such individuals.

This summary is based on interpretations of the Internal Revenue Code of 1986, as amended (the "**Code**"), regulations issued thereunder, and rulings and decisions currently in effect (or in some cases proposed), all of which are subject to change. Any such change may be applied retroactively and may adversely affect the U.S. federal income tax consequences described herein. This summary addresses only holders that purchase Refinancing Notes for cash at initial issuance (and at their issue price) and beneficially own such Notes as capital assets and not as part of a "straddle," "hedge," "synthetic security" or a "conversion transaction" for U.S. federal income tax purposes, or as part of some other integrated investment. This summary does not discuss all of the tax consequences (such as any alternative minimum tax consequences) that may be relevant to particular investors or to investors subject to special treatment under the federal income tax laws (such as banks, thrifts, or other financial institutions; insurance companies; securities dealers or brokers, or traders in securities electing mark-to-market treatment; mutual funds or real estate investment trusts; regulated investment companies; small business investment companies; S corporations; partnerships or investors that hold their Refinancing Notes through a partnership or other entity treated as a partnership for U.S. federal income tax purposes; investors 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 Refinancing 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 Refinancing Notes, or any state, local or foreign tax consequences of the purchase, ownership or disposition of the Refinancing Notes. Finally, this summary does not address persons that held Refinanced Notes of the Issuer prior to the Issue Date. Such investors should consult their tax advisors regarding the tax consequences to them of an investment in the Refinancing Notes.

PROSPECTIVE PURCHASERS OF REFINANCING 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 REFINANCING 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 is treated as a foreign corporation for U.S. federal income tax purposes. Prior to the Issue Date, the Issuer operated with the intention that it would not be subject to U.S. federal incme tax on its net income. In this regard,on the Original Issue Date, the Issuer received an opinion of Cadwalader, Wickersham & Taft LLP to the effect that, although no activity closely comparable to that contemplated by the Issuer has been the subject of any Treasury regulation, revenue ruling or judicial decision, if the Issuer and the Investment Manager comply with the Trust Deed and the Investment Management and Collateral Administration Agreement, including certain tax guidelines referenced therein (the "**U.S. Tax Guidelines**"), and certain other assumptions specified in

the opinion are satisfied, the Issuer will not be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes under then-current law. Failure of the Issuer or the Investment Manager to comply with the U.S. Tax Guidelines, the Trust Deed or the Investment Management and Collateral Administration Agreement 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 treated as engaged in a U.S. trade or business for U.S. federal income tax purposes. In addition, the U.S. Tax Guidelines permit the Issuer (or the Investment Manager acting on its behalf) to receive advice from nationally recognised U.S. tax counsel to the effect that any changes in its structure and operations will not cause the Issuer to be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes. The opinion of Cadwalader, Wickersham & Taft LLP assumes the correctness of any such advice. The opinion of Cadwalader, Wickersham & Taft LLP is not binding on the IRS or the courts. Moreover, a change in law or its interpretation could result in the Issuer being treated as engaged in a trade or business in the United States for U.S. federal income tax purposes, or otherwise subject to U.S. federal income tax on a net income basis (notwithstanding that the Investment Manager is acting in accordance with the U.S. Tax Guidelines).

Although the Issuer intends to undertake its future operations in a manner that will not cause it to be subject to U.S. federal income tax on its net income, including by continuing to follow the U.S. Tax Guidelines (and has provided assurances that it has followed such U.S. Tax Guidelines for the period prior to the Issue Date), investors in the Refinancing Notes should be aware that there will not be a new tax opinion issued on the Issue Date with regard to whether the Issuer was or will 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 in the United States for U.S. federal income tax purposes, and the Issuer has taxable income that is effectively connected with such U.S. trade or business, the Issuer would be subject under the Code to the regular U.S. corporate income tax on such effectively connected taxable income (computed possibly without any allowance for deductions) and possibly to a 30% branch profits tax as well. The imposition of such a tax liability could materially adversely affect the Issuer's ability to make payments on the Refinancing 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 Refinancing Notes

Upon the issuance of the Refinancing Notes, the Issuer will receive an opinion of Paul Hastings LLP to the effect that, based on certain assumptions, the Class A-1 Notes and the Class C Notes will be treated as indebtedness for U.S. federal income tax purposes. The Issuer intends to treat the Refinancing Notes as indebtedness for U.S. federal, state, and local income and franchise tax purposes. The Issuer's characterizations will be binding on all holders, and each holder, by acquiring an interest in a Refinancing Note, will be deemed to treat the Refinancing 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 Refinancing Notes are equity in the Issuer. If any Refinancing Notes were treated as equity in, rather than debt of, the Issuer for U.S. federal income tax purposes, then the tax consequences to holders of such Refinancing Notes could be materially different than the tax consequences described herein. Except as otherwise indicated, the balance of this summary assumes that all of the Refinancing Notes are treated as debt of the Issuer for U.S. federal, state and local income and franchise tax purposes. Prospective investors in the Refinancing Notes should consult their tax advisors regarding the U.S. federal, state and local income and franchise tax consequences to the Refinancing Notes and the Issuer in the event such Refinancing Notes are treated as equity in the Issuer.

U.S. Federal Tax Treatment of U.S. Holders of Refinancing Notes

Class A-1 Notes.

Stated Interest. U.S. Holders of Class A-1 Notes will include in gross income the U.S. dollar value of payments of stated interest accrued or received on their Notes, in accordance with their usual method of tax accounting, as ordinary interest income, subject to the discussion under "*Original Issue Discount*" below.

In general, U.S. Holders of Class A-1 Notes that use the cash method of accounting will calculate the U.S. dollar value of payments of stated interest based on the euro-to-U.S. dollar spot exchange rate at the time a payment is received.

In general, U.S. Holders of Class A-1 Notes that use the accrual method of accounting or that otherwise are required to accrue stated interest before receipt will calculate the U.S. dollar value of accrued interest based on the average euro-to-U.S. dollar spot exchange rate during the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the average euro-to-U.S. dollar spot exchange rate for the partial period within the U.S. Holder's taxable year). Alternatively, a U.S. Holder of Class A-1 Notes can elect to calculate the U.S. dollar value of accrued interest based on the euro-to-U.S. dollar spot exchange rate on the last day of the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the euro-to-U.S. dollar spot exchange rate on the last day of the U.S. Holder's taxable year) or, if the last day of the Accrual Period is within five business days of the U.S. Holder's receipt of the payment, the spot exchange rate on the date of receipt. Any such election must be applied to all debt instruments held by the U.S. Holder and is irrevocable without the consent of the IRS.

Accrual basis U.S. Holders of Class A-1 Notes also will recognise foreign currency exchange gain or loss on the receipt of interest payments on their Class A-1 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.

Accrued Interest Amount. A portion of the price paid for a Class A-1 Note will be allocable to the Accrued Interest Amount. The Issuer intends to take the position that, on the first Payment Date following the Issue Date, a portion of the interest received by a U.S. Holder of a Class A-1 Note in an amount equal to the Accrued Interest Amount should be treated as a return of the Accrued Interest Amount and not as a payment of interest on such Refinancing Note. Amounts treated as a return of the Accrued Interest Amount should not be taxable when received but should reduce a U.S. Holder’s tax basis in such Refinancing Note by a corresponding amount.

Original Issue Discount. In addition, if the discount at which a substantial amount of the Class A-1 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 Class A-1 Note within the Class will equal the excess of the principal amount of the Class A-1 Note over its issue price (the price at which a substantial amount of Refinancing Notes within the Class was first sold to investors). U.S. Holders of Class A-1 Notes that are issued with OID will be required to include the U.S. dollar value of OID in advance of the receipt of cash attributable to such income. In general, U.S. Holders of the Class A-1 Notes will calculate the U.S. dollar value of OID based on the average euro-to-U.S. dollar spot exchange rate during the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the average euro-to-U.S. dollar spot exchange rate for the partial period within the U.S. Holder's taxable year). Alternatively, a U.S. Holder of the Class A-1 Notes can elect to calculate the U.S. dollar value of OID based on the euro-to U.S. dollar spot exchange rate on the last day of the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the euro-to-U.S. dollar spot exchange rate on the last day of the U.S. Holder's taxable year) or, if the last day of the Accrual Period is within five business days of the U.S. Holder's receipt of the payment of accrued OID, the spot exchange rate on the date of receipt. Any such election must be applied to all debt instruments held by the U.S. Holder and is irrevocable without the consent of the IRS.

A U.S. Holder will be required to include OID in income as it accrues (regardless of the U.S. Holder's method of accounting) under a constant yield method. Accruals of any such OID will be based on the weighted average life of the applicable Class rather than its stated maturity. It is possible, however, that the IRS could assert and a court could ultimately hold that some other method of accruing OID should apply. Moreover, a U.S. Holder that uses the accrual method of accounting generally will be required to include OID in ordinary income no later than the taxable year in which the U.S. Holder takes the OID into account as revenue in an "applicable financial statement," even if the U.S. Holder would otherwise have included the OID in income during a later year under the constant yield method.

U.S. Holders of Class A-1 Notes that are issued with OID also will recognise foreign currency exchange gain or loss on the receipt of interest payments on such Refinancing 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 Class A-1 Note equal to the U.S. dollar value of the cost of such Refinancing Note (based on the euro-to-U.S. dollar spot exchange rate on the date such Refinancing Note was acquired, or the settlement date for the purchase of such Refinancing Note if such Refinancing 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)) (except as noted above with respect to the Accrued Interest Amount), reduced by the U.S. dollar value of payments of principal on such Refinancing Note (based, in the case of a Refinancing, 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 Refinancing prior to a sale, exchange, or retirement of such Refinancing 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 such Refinancing Note (based on the euro-to-U.S. dollar spot exchange rate on the date such Refinancing Note was acquired). Any such foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Upon a sale, exchange, or retirement of a Class A-1 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 Refinancing Note. In the case of a Class A-1 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 such Refinancing 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 such Refinancing Note (based on the euro-to-U.S. dollar spot exchange rate on the date such Refinancing 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 Class A-1 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.

Accrued Interest Amount. A portion of the price paid for a Class C Note will be allocable to the Accrued Interest Amount. The Issuer intends to take the position that, on the first Payment Date following the Issue Date, a portion of the interest received by a U.S. Holder of a Class C Note in an amount equal to the Accrued Interest Amount should be treated as a return of the Accrued Interest Amount and not as a payment of interest on such Refinancing Note. Amounts treated as a return of the Accrued Interest Amount should not be taxable when received but should reduce a U.S. Holder’s tax basis in such Refinancing Note by a corresponding amount.

Original Issue Discount. The Issuer will treat the Class C Notes issued with OID for U.S. federal income tax purposes. The total amount of OID with respect to a Class C Note will equal the sum of all payments to be received under such Refinancing Note less its issue price (the first price at which a substantial amount of Refinancing Notes within the applicable Class was sold to investors). U.S. Holders of the Class C Notes will be required to include the U.S. dollar value of OID in advance of the receipt of cash attributable to such income. In general, U.S. Holders will calculate the U.S. dollar value of OID based on the average euro-to-U.S. dollar spot exchange rate during the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the average euro-to-U.S. dollar spot exchange rate for the partial period within the U.S. Holder's taxable year). Alternatively, a U.S. Holder can elect to calculate the U.S. dollar value of OID based on the euro-to-U.S. dollar spot exchange rate on the last day of the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the euro-to-U.S. dollar spot exchange rate on the last day of the U.S. Holder's taxable year) or, if the last day of the Accrual Period is within five business days of the U.S. Holder's receipt of the payment of accrued OID, the euro-to-U.S. dollar spot exchange rate on the date of receipt. Any such election must be applied to all debt instruments held by the U.S. Holder and is irrevocable without the consent of the IRS.

A U.S. Holder of Class C Notes 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 Debt Obligations. Accruals of OID on the Class C Notes will be calculated by assuming that interest will be paid over the life of the applicable Class based on the value of EURIBOR used in setting the interest rate for the first Payment Date, and then adjusting the accrual for each subsequent Payment Date based on the difference between the value of EURIBOR used in setting interest for that subsequent Payment Date and the assumed rate. It is possible, however, that the IRS could assert, and a court could ultimately hold, that some other method of accruing OID on the Class C Notes should apply.

U.S. Holders of Class C 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 Class C Notes 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)) (except as noted above with respect to the Accrued Interest Amount), (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 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, a U.S. Holder will generally recognise gain or loss equal to the difference between the U.S. dollar value of the amount realised on the sale, exchange, or retirement and the holder's tax basis in such Note. Any such gain or loss will be foreign currency exchange gain or loss to the extent that the U.S. dollar value of the principal amount of the Note on the date of the sale, exchange, or retirement (based on the euro-to-U.S. dollar spot exchange rate on such date) differs from the U.S. dollar value of the equivalent principal amount of the Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired). Any such foreign currency exchange gain or loss generally will be treated as ordinary income or loss. Any gain or loss in excess of foreign currency exchange gain or loss will be capital gain or loss, and generally will be treated as long-term capital gain or loss if the U.S. Holder held the Note for more than one year at the time of disposition. In certain circumstances, U.S. Holders who are individuals may be entitled to preferential tax rates for net long-term capital gains; however, the ability of U.S. Holders to offset capital losses against ordinary income is limited.

Alternative Characterisation of the Refinancing Notes as Contingent Payment Debt Instruments.

It is possible that the Refinancing 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 Refinancing 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 Refinancing Notes on a sale, redemption, or other disposition of the Refinancing 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.

Specified Foreign Financial Asset Reporting.

Certain U.S. Holders may be subject to reporting obligations with respect to their Refinancing Notes if they do not hold their Refinancing Notes in an account maintained by a financial institution and the aggregate value of their Refinancing 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 Refinancing Notes and fails to do so.

3.8 per cent. Federal Tax on "Net Investment Income

U.S. Holders that are individuals or estates and certain trusts are subject to an additional 3.8 per cent. tax on all or a portion of their "net investment income," or "undistributed net investment income" in the case of an estate or trust, which may include any income or gain with respect to the Refinancing 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 2019, is $12,750). 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 in the 2016 Prospectus. U.S. Holders should consult their advisors with respect to the 3.8 per cent. tax on net investment income.

U.S. Federal Tax Treatment of Non-U.S. Holders of Refinancing Notes

In general, payments on the Refinancing 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 Refinancing 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 Refinancing 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 Refinancing 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 Refinancing Notes made within the United States or conducted through certain U.S. related financial intermediaries, unless the payor receives the statement described above or the Non-U.S. Holder otherwise establishes an exemption.

Backup withholding is not an additional tax and may be refunded (or credited against the holder's U.S. federal income tax liability, if any), provided that certain required information is furnished. The information reporting requirements may apply regardless of whether withholding is required. Copies of the information returns also may be made available to the tax authorities in the country in which a Non-U.S. Holder is a resident under the provisions of an applicable income tax treaty or agreement.

FATCA

Under FATCA, the Issuer may be subject to a 30 per cent. withholding tax on certain income. Additionally under existing Treasury Regulations, FATCA withholding on gross proceeds from the sale or other disposition of U.S. Collateral Debt Obligations was to take effect on January 1, 2019; however, recent proposed Treasury Regulations, which may currently be relied upon, would eliminate FATCA withholding on such types of payments. 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 Refinancing Notes to the Office of the Revenue Commissioners of Ireland, which would then provide this information to the IRS. The Issuer shall use reasonable best efforts to comply with the intergovernmental agreement and these regulations; however, there can be no assurance that the Issuer will be able to do so. Moreover, the intergovernmental agreement or the Irish implementing regulations could be amended to require the Issuer to withhold on "passthru" payments to holders that fail to provide certain information to the Issuer or are certain "foreign financial institutions" that do not comply with FATCA.

Each investor will be required to provide the Issuer with information necessary for the Issuer to comply with FATCA. Investors that do not supply this information, or whose ownership of Refinancing Notes would otherwise cause the Issuer to fail to comply with FATCA, may be subject to punitive measures, including a forced transfer of their Refinancing Notes.

Future Legislation and Regulatory Changes Affecting Holders of Refinancing Notes

Future legislation, regulations, rulings or other authority could affect the federal income tax treatment of the Issuer and holders of Refinancing Notes. 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 holders of Refinancing Notes. Prospective investors should consult their tax advisors regarding possible legislative and administrative changes and their effect on the U.S. federal tax treatment of the Issuer and their investment in the Refinancing Notes.

PLAN OF DISTRIBUTION

Morgan Stanley & Co. International plc (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 each Class of Refinancing Notes (the "**Subscribed Notes**") pursuant to the Subscription Agreement, at the issue price of, in the case of the Class A-1 Notes, 100 per cent., and in the case of the Class C Notes, 100 per cent., in each case plus an amount (the "**Accrued Interest Amount**") equal to accrued interest in respect of the period from, and including, the Payment Date immediately preceding the Issue Date to, but excluding, the Issue Date and less any subscription and underwriting fees and other amounts to be agreed between the Issuer and the Initial Purchaser. The Initial Purchaser may offer the Subscribed Notes at other prices in privately negotiated transactions at the time of sale, which may vary among different purchasers and which may be different to the issue price of the Subscribed Notes. In connection with discounts (if any) offered to purchasers of the Subscribed Notes, the Initial Purchaser may elect in its sole discretion to make payments in consideration thereof to the Issuer.

The Subscription Agreement entitles the Initial Purchaser to terminate the Subscription Agreement in certain circumstances prior to payment being made to the Issuer.

The Initial Purchaser has undertaken in the Subscription Agreement that neither it nor any of its Affiliates and/or officers, directors or employees shall exercise any voting rights in respect to any vote (or written direction or consent) in connection with any IM Removal Resolution or any IM Replacement Resolution in respect of its holding of the Notes.

The Retention Holder shall agree to acquire the Retention Notes from the Initial Purchaser pursuant to and in accordance with a retention notes purchase agreement dated on or about the Issue Date.

It is a condition of the issue of the Refinancing Notes of each Class that the Refinancing Notes of each other Class be issued in the following principal amounts: Class A-1 Notes: €207,000,000; and Class C Notes: €17,700,000.

Under the terms of the Subscription Agreement, the Issuer has agreed to indemnify the Initial Purchaser and certain of its related parties against certain liabilities or to contribute to payments they may be required to make in respect thereof.

Certain of the Collateral Debt Obligations may have been originally underwritten or placed by the Initial Purchaser or its Affiliates. In addition, the Initial Purchaser or its Affiliates may have in the past performed and may in the future perform investment banking services or other services for issuers of the Collateral Debt Obligations. In addition, the 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 Debt 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 or the Initial Purchaser that would permit a public offering of the Subscribed Notes or possession or distribution of this Offering Circular or any other offering material in relation to the Subscribed Notes in any jurisdiction where action for the purpose is required. No offers, sales or deliveries of any Subscribed Notes, or distribution of this Offering Circular or any other offering material relating to the Subscribed Notes, may be made in or from any jurisdiction, except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on the Issuer or the Initial Purchaser.

United States of America:

The Subscribed 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 of America or to, or for the account or benefit of, U.S. Persons or to U.S. Residents except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act and in the manner so as not to require the registration of the Issuer as an "investment company" pursuant to the Investment Company Act.

The Regulation S Notes of each Class will be issued in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof. The Notes sold in reliance on Rule 144A will be issued in Minimum Denominations of €250,000 and Authorised Integral Amounts 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 commission, fee or other remuneration to which it sells Regulation S Notes a confirmation or other notice setting forth the prohibition on offers and sales of the Regulation S Notes within the United States or to, or for the account or benefit of, any U.S. Person or U.S. Resident.

The Subscribed Notes are being offered and sold outside of the United States to non-U.S. Persons in reliance on Regulation S. The Subscription Agreement provides that the Initial Purchaser may directly or through its U.S. broker-dealer affiliate arrange for the offer and resale of Subscribed Notes within the United States only to qualified institutional buyers in reliance on Rule 144A.

In addition, until 40 days after the commencement of the offering of the Subscribed Notes, an offer or sale of Subscribed Notes within the United States by a dealer that is not participating in the offering may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A.

This Offering Circular has been prepared by the Issuer for use in connection with the offer and sale of the Subscribed Notes and for the listing of the Subscribed Notes on the Global Exchange Market of Euronext Dublin. The Issuer and the Initial Purchaser reserve the right to reject any offer to purchase, in whole or in part, for any reason, or to sell less than the principal amount of Subscribed Notes which may be offered. This Offering Circular does not constitute an offer to any person in the United States or to any such U.S. Person. Distribution of this Offering Circular to any U.S. Person or to any person within the United States, other than in accordance with the procedures described above, is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited.

Other Selling Restrictions

The Initial Purchaser has agreed to comply with the following selling restrictions:

(a) *United Kingdom*: The Initial Purchaser, which is authorised and regulated by the Financial Conduct 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 Financial Services and Markets Act 2000 (as amended) by the Financial Services and Markets Act 2012 ("**FSMA**") received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuer; and

(ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

(b) *European Economic Area*: The Initial Purchaser has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes to any retail investor in the European Economic Area. For the purposes of this provision:

(i) the expression "retail investor" means a person who is one (or more) of the following:

(A) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended) ("**MiFID II**"); or

(B) a customer within the meaning of Directive 2002/92/EC (as amended, the "**Insurance Mediation Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II;

(C) not a qualified investor as defined in Regulation 2017/1129/EU (as amended or superseded from time to time); and

(ii) the expression "offer" includes the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

(c) *Australia*: Neither this Offering Circular nor any other offering circular or other disclosure document (as defined in the Corporations Act 2001 (the "**Corporations Act**")) in relation to the Notes has been or will be lodged with the Australian Securities and Investments Commission ("**ASIC**"). The Initial Purchaser has therefore further represented and agreed that:

(i) the Notes may not be offered or sold, directly or indirectly, in Australia, its territories or possessions, or to any resident of Australia, except by way of an offer or sale not required to be disclosed pursuant to Part 6D.2 or Part 7.9 of the Corporations Act; and

(ii) this Offering Circular does not constitute or involve a recommendation to acquire, an offer or invitation for issue or sale, an offer or invitation to arrange the issue or sale, or an issue or sale, of interests to a 'retail client' (as defined in section 761G of the Corporations Act and applicable regulations) in Australia. This Offering Circular is provided only to 'professional investors' as defined in the Corporations Act.

(d) *Austria:* No offering circular has been or will be approved and/or published pursuant to the Austrian Capital Markets Act (*Kapitalmarktgesetz* (the "**KMG**") as amended). Neither this document nor any other document connected therewith constitutes an offering circular according to the KMG and neither this document nor any other document connected therewith may be distributed, passed on or disclosed to any other person in Austria, save as specifically agreed with the Initial Purchaser. No document pursuant to Regulation (EU) 2017/1129 (as may be amended or superceded, the "**Prospectus Regulation**") has been or will be drawn up and approved in Austria and no document pursuant to the Prospectus Regulation has been or will be passported into Austria as the Notes will be offered in Austria in reliance on an exemption from the document publication requirement under the KMG. The Initial Purchaser has represented and agreed that it will offer the Notes in Austria only in compliance with the provisions of the KMG, and Notes will therefore not be publicly offered or (re)sold in Austria without a document being published or an applicable exemption from such requirement being relied upon.

(e) *Bahrain:* This Offering Circular has not been approved by the Central Bank of Bahrain which takes no responsibility for its contents. The Initial Purchaser has represented and agreed that no offer to the public to purchase the Notes will be made in the Kingdom of Bahrain and this Offering Circular is intended to be read by the addressee only and will not be passed to, issued to, or shown to the public generally.

(f) *Belgium*: The Initial Purchaser has acknowledged and agreed that the offering of Notes has not been and will not be notified to the Belgian Financial Services and Markets Authority (*autoriteit voor financiële diensten en markten/autorité des services et marchés financiers*) nor has this Offering Circular been, nor will it be, approved by the Belgian Financial Services and Markets Authority. The Notes may not be distributed in Belgium by way of an offer of the Notes to the public, as defined in Article 3, §1 of the Act of 16 June 2006 relating to Public Offers of Investment Instruments, as amended or replaced from time to time and taking into account the provisions of Directive 2010/73/EU that are sufficiently clear, precise and unconditional to be capable of vertical direct effect, save in those circumstances (commonly called "**private placement**") set out in Article 3 §2 of the Act of 16 June 2006 relating to public offers of investment instruments, as amended or replaced from time to time and taking into account the provisions of Directive 2010/73/EU that are sufficiently clear, precise and unconditional to be capable of vertical direct effect. This Offering Circular may be distributed in Belgium only to such investors for their personal use and exclusively for the purposes of this offering of Notes. Accordingly, this Offering Circular may not be used for any other purpose nor passed on to any other investor in Belgium. The Initial Purchaser has represented and agreed that it will not:

(i) offer for sale, sell or market the Notes in Belgium otherwise than in conformity with the Act of 16 June 2006 taking into account the provisions of Directive 2010/73/EU that are sufficiently clear, precise and unconditional to be capable of vertical direct effect; and

(ii) offer for sale, sell or market the Notes to any person qualifying as a consumer within the meaning of Article 1.3 of the Law of 6 April 2010 on trade practices and consumer protection,

as modified, otherwise than in conformity with such law and its implementing regulations.

(g) *Cayman Islands*: The Initial Purchaser has represented and agreed that it will not make any invitation to the public in the Cayman Islands to subscribe for the Notes.

(h) *Cyprus:* This Offering Circular does not constitute an offer or solicitation to the public in Cyprus or to anyone in Cyprus other than a firm offering investment services, an insurance company or an undertaking for collective investment in transferable securities. This Offering Circular does not constitute an offer or solicitation to any person to whom it is unlawful to make such an offer or solicitation.

(i) *Denmark:* The Initial Purchaser has represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any of the Notes to the public in Denmark unless in accordance with the Danish Securities Trading Act, Consolidation Act No. 855 of 25 August 2012 as amended from time to time and any Orders issued thereunder.

For the purposes of this provision, an offer of the Notes in Denmark means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

(j) *France:* Any person who is in possession of this Offering Circular is hereby notified that no action has or will be taken that would allow an offering of the Notes in France and neither the Offering Circular nor any offering material relating to the Notes have been submitted to the *Autorité des Marchés Financiers* ("**AMF**") for prior review or approval. Accordingly, the Notes may not be offered, sold, transferred or delivered and neither this Offering Circular nor any offering material relating to the Notes may be distributed or made available (in whole or in part) in France, directly or indirectly, except as permitted by French law and regulation.

The Initial Purchaser has represented and agreed that:

(i) the Notes have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France;

(ii) neither this Offering Circular nor any other offering material relating to the Notes has been or will be:

(A) released, issued, distributed or caused to be released, issued or distributed to the public in France; or

(B) used in connection with any offer for subscription or sale of the Notes to the public in France; and

(iii) such offers, sales and distributions will be made in France only:

(A) to qualified investors (*investisseurs qualifiés*) and/or to a restricted circle of investors (*cercle restreint d'investisseurs*), all other than individuals, in each case investing for their own account, all as defined in, and in accordance with, Articles L.411-2, D.411-1, and L.533-20 of the French Code Monétaire et Financier ("**CMF**");

(B) to investment services providers authorised to engage in portfolio management on behalf of third parties; or

(C) in a transaction that, in accordance with Article L.411-2 of the CMF and Article 211-2 of the *Règlement Général* of the AMF, does not constitute a public offer.

(k) *Germany:* The Notes will not be registered for public distribution in Germany. This Offering Circular does not constitute a sales document pursuant to the German Capital Investment Act (*Vermögensanlagengesetz*). Accordingly, the Initial Purchaser has represented and agreed that no offer of the Notes will be made to the public in Germany. This Offering Circular and any other document relating to the Notes, as well as information or statements contained therein, will not be supplied to the public in Germany or used in connection with any offer for subscription of the Notes to the public in

Germany or any other means of public marketing.

(l) *Hong Kong*: The contents of this Offering Circular have not been reviewed by any regulatory authority in Hong Kong. The Initial Purchaser has therefore represented and agreed that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a 'structured product' as defined in the Notes and Futures Ordinance (cap. 571) of Hong Kong) other than (a) to 'professional investors' as defined in the Securities and Futures Ordinance and any rules made under that ordinance ("**professional investors**"); or (b) in other circumstances which do not result in the document being a 'prospectus' as defined in the Companies Ordinance (cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance; and

(ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the Securities Laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

(m) *India:* This Offering Circular has not been and will not be registered as a prospectus with the Registrar of Companies in India or with the Securities and Exchange Board of India. This Offering Circular or any other material relating to these Notes is for information purposes only and may not be circulated or distributed, directly or indirectly, to the public or any members of the public in India and in any event to not more than 50 persons in India. Further, persons into whose possession this Offering Circular comes are required to inform themselves about and to observe any such restrictions. Each prospective investor is advised to consult its advisers about the particular consequences to it of an investment in these Notes. Each prospective investor is also advised that any investment in these Notes by it is subject to the regulations prescribed by the Reserve Bank of India and the Foreign Exchange Management Act and any regulations framed thereunder.

(n) *Ireland*: The Initial Purchaser has represented and agreed that:

(i) it will not underwrite the issue of, or place, the Notes otherwise than in conformity with the provisions of the European Union (Markets in Financial Instruments) Regulations 2017 (as amended, the "**MiFID II Regulations**"), including, without limitation, Regulation 5 (Requirement for authorisation (and certain provisions regarding MTFs and OTFs)) thereof, any codes of conduct made under the MiFID II Regulations, and the provisions of the Investor Compensation Act 1998 (as amended);

(ii) it will not underwrite the issue of, or place, the Notes otherwise than in conformity with the provisions of the Companies Act 2014 (as amended, the "**Companies Act**"), the Central Bank Acts 1942-2018 (as amended) and any codes of practice made under Section 117(1) of the Central Bank Act 1989 (as amended) and any regulations issued under 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 Regulation (EU) 2017/1129 (as may be amended or superceded), the European Union (Prospectus) Regulations 2019 (as amended) and any rules issued by the Central Bank of Ireland (the "**Central Bank**") under Section 1363 of the Companies Act;

(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 the Market Abuse Regulation (EU 596/2014) (as amended) and any rules and guidance issued by the Central Bank under Section 1370 of the Companies Act; and

(v) it has not and will not underwrite the issue of, or place or otherwise act in Ireland in respect of the Notes, otherwise than in conformity with the provisions of the Regulation (EU) No.

1286/2014 of the European Parliament and the Council of 26 November 2014 on key information documents for packaged retail and insurance investment products (PRIIPs),

as each of the foregoing may be amended, restated, varied, supplemented and/or otherwise replaced from time to time.

(o) *Israel*: The Initial Purchaser has acknowledged and agreed that this Offering Circular has not been approved by the Israeli Securities Authority and will only be distributed to Israeli residents in a manner that will not constitute "an offer to the public" under sections 15 and 15a of the Israel Securities Law, 5728-1968 (the "**Securities Law**").

The Initial Purchaser has represented and agreed that the Notes will be offered to a limited number of investors (35 investors or fewer during any given 12 month period) and/or those categories of investors listed in the First Addendum (the "**Addendum**") to the Securities Law, ("**Sophisticated Investors**") namely joint investment funds or mutual trust funds, provident funds, insurance companies, banking corporations (purchasing the Notes for themselves or for clients who are Sophisticated Investors), portfolio managers (purchasing the Notes for themselves or for clients who are Sophisticated Investors), investment advisors or investment marketers (purchasing the Notes for themselves), members of the Tel-Aviv Stock Exchange (purchasing the Notes for themselves or for clients who are Sophisticated Investors), underwriters (purchasing the Notes for themselves), venture capital funds engaging mainly in the capital market, an entity which is wholly-owned by Sophisticated Investors, corporations, other than formed for the specific purpose of an acquisition pursuant to an offer, with a shareholder's equity in excess of NIS 50 million, and individuals in respect of whom the terms of item 9 in the Schedule to the Investment Advice Law hold true, investing for their own account, each as defined in the said Addendum, as amended from time to time, and who in each case have provided written confirmation that they qualify as Sophisticated Investors, and that they are aware of the consequences of such designation and agree thereto; in all cases under circumstances that will fall within the private placement or other exemptions of the Securities Law and any applicable guidelines, pronouncements or rulings issued from time to time by the Israeli Securities Authority.

This Offering Circular may not be reproduced or used for any other purpose, nor be furnished to any other person other than those to whom copies have been sent. Any offeree who purchases the Notes will purchase such Notes for its own benefit and account and not with the aim or intention of distributing or offering such Notes to other parties (other than, in the case of an offeree which is an Sophisticated Investor by virtue of it being a banking corporation, portfolio manager or member of the Tel-Aviv Stock Exchange, as defined in the Addendum, where such offeree is purchasing the Notes for another party which is an Sophisticated Investor). Nothing in this Offering Circular should be considered investment advice or investment marketing defined in the Regulation of Investment Counselling, Investment Marketing and Portfolio Management Law, 5755-1995.

Investors are encouraged to seek competent investment counselling from a locally licensed investment counsel prior to making the investment. As a prerequisite to the receipt of a copy of this Offering Circular, a recipient shall be required by the Issuer to provide confirmation that it is a Sophisticated Investor purchasing the Notes for its own account or, where applicable, for other Sophisticated Investors.

This Offering Circular does not constitute an offer to sell or solicitation of an offer to buy any securities other than the Notes referred to herein, nor does it constitute an offer to sell to, or solicitation of an offer to buy from, any person or persons in any state or other jurisdiction in which such offer or solicitation would be unlawful, or in which the person making such offer or solicitation is not qualified to do so, or to a person or persons to whom it is unlawful to make such offer or solicitation.

(p) *Italy*: The offering of the Notes has not been registered pursuant to Italian securities legislation and, accordingly, no Notes may be offered, sold or delivered, nor may copies of this Offering Circular or of any other document relating to the Notes be distributed in the Republic of Italy, except:

(i) to qualified investors (*investitori qualificati*), as defined pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998, as amended (the "**Financial Services Act**") and Article 34, first paragraph, letter (b) of CONSOB Regulation No. 11971 of 14 May 1999, as amended from time to time ("**Regulation No. 11971**"); or

(ii) in other circumstances which are exempted from the rules on public offerings pursuant to Article 100 of the Financial Services Act and Article 34-ter of Regulation No. 11971.

Any offer, sale or delivery of the Notes or distribution of copies of this Offering Circular or any other document relating to the Notes in the Republic of Italy under (i) or (ii) above must be:

(A) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007 (as amended from time to time) and Legislative Decree No. 385 of 1 September 1993, as amended (the "**Banking Act**"); and

(B) in compliance with Article 129 of the Banking Act, as amended, and the implementing guidelines of the Bank of Italy, as amended from time to time, pursuant to which the Bank of Italy may request information on the issue or the offer of securities in the Republic of Italy; and

(C) in compliance with any other applicable laws and regulations or requirements imposed by CONSOB or another Italian authority.

(q) *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.

(r) *Jersey:* The Notes may not be offered to, sold to or purchased or held by persons (other than financial institutions) resident for income tax purposes in Jersey.

The Notes may only be issued or allotted exclusively to:

(i) a person whose ordinary activities involve him in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of his business or who it is reasonable to expect will acquire, hold, arrange or dispose of investments (as principal or agent) for the purposes of his business; or

(ii) a person who has received and acknowledged a warning to the effect that (a) the securities are only suitable for acquisition by a person who (i) has a significantly substantial asset base such as would enable him to sustain any loss that might be incurred as a result of acquiring the securities; and (ii) is sufficiently financially sophisticated to be reasonably expected to know the risks involved in acquiring the securities and (b) neither the issue of the securities nor the activities of any functionary with regard to the issue of the Notes are subject to all the provisions of the Financial Services (Jersey) Law 1998.

Each person who acquires securities will be deemed, by such acquisition, to have represented that he or it is one of the foregoing persons.

(s) *The Grand Duchy of Luxembourg*: The Notes may not be offered or sold to the public in Luxembourg, directly or indirectly, and neither this offering memorandum nor any other circular, prospectus, form of application, advertisement, communication or other material may be distributed, or otherwise made available in or from, or published in Luxembourg, except in circumstances where the offer benefits from an exemption to or constitutes a transaction otherwise not subject to the requirement to publish a prospectus for the purpose of the Luxembourg law dated 16 July 2019.

(t) *Netherlands*: The Initial Purchaser has represented and agreed that it will not make an offer of the Notes which are the subject of the offering contemplated by this Offering Circular to the public in The Netherlands in reliance on Article 1(4) of the Prospectus Regulation, unless such offer is made

exclusively to legal entities (i) which are "qualified investors" (as defined in the Dutch Financial Markets Supervision Act (*Wet op het financieel toezicht*) and which includes authorised discretionary asset managers acting for the account of retail investors under a discretionary investment management contract) in The Netherlands, provided that no such offer of Notes shall require the Issuer or the Initial Purchaser to publish a prospectus pursuant to Article 1(4) of the Prospectus Regulation.

For the purposes of this provision, the expressions (i) an "offer of Notes to the public" in relation to any Notes in The Netherlands; and (ii) "**Prospectus Regulation**" means Regulation (EU) 2017/1129 (as may be amended or superceded).

(u) *New Zealand:* This offer of Notes does not constitute an 'offer of securities to the public' for the purposes of the Securities Act 1978 and, accordingly, there is neither a registered offering circular nor an investment statement available in respect of the offer. The Initial Purchaser has therefore represented and agreed that the Notes will only be offered to persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money in accordance with the Securities Act 1978 and the Securities Regulations 2009.

(v) *Norway:* The Initial Purchaser has represented and agreed that it has not made and will not make an offer of Notes to the public in Norway except that it may make an offer of the Notes to the public in Norway at any time:

(i) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in notes;

(ii) to professional clients, as defined in Section 1 of Annex II to Directive 2004/39/EC (as implemented in Norway); or

(iii) in any other circumstances which do not require the publication by the Issuer or any other entity of a document pursuant to Article 1(4) of the Prospectus Regulation.

For the purposes of the provision above, the expression an 'offer of Notes to the public' in relation to any Notes in Norway means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes

(w) *Portugal:* The Initial Purchaser has represented and agreed with the Issuer that: (i) it has not advertised, offered or sold and will not, directly or indirectly, advertise, offer or sell the Notes in circumstances which could qualify as a public offer of Notes pursuant to the Portuguese Securities Code (*Código dos Valores Mobiliários*, the "**CVM**") which would require the publication by the Issuer of an offering circular under Regulation (EU) 2017/1129 (as may be amended or superceded) or in circumstances which would qualify as an issue or public placement of Notes in the Portuguese market; (ii) it has not distributed or caused to be distributed to the public in the Republic of Portugal this Offering Circular or any other offering material relating to the Notes; (iii) all applicable provisions of the CVM, any applicable *Comissão do Mercado de Valores Mobiliários* (Portuguese Securities Market Commission, the "**CMVM**") Regulations and all applicable provisions of Regulation (EU) 2017/1129 (as may be amended or superceded) of the European Parliament and of the Council of 14 June 2017 have been complied with regarding the Notes, in any matters involving the Republic of Portugal.

(x) *Qatar:* The Initial Purchaser has represented and agreed that the Notes will only be offered to a limited number of investors who are willing and able to conduct an independent investigation of the risks involved in an investment in such Notes.

(y) *Saudi Arabia:* This Offering Circular may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations issued by the Saudi Arabian Capital Market Authority

(z) *Singapore*: This Offering Circular has not been registered as an offering circular with the Monetary Authority of Singapore ("**MAS**") nor have any arrangements described in this Offering Circular, which constitute a collective investment scheme for the purposes of the Securities and Futures Act, Chapter 289 of Singapore ("**SFA**"), been approved or registered with the MAS as an authorised or recognised CIS under the SFA (whether as a restricted scheme or otherwise). Accordingly, the Notes may not be

offered or sold or made the subject of an invitation for subscription or purchase nor may this Offering Circular or any other document or material in connection with the offer or sale or invitation for subscription or purchase of any Notes be circulated or distributed, whether directly or indirectly, to any person in Singapore other than (a) to an institutional investor pursuant to Sections 274 and 304 of the SFA, (b) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where Notes are subscribed or purchased under Section 275 by a relevant person which is:

(i) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

'securities' (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(A) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA or to any person where the transfer arises from an offer referred to in Section 275(1a) or Section 276(4)(i)(b) of the SFA;

(B) where no consideration is or will be given for the transfer;

(C) where the transfer is by operation of law; or

(D) as specified in Section 276(7) of the SFA.

(aa) *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.

(bb) *Spain*: Neither the Notes nor this Offering Circular have been approved or registered with the Spanish Notes Markets Commission (*Comisión Nacional del Mercado de Valores*). Accordingly, the Initial Purchaser has represented and agreed that the Notes will not be offered or sold in Spain except in circumstances which do not constitute a public offering of notes within the meaning of Article 30-BIS of the Spanish Notes Market Law of 28 July 1988 (*LEY 24/1988, de 28 de julio, del Mercado de Valores*), as amended and restated, and supplemental rules enacted thereunder.

(cc) *Sweden*: The Initial Purchaser has confirmed and agreed that it will not, directly or indirectly, offer for subscription or purchase or issue invitations to subscribe for or buy Notes or distribute any draft or final document in relation to any such offer, invitation or sale except in circumstances that will not result in a requirement to prepare an offering circular pursuant to the provisions of the Swedish Financial Instruments Trading Act (*lag (1991:980) om handel med finansiella instrument*) or in a requirement for a key information document pursuant to Regulation (EU) No 1286/2014 (as amended).

(dd) *Switzerland:* This Offering Circular is not intended to constitute an offer or solicitation to purchase or invest in the Notes described herein. The Notes may not be publicly offered, sold or advertised, directly or indirectly, in, into or from Switzerland and will not be listed on the SIX Swiss Exchange or on any other exchange or regulated trading facility in Switzerland. Neither this Offering Circular nor any other offering or marketing material relating to the Notes constitutes an offering circular as such term is understood pursuant to article 652a or article 1156 of the Swiss Code of Obligations or a listing offering circular within the meaning of the listing rules of the SIX Swiss Exchange or any other regulated trading facility in Switzerland or a simplified offering circular or an offering circular as such term is defined in the Swiss Collective Investment Scheme Act, and neither this Offering Circular nor

any other offering or marketing material relating to the Notes may be publicly distributed or otherwise made publicly available in Switzerland.

Neither this Offering Circular nor any other offering or marketing material relating to the offering, nor the Issuer nor the Notes have been or will be filed with or approved by any Swiss regulatory authority.

(ee) *Taiwan:* The Notes may be made available outside Taiwan for purchase by investors residing in Taiwan (either directly or through properly licensed Taiwan intermediaries acting on behalf of such investors) but may not be offered or sold in Taiwan.

The Notes are being made available to professional investors in the R.O.C. through bank trust departments, licensed securities brokers and/or insurance company investment linked insurance policies pursuant to the R.O.C. rules governing offshore structured products. No other offer or sale in the R.O.C. is permitted.

(ff) *Turkey:* The offered Notes have not been and will not be registered with the Turkish Capital Market Board (the "**CMB**") under the provisions of the Capital Market Law (Law No. 2499). Accordingly neither this Offering Circular nor any other offering material related to the offering may be utilised in connection with any offering to the public within the Republic of Turkey without the prior approval of the CMB. However, according to Article 15(d)(ii) of the Decree No.32 there is no restriction on the purchase or sale of the offered Notes by residents of the Republic of Turkey, provided that: they purchase or sell such offered Notes in the financial markets outside of the Republic of Turkey; and such sale and purchase is made through banks and/or licensed brokerage institutions in the Republic of Turkey.

TRANSFER RESTRICTIONS

Because of the following restrictions, purchasers are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the Notes.

The Notes have not been registered under the Securities Act or any state securities or "Blue Sky" laws or the securities laws of any other jurisdiction and, accordingly, may not be reoffered, resold, pledged or otherwise transferred except in accordance with the restrictions described herein and set forth in the Trust Deed.

Without limiting the foregoing, by holding a Note, you will acknowledge and agree, among other things, that you understand that the Issuer is not registered as an investment company under the Investment Company Act, and that the Issuer intends to rely on an exemption from registration by virtue of Section 3(c)(7) of the Investment Company Act. Section 3(c)(7) excepts from the provisions of the Investment Company Act those issuers who privately place their securities solely to, and whose securities are held solely by, persons who at the time of purchase are "qualified purchasers" or entities owned exclusively by "qualified purchasers". In general terms, qualified purchaser includes any natural person who owns not less than U.S.$5,000,000 in investments; any person who in the aggregate owns and invests on a discretionary basis, not less than U.S.$25,000,000 in investments; and trusts as to which both the settlor and the decision-making trustee are qualified purchasers (but only if such trust was not formed for the specific purpose of making such investment).

Rule 144A Notes

Each prospective purchaser of Rule 144A Notes, by accepting delivery of this Offering Circular, will be deemed to have represented and agreed that such person acknowledges that this Offering Circular is personal to it and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire Notes other than pursuant to Rule 144A or in offshore transactions in accordance with Regulation S. Distribution of this Offering Circular, or disclosure of any of its contents to any person other than such offeree and those persons, if any, retained to advise it with respect thereto is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited.

Each purchaser of Notes represented by a Rule 144A Global Certificate will be deemed to have represented and agreed, and each purchaser of Notes represented by Definitive Certificates will be required to represent and agree, as follows:

1. The purchaser (a) is a QIB, (b) is aware that the sale of such Rule 144A Notes to it is being made in reliance on Rule 144A, (c) is acquiring such Notes for its own account or for the account of a QIB as to which the purchaser exercises sole investment discretion, and in a principal amount of not less than €250,000 for the purchaser and for each such account and (d) will provide notice of the transfer restrictions described in the "Important Notice" to any subsequent transferees.

2. The purchaser understands that such Rule 144A Notes have not been and will not be registered under the Securities Act, and may be reoffered, resold or pledged or otherwise transferred only (a) to a person (i) 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 and (ii) that constitutes a QP; or (b) 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 exclusion from registration by virtue of Section 3(c)(7) of the Investment Company Act. The purchaser understands that the Issuer has not been registered under the Investment Company Act. The purchaser understands that before any interest in a Rule 144A Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Regulation S Notes, the Registrar is required to receive a written certification from the purchaser (in the form provided in the Trust Deed) as to compliance with the transfer restrictions described herein. The purchaser understands and agrees that any purported transfer of the Rule 144A Notes to a purchaser that does not comply with the requirements of this paragraph (2) shall be null and void *ab initio*.

3. The purchaser is not purchasing such Rule 144A Notes with a view toward the resale, distribution or other disposition thereof in violation of the Securities Act. The purchaser understands that an investment in the Rule 144A Notes involves certain risks, including the risk of loss of its entire

investment in the Rule 144A Notes under certain circumstances. The purchaser has had access to such financial and other information concerning the Issuer and the Notes as it deemed necessary or appropriate in order to make an informed investment decision with respect to its purchase of the Rule 144A Notes, including an opportunity to ask questions of, and request information from, the Issuer.

4. In connection with the purchase of the Rule 144A Notes: (a) none of the Issuer, the Initial Purchaser, the Arranger, the Trustee, the Investment Manager or the Collateral Administrator is acting as a fiduciary or financial or investment manager for the purchaser; (b) the purchaser is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuer, the Initial Purchaser, the Arranger, 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 Initial Purchaser, the Arranger, 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 Initial Purchaser, the Arranger, 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; and (f) the purchaser is a sophisticated investor.

5. The purchaser and each account for which the purchaser is acquiring such Rule 144A Notes is a QP. The purchaser is acquiring the Rule 144A Notes in a principal amount of not less than €250,000. The purchaser and each such account is acquiring the Rule 144A Notes as principal for its own account for investment and not for sale in connection with any distribution thereof. The purchaser and each such account: (a) was not formed for the specific purpose of investing in the Rule 144A Notes (except when each beneficial owner of the purchaser and each such account is a QP); (b) to the extent the purchaser is a private investment company formed before 30 April 1996, the purchaser has received the necessary consent from its beneficial owners; (c) is not a pension, profit sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants, as applicable, may designate the particular investments to be made; and (d) is not a broker dealer that owns and invests on a discretionary basis less than $25,000,000 in securities of unaffiliated issues. Further, the purchaser agrees with respect to itself and each such account: (x) that it shall not hold such Rule 144A Notes for the benefit of any other person and shall be the sole beneficial owner thereof for all purposes; (y) that it shall not sell participation interests in the Rule 144A Notes or enter into any other arrangement pursuant to which any other person shall be entitled to a beneficial interest in the distributions on the Rule 144A Notes; and (z) that the Rule 144A Notes purchased directly or indirectly by it constitute an investment of no more than 40 per cent. of the purchaser's and each such account's assets (except when each beneficial owner of the purchaser and each such account is a QP). The purchaser understands and agrees that any purported transfer of the Rule 144A Notes to a purchaser that does not comply with the requirements of this paragraph (5) will be of no force and effect, will be void *ab initio* and the Issuer will have the right to direct the purchaser to transfer its Rule 144A Notes to a Person who meets the foregoing criteria.

6. (a) With respect to the acquisition, holding and disposition of any Class A Note, Class B Note, Class C Note or Class D Note or 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 any interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, or, in the case of a governmental, church, non-U.S. or other plan, a violation of any Other Plan Law, and (ii) it will not sell or transfer such Note (or any interest therein) to an

acquirer acquiring such Note (or any interest therein) unless the acquirer makes the foregoing representations, warranties and agreements described in clause (i) hereof. Any purported transfer of the Notes in violation of the requirements set forth in this paragraph shall be null and void *ab initio* and the acquirer understands that the Issuer will have the right to cause the sale of such Notes to another acquirer that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

(b) (i) With respect to the acquisition, holding and disposition of the Class E Notes, Class F Notes or Subordinated Notes in the form of a Rule 144A Global Certificate on the Issue Date, each purchaser of a Class E Note, Class F Note or Subordinated Note in the form of a Rule 144A Global Certificate will be deemed to represent, warrant and agree that: (A) it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or Controlling Person unless it receives the written consent of the Issuer and provides an ERISA certificate (in or substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed) to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person; (B) (1) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, and (2) if it is a governmental, church, non-U.S. or other plan, (x) it is not, and for so long as it holds such Note or interest therein will not be, subject to any Similar Law and (y) its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a violation of any Other Plan Law; and (C) it will agree to certain transfer restrictions regarding its interest in such Note. With respect to Class E Notes, Class F Notes or Subordinated Notes in the form of a Rule 144A Global Certificate other than on the Issue Date, each purchaser of a Class E Note, Class F Note or Subordinated Note in the form of a Rule 144A Global Certificate will be deemed to represent, warrant and agree that: (A) it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or Controlling Person unless it receives the written consent of the Issuer, provides an ERISA certificate (in or substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed) to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person and, other than with respect to Retention Notes, holds such Class E Note, Class F Note or Subordinated Note, as applicable, in the form of a Definitive Certificate; (B) (1) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code, and (2) if it is a governmental, church, non-U.S. or other plan, (x) it is not, and for so long as it holds such Note or interest therein will not be, subject to any Similar Law and (y) its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a violation of any Other Plan Law; and (C) it will agree to certain transfer restrictions regarding its interest in such Note. Any purported transfer of the Class E Notes, 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 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 paragraph in accordance with the terms of the Trust Deed.

(ii) With respect to the acquisition, holding and disposition of the Class E Notes, Class F Notes or Subordinated Notes in the form of a Definitive Certificate, each purchaser or transferee of a Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate will be required to: (A) represent and warrant in writing to the Issuer (1) whether or not, for so long as it holds such Note or interest therein, it is, or is acting on behalf of, a Benefit Plan Investor, (2) whether or not, for so long as it holds such Note or interest therein, it is a Controlling Person and (3) that (x) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a non-

exempt prohibited transaction under Section 406 of ERISA and/or Section 4975 of the Code and (y) if it is a governmental, church, non-U.S. or other plan, (i) it is not, and for so long as it holds such Note or interest therein will not be, subject to any Similar Law and (ii) its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a violation of any Other Plan Law; (B) agree to certain transfer restrictions regarding its interest in such Note; and (C) provide a completed ERISA certificate (in or substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed) to the Issuer and a Transfer Agent. 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 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 paragraph in accordance with the terms of the Trust Deed.

7. In respect of a purchase or transfer of an interest in an IM Voting Note, the purchaser or transferee (i) understands that such Note carries a right to vote and be counted towards the quorum with respect to IM Removal Resolutions and IM Replacement Resolutions as set out in the Conditions of the Notes and the Investment Management and Collateral Administration Agreement and (ii) in the case of a transfer or exchange from an IM Non-Voting Exchangeable Note, shall be required to represent that it is not an Affiliate of the relevant transferor.

8. In respect of a purchase or transfer of an interest in an IM Non-Voting Exchangeable Note or an IM Non-Voting Note, the purchaser or transferee will represent that it understands that such Note does not carry a right to vote or be counted in the quorum with respect to IM Removal Resolutions and IM Replacement Resolutions as set out in the Conditions of the Notes and the Investment Management and Collateral Administration Agreement.

9. In respect of a purchase or transfer of an IM Non-Voting Note, the purchaser or transferee understands that such Note cannot be transferred or exchanged for an IM Non-Voting Exchangeable Note or an IM Voting Note at any time.

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, and will be represented by one or more Rule 144A Global Certificates or Rule 144A Definitive Certificates, as applicable. The Rule 144A Global Certificates may not at any time be held by or on behalf of, within the United States, persons, or outside the United States, U.S. Persons that are not QIB/QPs. Before any interest in a Rule 144A Global Certificate may be offered, resold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate, the transferor will be required to provide the Transfer Agent with a written certification (in the form provided in the Trust Deed) as to compliance with the transfer restrictions.

    ANY LOSSES IN THE ISSUER WILL BE BORNE SOLELY BY INVESTORS IN THE ISSUER AND NOT BY THE INVESTMENT MANAGER OR ITS AFFILIATES; THEREFORE, THE INVESTMENT MANAGER'S LOSSES IN THE ISSUER WILL BE LIMITED TO LOSSES ATTRIBUTABLE TO THE "OWNERSHIP INTERESTS" (AS DEFINED IN THE VOLCKER RULE) IN THE ISSUER HELD BY THE INVESTMENT MANAGER AND ANY AFFILIATE IN ITS CAPACITY AS INVESTOR IN THE ISSUER. PROSPECTIVE INVESTORS IN THE ISSUER SHOULD READ THE FINAL OFFERING CIRCULAR BEFORE INVESTING IN THE ISSUER. THE OWNERSHIP INTERESTS IN THE COVERED FUND ARE NOT INSURED BY THE UNITED STATES FEDERAL DEPOSIT INSURANCE CORPORATION AND ARE NOT DEPOSITS, OBLIGATIONS OF, OR ENDORSED OR GUARANTEED IN ANY WAY, BY ANY BANKING ENTITY. THE ROLE OF THE INVESTMENT MANAGER AND ITS AFFILIATES AND EMPLOYEES IN SPONSORING AND PROVIDING SERVICES TO THE COVERED FUND IS DESCRIBED HEREIN.

    THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS

BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS BOTH (I) 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 AND (II) A QUALIFIED PURCHASER FOR THE PURPOSE OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY 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 (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER-DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN $25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR IN THE CASE OF CLAUSE (2), €100,000 AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID *AB INITIO* AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE TRANSFER AGENT OR ANY INTERMEDIARY. IN ADDITION TO THE FOREGOING, IF A VIOLATION OF (V) TO (Z) OCCURS, THE ISSUER MAINTAINS THE RIGHT TO DIRECT THE RESALE OF ANY NOTES PREVIOUSLY TRANSFERRED TO NON-PERMITTED HOLDERS (AS DEFINED IN THE TRUST DEED) IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE TRUST DEED. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE TRUST DEED TO ITS TRANSFEREE.

TRANSFERS OF THIS NOTE OR OF PORTIONS OF THIS NOTE SHOULD BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE TRUST DEED REFERRED TO HEREIN.

PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE REGISTRAR.

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE REQUIRED OR DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), AN EMPLOYEE BENEFIT PLAN, AS DEFINED IN SECTION 3(3) OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), THAT IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, A PLAN TO WHICH SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), APPLIES, OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY ("**BENEFIT PLAN INVESTOR**"), OR A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"), AND NO PART OF THE ASSETS TO BE USED BY IT TO

ACQUIRE OR HOLD THIS NOTE OR ANY INTEREST HEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A VIOLATION OF ANY OTHER PLAN LAW, AND (II) IT WILL NOT SELL OR TRANSFER THIS NOTE (OR INTEREST HEREIN) TO AN ACQUIRER ACQUIRING THIS NOTE (OR INTEREST HEREIN) UNLESS THE ACQUIRER MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF THIS NOTE TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, CLASS F NOTES AND SUBORDINATED NOTES IN THE FORM OF RULE 144A GLOBAL CERTIFICATES ONLY*] [ON THE ISSUE DATE, EACH PURCHASER OF THIS NOTE WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT: (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER AND PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AND A TRANSFER AGENT AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON; AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR 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 SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). OTHER THAN ON THE ISSUE DATE, EACH PURCHASER OF THIS NOTE WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT: (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER, PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AND A TRANSFER AGENT AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON AND, OTHER THAN WITH RESPECT TO THE RETENTION NOTES, HOLDS THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE, AS APPLICABLE, IN THE FORM OF A DEFINITIVE CERTIFICATE; AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE, AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG

AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY SIMILAR LAW, AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY OTHER PLAN LAW. "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF ERISA) THAT IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (B) A PLAN TO WHICH SECTION 4975 OF THE CODE APPLIES OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF THIS NOTE TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRANSFER AGENT WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, 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 NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE 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 SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER AND THE TRANSFER AGENTS (1) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (2) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, 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 THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR 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 SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, THAT TAKES DELIVERY OF AN INTEREST IN THE CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES IN THE FORM OF A DEFINITIVE CERTIFICATE WILL BE REQUIRED TO COMPLETE AN ERISA CERTIFICATE IDENTIFYING ITS STATUS AS A BENEFIT PLAN INVESTOR OR A CONTROLLING PERSON. "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF ERISA) THAT IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (B) A PLAN TO WHICH SECTION 4975 OF THE CODE APPLIES OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF THIS NOTE TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRANSFER AGENT WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, 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 NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE 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*] [THIS NOTE IS ISSUED WITH ORIGINAL ISSUE DISCOUNT ("**OID**"). THE ISSUE PRICE, TOTAL AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY MAY BE OBTAINED BY CONTACTING THE ISSUER.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE NOTES IN THE FORM OF IM NON-VOTING NOTES OR IM NON-VOTING EXCHANGEABLE NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL NOT CARRY ANY RIGHT TO VOTE IN RESPECT OF, OR BE COUNTED FOR THE PURPOSES OF

DETERMINING A QUORUM AND THE RESULT OF VOTING ON AN IM REMOVAL RESOLUTION OR AN IM REPLACEMENT RESOLUTION.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE NOTES IN THE FORM OF IM VOTING NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL CARRY A RIGHT TO VOTE IN RESPECT OF, AND BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON 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 understands and acknowledges that sellers of the Notes may be relying on the exemption from the provisions of section 5 of the Securities Act provided by Rule 144A.

13. The purchaser will treat the Issuer and the Notes as described in the "*Tax Considerations—United States Federal Income Taxation*" 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.

14. The purchaser will timely furnish the Issuer or its agents with any tax form or certification (including, without limitation, IRS Form W-9, an applicable IRS Form W-8, or any successors to such IRS forms) that the Issuer or its agents may reasonably request (A) to permit the Issuer or its agents to make payments to the purchaser without, or at a reduced rate of, deduction or withholding, (B) to enable the Issuer or its agents to qualify for a reduced rate of withholding or deduction in any jurisdiction from or through which the Issuer or its agents receive payments, and (C) to enable the Issuer or its agents to satisfy reporting and other obligations under the Code and Treasury Regulations or under any other applicable law (including the Common Reporting Standard), and will update or replace any documentation, agreements, certifications, and information as appropriate or in accordance with its terms or subsequent amendments thereto. The purchaser acknowledges that the failure to provide, update or replace any such documentation, agreements, certifications, or information may result in the imposition of withholding or back-up withholding upon payments to the purchaser, or to the Issuer. Amounts withheld from payments to the purchaser by the Issuer or its agents that are, in their sole judgement, required to be withheld pursuant to applicable tax laws will be treated as having been paid to the purchaser by the Issuer.

15. The purchaser will provide the Issuer or its agents with any correct, complete and accurate information and will take any other actions that may be required for the Issuer to comply with FATCA and/or the Common Reporting Standard 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 take such actions, 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 (and any agent acting on its behalf) is authorised to withhold amounts otherwise distributable to the purchaser as compensation for any amounts withheld from payments to or for the benefit of the Issuer as a result of such failure or such ownership, and (B) (other than with respect to the Retention Notes) to the extent necessary to avoid an adverse effect on the Issuer as a result of such failure or such ownership, the Issuer will have the right to compel the purchaser to sell its Notes and, if the purchaser does not sell its Notes within 10 Business Days after notice from the Issuer or its agents, the Issuer will have the right to sell such Notes at a public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account any taxes incurred by the Issuer in connection with such sale) to such 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. The purchaser agrees that the Issuer, the Trustee or their agents or representatives may (1) provide any information and documentation concerning its investment in its Notes to the Office of the Revenue Commissioners of Ireland, the U.S. Internal Revenue Service and any other relevant tax authority and (2) take such other steps as they deem necessary or helpful to ensure that the Issuer complies with FATCA and/or the Common Reporting Standard.

16. If it is a purchaser of Class E Notes, Class F Notes, or Subordinated Notes and is not a "United States person" (as defined in Section 7701(a)(30) of the Code), it represents that either:

    (a) it is not a bank (within the meaning of Section 881(c)(3)(A) of the Code) or an affiliate of a bank;

    (b) (x) 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) and (y) it has not purchased the Notes in whole or in part to avoid any U.S. federal tax liability (including, without limitation, any U.S. withholding tax that would be imposed on payments on the Collateral Debt Obligations if the Collateral Debt Obligations were held directly by the purchaser); 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.

17. If it is a purchaser of Subordinated Notes and owns more than 50% of the Subordinated Notes by value or is otherwise treated as a member of the Issuer's "expanded affiliated group" (as defined in Treasury regulations section 1.1471-5T(i) (or any successor provision)), it represents that it will (A) confirm that any member of such expanded affiliated group (assuming that the Issuer is a "participating FFI" within the meaning of Treasury regulations section 1.1471-1T(b)(91) (or any successor provision)) that is treated as a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Code and any Treasury regulations promulgated thereunder is either a "participating FFI", a "registered deemed-compliant FFI" or an "exempt beneficial owner" within the meaning of Treasury regulations section 1.1471-4T(e) (or any successor provision), and (B) promptly notify the Issuer in the event that any member of such expanded affiliated group that is treated as a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Code and any Treasury regulations promulgated thereunder is not either a "participating FFI", a "registered deemed-compliant FFI" or an "exempt beneficial owner" within the meaning of Treasury regulations section 1.1471-4T(e) (or any successor provision), in each case except to the extent that the Issuer or its agents have provided the purchaser with an express waiver of this requirement.

18. 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.

19. The purchaser understands and acknowledges that the Issuer has the right, under the Trust Deed, (1) to compel any beneficial owner of an interest in the Notes that fails to comply with the requirements of paragraph (15) above, to sell its interest in such Notes, or may sell such interest on behalf of such owner and (2) to make any amendments to the Trust Deed to enable the Issuer to comply with FATCA.

20. The purchaser understands and acknowledges that the Issuer has the right, under the Conditions of the Notes, to withhold up to 30 per cent. on all payments made to any beneficial owner of an interest in the Notes that fails to comply with the requirements of paragraph (15) above.

21. The purchaser understands and acknowledges that the Issuer has the right under the Trust Deed to compel any Non-Permitted Holder or Non-Permitted ERISA Holder to sell its interest in the Notes, or may sell such interest in its Notes on behalf of such Non-Permitted Holder or Non-Permitted ERISA Holder.

22. The purchaser acknowledges that the Issuer, the Initial Purchaser, the Arranger, 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) to (9) (inclusive), (11) and (13) to (22) (inclusive) above (except that references to Rule 144A Notes shall be deemed to be references to Regulation S Notes) and to have further represented and agreed as follows:

1. The purchaser is located outside the United States and is not a U.S. Person.

2. The purchaser understands that the Notes have not been and will not be registered under the Securities Act and that the Issuer has not registered and will not register under the Investment Company Act. The purchaser understands that the Issuer has not been registered under the Investment Company Act and that the Issuer intends to rely on an exclusion from registration by virtue of Section 3(c)(7) of the Investment Company Act. It agrees, for the benefit of the Issuer, the Initial Purchaser, the Arranger and any of their Affiliates, that, if it decides to resell, pledge or otherwise transfer such Notes (or any beneficial interest or participation therein) purchased by it, any offer, sale or transfer of such Notes (or any beneficial interest or participation therein) will be made in compliance with the Securities Act and only (i) to a person (A) it reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a nominal amount of not less than €250,000 for it and each such account, in a transaction that meets the requirements of Rule 144A and takes delivery in the form of a Rule 144A Note and (B) that constitutes a QP; or (ii) to a non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 (as applicable) under Regulation S.

3. The purchaser understands that unless the Issuer determines otherwise in compliance with applicable law, such Notes will bear a legend set forth below.

   ANY LOSSES IN THE ISSUER WILL BE BORNE SOLELY BY INVESTORS IN THE ISSUER AND NOT BY THE INVESTMENT MANAGER OR ITS AFFILIATES; THEREFORE, THE INVESTMENT MANAGER'S LOSSES IN THE ISSUER WILL BE LIMITED TO LOSSES ATTRIBUTABLE TO THE "OWNERSHIP INTERESTS" (AS DEFINED IN THE VOLCKER RULE) IN THE ISSUER HELD BY THE INVESTMENT MANAGER AND ANY AFFILIATE IN ITS CAPACITY AS INVESTOR IN THE ISSUER. PROSPECTIVE INVESTORS IN THE ISSUER SHOULD READ THE FINAL OFFERING CIRCULAR BEFORE INVESTING IN THE ISSUER. THE OWNERSHIP INTERESTS IN THE COVERED FUND ARE NOT INSURED BY THE UNITED STATES FEDERAL DEPOSIT INSURANCE CORPORATION AND ARE NOT DEPOSITS, OBLIGATIONS OF, OR ENDORSED OR GUARANTEED IN ANY WAY, BY ANY BANKING ENTITY. THE ROLE OF THE INVESTMENT MANAGER AND ITS AFFILIATES AND EMPLOYEES IN SPONSORING AND PROVIDING SERVICES TO THE COVERED FUND IS DESCRIBED HEREIN.

   THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS BOTH (I) 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 AND (II) A QUALIFIED PURCHASER FOR THE PURPOSE OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY 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 (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER-DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY

BASIS LESS THAN $25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR IN THE CASE OF CLAUSE (2), €100,000 AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID AB INITIO AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE TRANSFER AGENT OR ANY INTERMEDIARY. IN ADDITION TO THE FOREGOING, IF A VIOLATION OF (V) TO (Z) OCCURS, THE ISSUER MAINTAINS THE RIGHT TO DIRECT THE RESALE OF ANY NOTES PREVIOUSLY TRANSFERRED TO NON-PERMITTED HOLDERS (AS DEFINED IN THE TRUST DEED) IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE TRUST DEED. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE TRUST DEED TO ITS TRANSFEREE.

TRANSFERS OF THIS NOTE OR OF PORTIONS OF THIS NOTE SHOULD BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE TRUST DEED REFERRED TO HEREIN.

PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE REGISTRAR.

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR ANY INTEREST HEREIN SHALL BE REQUIRED OR DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), AN EMPLOYEE BENEFIT PLAN, AS DEFINED IN SECTION 3(3) OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), THAT IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, A PLAN TO WHICH SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), APPLIES, OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY ("**BENEFIT PLAN INVESTOR**"), OR A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"), AND NO PART OF THE ASSETS TO BE USED BY IT TO ACQUIRE OR HOLD THIS NOTE OR ANY INTEREST HEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A VIOLATION OF ANY OTHER PLAN LAW, AND (II) IT WILL NOT SELL OR TRANSFER THIS NOTE (OR INTEREST HEREIN) TO AN ACQUIRER ACQUIRING THIS NOTE (OR INTEREST HEREIN) UNLESS THE ACQUIRER MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID AB INITIO AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF THIS NOTE TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, CLASS F NOTES AND SUBORDINATED NOTES IN THE FORM OF REGULATION S GLOBAL CERTIFICATES ONLY*] [ON THE ISSUE DATE, EACH PURCHASER OF THIS NOTE WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT: (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER AND PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AND A TRANSFER AGENT AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON; AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR 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 SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). OTHER THAN ON THE ISSUE DATE, EACH PURCHASER OF THIS NOTE WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT: (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER, PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AND A TRANSFER AGENT AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON AND, OTHER THAN WITH RESPECT TO THE RETENTION NOTES, HOLDS THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE, AS APPLICABLE, IN THE FORM OF A DEFINITIVE CERTIFICATE; AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE, AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY SIMILAR LAW, AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY OTHER PLAN LAW. "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF ERISA) THAT IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (B) A PLAN TO WHICH SECTION 4975 OF THE CODE APPLIES OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL

WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID AB INITIO AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF THIS NOTE TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRANSFER AGENT WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, 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 NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE 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 SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER AND THE TRANSFER AGENTS (1) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (2) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, 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 THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**") OR SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**") AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR 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 SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**SIMILAR LAW**"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A VIOLATION OF ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, THAT TAKES DELIVERY OF AN INTEREST IN THE CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES IN THE FORM OF A DEFINITIVE CERTIFICATE WILL BE REQUIRED TO COMPLETE AN ERISA CERTIFICATE IDENTIFYING ITS STATUS AS A BENEFIT PLAN INVESTOR OR A CONTROLLING PERSON. "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF ERISA) THAT IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, (B) A PLAN TO WHICH SECTION 4975 OF THE CODE APPLIES OR (C) ANY ENTITY WHOSE

UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY. "**CONTROLLING PERSON**" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "**AFFILIATE**" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "**CONTROL**" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON. ANY PURPORTED TRANSFER OF THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF THIS NOTE TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRANSFER AGENT WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, 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 NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE 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*] [THIS NOTE IS ISSUED WITH ORIGINAL ISSUE DISCOUNT ("**OID**"). THE ISSUE PRICE, TOTAL AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY MAY BE OBTAINED BY CONTACTING THE ISSUER.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE NOTES IN THE FORM OF IM NON-VOTING NOTES OR IM NON-VOTING EXCHANGEABLE NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL NOT CARRY ANY RIGHT TO VOTE IN RESPECT OF, OR BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON AN IM REMOVAL RESOLUTION OR AN IM REPLACEMENT RESOLUTION.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE NOTES IN THE FORM OF IM VOTING NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL CARRY A RIGHT TO VOTE IN RESPECT OF, AND BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON AN IM REMOVAL RESOLUTION OR AN IM REPLACEMENT RESOLUTION.]

4. The purchaser understands that the Regulation S Notes may not, at any time, be held by, or on behalf of, U.S. Persons.

A transferor who transfers an interest in a Regulation S Note to a transferee who will hold the interest in the same form is not required to make any additional representation or certification.

GENERAL INFORMATION

Clearing Systems

The Refinancing Notes 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:

	Regulation S Notes		Rule 144 A Notes	
	ISIN	**Common Code**	**ISIN**	**Common Code**
Class A-1 IM Exchangeable Non-Voting Notes	XS2034711064	203471106	XS2034710173	203471017
Class A-1 IM Non-Voting Notes	XS2034710926	203471092	XS2034710090	203471009
Class A-1 IM Voting Notes	XS2034710843	203471084	XS2034709910	203470991
Class C IM Exchangeable Non-Voting Notes	XS2034711734	203471173	XS2034710769	203471076
Class C IM Non-Voting Notes	XS2034711650	203471165	XS2034710686	203471068
Class C IM Voting Notes	XS2034711577	203471157	XS2034710504	203471050

Listing

This Offering Circular does not constitute a prospectus for the purposes of Regulation (EU) 2017/1129 (as may be amended or superceded, the "**Prospectus Regulation**"). The Issuer is not offering the Refinancing Notes in any jurisdiction in circumstances that would require a prospectus to be prepared pursuant to the Prospectus Regulation. Application has been made to Euronext Dublin for the Refinancing Notes to be admitted to the Official List and trading on the Global Exchange Market. It is anticipated that listing and admission to trading of the Refinancing Notes will take place on or about the Issue Date. There can be no assurance that any such approval will be granted or, if granted, that such listing and admission to trading will be maintained. This Offering Circular constitutes listing particulars for the purpose of this application. Application has been made to Euronext Dublin for the approval of this document as listing particulars. The Non-Refinanced Notes are already admitted to the official list and trading on the Regulated Market. The Non-Refinanced Notes will be delisted from the Regulated Market and listed on the Global Exchange Market on the Issue Date.

Legal Entity Identifiers ("**LEIs**")

The Issuer's LEI is 635400X2U1WG8KFSIE39.

The Investment Manager's LEI is 549300RJTS0EUAOPTJ96.

Unique Identifier

In accordance with Article 11 of the draft regulatory technical standards set out in the ESMA Final Report, the Issuer has assigned the following unique identifier to the securitisation transaction contemplated by the Notes: 635400X2U1WG8KFSIE39N201901.

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 Refinancing Notes. The issue of the Refinancing Notes was authorised by resolutions of the board of Directors of the Issuer passed on 19 August 2019.

No Significant or Material Change

There has been no material adverse change in the financial or trading position or prospects of the Issuer since its last filed accounts for the year ended 31 December 2017.

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.

Documents Incorporated

The 2016 Prospectus is included herein as Annex A and is expressly incorporated herein as an integral part of this Offering Circular. The information in this Offering Circular should be read in conjunction with the 2016 Prospectus. The changes described herein supersede all statements which are inconsistent therewith in the 2016 Prospectus.

Unless the context otherwise specifically requires, all references in the 2016 Prospectus to a relevant Class of Notes shall be a reference to the same Class of Notes as defined herein (as the context requires) and all references in the 2016 Prospectus to the Notes shall include the Refinancing Notes (as the context requires). All references in the 2016 Prospectus to the "Main Market" shall be construed as references to the "Global Exchange Market" (as the context requires). All references in the 2016 Prospectus to the Trust Deed, the Investment Management and Collateral Administration Agreement, the Agency Agreement (or any other Transaction Document) shall be to the Trust Deed, the Investment Management and Collateral Administration Agreement and the Agency Agreement (or any other Transaction Document) as supplemented or amended by the Deed of Amendment and Supplement, respectively.

The Latest Monthly Report has been filed with Euronext Dublin and is available for viewing at https://www.ise.ie/debt_documents/GLG%20ll%20Aug%202019%20MR_8e3d1b52-8a43-43ac-8807-39892fdfb786.pdf, and is expressly incorporated herein as an integral part of this Offering Circular.

The audited financial statements of the Issuer as at and for the years ended 31 December 2016 and 31 December 2017, together with the audit reports thereon, have been filed with Euronext Dublin and shall be deemed to be incorporated in, and to form part of, this Offering Circular.

Such financial statements are located at the specified offices of the Issuer during normal business hours.

The auditors of the Issuer are Ernst & Young LLP, whose registered office is at Harcourt Centre, Harcourt Street, Dublin 2, Ireland, who are chartered accountants and are members of the Institute of Chartered Accountants and registered auditors qualified in practice in Ireland.

Documents Available

For so long as the Notes are listed of the Official List of Euronext Dublin 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 (d) and (e) below, will be available for collection free of charge) at the registered offices of Issuer during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for the term of the Notes:

(a) the Constitution of the Issuer;

(b) the Deed of Amendment and Supplement;

(c) the Issuer's audited financial statements for the financial years ending 31 December 2016 and 31 December 2017, in each case together with the audited report thereon;

(d) each Monthly Report (including the Latest Monthly Report); and

(e) each Payment Date Report.

A draft of the document set out above at paragraph (b) above will be made available on the Reporting Website maintained by U.S. Bank Global Corporate Trust Limited prior to the pricing date for the Refinancing Notes. A copy of the final form of such document shall be made available on such website as soon as reasonably possible and, in any case, within five Business Days of the Issue Date.

INDEX OF DEFINED TERMS

ANNEX A

2016 Prospectus

IMPORTANT NOTICE

You must read the following disclaimer before continuing

THIS PROSPECTUS MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER, AND IN PARTICULAR, MAY NOT BE TRANSMITTED INTO OR DISTRIBUTED WITHIN THE UNITED STATES TO PERSONS UNLESS SUCH PERSONS ARE BOTH "QUALIFIED INSTITUTIONAL BUYERS" ("**QIBs**") (AS DEFINED IN RULE 144A ("**RULE 144A**") UNDER THE U.S. SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**")) IN RELIANCE ON RULE 144A AND "QUALIFIED PURCHASERS" ("**QPs**") FOR THE PURPOSES OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"), IN EACH CASE FOR ITS OWN ACCOUNT FOR INVESTMENT PURPOSES AND NOT WITH A VIEW TO THE DISTRIBUTION THEREOF (EXCEPT IN ACCORDANCE WITH RULE 144A).

THIS PROSPECTUS IS NOT A PROSPECTUS FOR THE PURPOSES OF EU DIRECTIVE 2003/71/EC (AS AMENDED), THE PROSPECTUS (DIRECTIVE 2003/71/EC) REGULATIONS 2005, AS AMENDED, OF IRELAND OR ANY IMPLEMENTING LEGISLATION OR RULES RELATING THERETO, IT IS AN ADVERTISEMENT. COPIES OF THE FINAL PROSPECTUS WILL, FOLLOWING PUBLICATION, BE AVAILABLE FROM THE REGISTERED OFFICE OF GLG EURO CLO II D.A.C. SPECIFIED AT THE END OF THIS DOCUMENT AND THE WEBSITE OF THE CENTRAL BANK OF IRELAND AND THE IRISH STOCK EXCHANGE.

The following disclaimer applies to the document attached following this notice (the "**document**") and you are therefore required to read this disclaimer page carefully before reading, accessing or making any other use of the document. In accessing the document, you agree to be bound by the following terms and conditions, including any modifications to them from time to time, each time you receive any information from us as a result of such access.

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

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

The contents of the document are confidential and may not be copied, distributed, published, reproduced or reported (in whole or in part) or disclosed by you to any other person. If at any time we request that the document be returned, you will (a) return the document, (b) arrange to destroy all analyses, compilations, notes, structures, memoranda or other documents prepared by you to the extent that the same contain, reflect or derive from information in the document and (c) so far as is practicable to do so (but, in any event, without prejudice to the obligations of confidentiality imposed herein) expunge any information relating to the document in electronic form from any computer, word processor or other device. The document and any information contained herein shall remain our property and in sending the document to you, no rights (including any intellectual property rights) over the document and the information contained therein have been given to you. We specifically prohibit the redistribution of the document and accept no liability whatsoever for the actions of third parties in this respect.

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

The document has been sent to you in the belief that you are (a) a person in member states of the European Economic Area ("**EEA**") that is a "qualified investor" within the meaning of Article 2(1)(e) of EU Directive 2003/71/EC (as amended) ("**Qualified Investor**"), (b) in the United Kingdom (the "**UK**"), a Qualified Investor of the kind described in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 or who otherwise falls within an exemption set forth in such Order so that section 21(1) of the Financial Services and Markets Act 2000 (as amended) does not apply to the Issuer and (c) a person to whom the document can be sent lawfully in accordance with all other applicable securities laws. If this is not the case then you must return the document immediately.

The document has been sent to you in electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of transmission and consequently none of *Morgan Stanley & Co. International plc, GLG Partners LP, GLG Euro CLO II D.A.C. or U.S. Bank National Association* (or any person who controls any of them or any director, officer, employee or agent of any of them, or any Affiliate of any such person) accepts any liability or responsibility whatsoever in respect of any difference between the document distributed to you in electronic format and the hard copy version available to you on request from us.

You are reminded that the document has been delivered to you on the basis that you are a person into whose possession the document may be lawfully delivered in accordance with the laws of the jurisdiction in which you are located and you may not nor are you authorised to deliver the document to any other person.

GLG Euro CLO II D.A.C.

(*a designated activity company incorporated under the laws of Ireland with company number 566338*)

€207,000,000 Class A-1 Senior Secured Floating Rate Notes due 2030
€10,000,000 Class A-2 Senior Secured Fixed Rate Notes due 2030
€43,900,000 Class B Senior Secured Floating Rate Notes due 2030
€17,700,000 Class C Deferrable Mezzanine Floating Rate Notes due 2030
€17,300,000 Class D Deferrable Mezzanine Floating Rate Notes due 2030
€19,200,000 Class E Deferrable Junior Floating Rate Notes due 2030
€7,700,000 Class F Deferrable Junior Floating Rate Notes due 2030
€41,200,000 Subordinated Notes due 2030

The assets securing the Notes will consist predominantly of a portfolio of Secured Senior Loans, Secured Senior Bonds, Unsecured Senior Obligations, Mezzanine Obligations, High Yield Bonds, Corporate Rescue Loans and Second Lien Loans managed by GLG Partners LP (the "**Investment Manager**").

GLG Euro CLO II D.A.C. (the "**Issuer**") will issue the Class A-1 Notes, the Class A-2 Notes (the Class A-1 Notes together with the Class A-2 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 (each as defined herein).

The Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes (such Classes of Notes, the "**Rated Notes**") 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 as amended, supplemented and/or restated from time to time (the "**Trust Deed**") dated on or about 14 December 2016 (the "**Issue Date**"), made between (amongst others) the Issuer and U.S. Bank National Association, in its capacity as trustee (the "**Trustee**"). The Notes will initially be offered at the prices specified herein or such other prices as may be negotiated at the time of sale.

Interest on the Notes will be payable (a) quarterly in arrear on 15 January, 15 April, 15 July and 15 October at any time other than following the occurrence of a Frequency Switch Event (as defined herein) and semi-annually in arrear on 15 January and 15 July (where the Payment Date (as defined herein) immediately following the occurrence of the relevant Frequency Switch Event falls in either January or July) or 15 April and 15 October (where the Payment Date immediately following the occurrence of the relevant Frequency Switch Event falls in either April or October) following the occurrence of a Frequency Switch Event (or, in each case, if such day is not a Business Day (as defined herein), then on the next succeeding Business Day (unless it would fall in the following month, in which case it shall be moved to the immediately preceding Business Day)) in each year, commencing on 17 July 2017 and ending on the Maturity Date (as defined below) and (b) on any Unscheduled Payment Date, in accordance with the Priorities of Payment described herein.

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

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

Application will be made to the Central Bank of Ireland (the "**Central Bank**"), as competent authority under EU Directive 2003/71/EC (as amended, the "**Prospectus Directive**") for this Prospectus to be approved. The Central Bank will only approve this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application will be made to The Irish Stock Exchange p.l.c. (the "**Irish Stock Exchange**") for the Notes to be admitted to the official list (the "**Official List**") and trading on its regulated market (the "**Main Securities Market**"). The Main Securities Market is a regulated market for the purposes of Directive 2004/39/EC (the "**Markets in Financial Instruments Directive**"). Such approval relates only to Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC and/or which are to be offered to the public in any member state of the European Economic Area. It is anticipated that listing will take place on or about the Issue Date. There can be no assurance that such listing will be granted. Upon approval of the Prospectus by the Central Bank, the Prospectus will be filed with the Companies Registration Office in Ireland in accordance with Regulation 38(1)(b) of the Prospectus (Directive 2003/71/EC) Regulations 2005 (as amended) of Ireland.

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

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**") AND WILL BE OFFERED ONLY: (A) OUTSIDE THE UNITED STATES TO NON-U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT ("**REGULATION S**")); AND (B) WITHIN THE UNITED STATES TO PERSONS AND OUTSIDE THE UNITED STATES TO U.S. PERSONS (AS SUCH TERM IS DEFINED IN REGULATION S ("**U.S. PERSONS**")), IN EACH CASE, WHO ARE BOTH QUALIFIED INSTITUTIONAL BUYERS (AS DEFINED IN RULE 144A UNDER THE

SECURITIES ACT) IN RELIANCE ON RULE 144A UNDER THE SECURITIES ACT AND QUALIFIED PURCHASERS 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 NOTES OFFERED HEREBY IN MAKING ITS PURCHASE WILL BE REQUIRED TO OR DEEMED TO HAVE MADE CERTAIN ACKNOWLEDGEMENTS, REPRESENTATIONS AND AGREEMENTS. SEE "*PLAN OF DISTRIBUTION*" AND "*TRANSFER RESTRICTIONS*".

The Notes will be offered by the Issuer through Morgan Stanley & Co. International plc in its capacity as Initial Purchaser of the offering of such Notes (the "**Initial Purchaser**") 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.

Morgan Stanley & Co. International plc
as Initial Purchaser and Placement Agent

The date of this Prospectus is 12 December 2016

The Issuer accepts responsibility for the information contained in this document and to the best of the knowledge and belief of the Issuer (which has taken all reasonable care to ensure that such is the case), such information 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", "The Investment Manager", "Description of the Investment Management and Collateral Administration Agreement—The Retention Requirements—The Retention Holder" and "Description of the Investment Management and Collateral Administration Agreement—The Retention Requirements—Origination Procedures". 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), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. Elavon Financial Services DAC acting through its UK Branch in its capacity as Collateral Administrator accepts responsibility for the information contained in the section of this document headed "The Collateral Administrator". To the best of the knowledge and belief of Elavon Financial Services DAC acting through its UK Branch in its capacity as Collateral Administrator (which has taken all reasonable care to ensure that such is the case), such information is in accordance with the facts and does not omit anything likely to affect the import of such information. Except for the sections of this document headed "Risk Factors—Certain Conflicts of Interest—Certain Conflicts of Interest Involving the Investment Manager and its Affiliates", "The Investment Manager", "Description of the Investment Management and Collateral Administration Agreement—The Retention Requirements—The Retention Holder" and "Description of the Investment Management and Collateral Administration Agreement—The Retention Requirements—Origination Procedures" in the case of the Investment Manager and "The Collateral Administrator" in the case of the Collateral Administrator, none of the Investment Manager, the Collateral Administrator or the Agents accept any responsibility for the accuracy and completeness of any information contained in this Prospectus. The delivery of this Prospectus at any time does not imply that the information herein is correct at any time subsequent to the date of this Prospectus.

*The Issuer has only made very limited enquiries with regards to the accuracy and completeness of the information under the sections entitled "Risk Factors—Certain Conflicts of Interest—Certain Conflicts of Interest Involving the Investment Manager and its Affiliates", "The Investment Manager", "Description of the Investment Management and Collateral Administration Agreement—The Retention Requirements—The Retention Holder" and "Description of the Investment Management and Collateral Administration Agreement—The Retention Requirements—Origination Procedures" and "The Collateral Administrator" in this Prospectus (together, the "**Third Party Information**"). As far as the Issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. Prospective investors in the Notes should not rely upon, and should make their own independent investigations and enquiries in respect of, the accuracy and completeness of the Third Party Information.*

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

other party (save for the Issuer as specified above) accepts any responsibility for the accuracy or completeness of any information contained in this Prospectus.

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

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

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

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

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

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

The Issuer is not and will not be regulated by 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.

NOTICE TO CANADIAN RESIDENTS

Offers and Sales in Canada

This Prospectus constitutes an offer of the Notes described herein only in those Canadian jurisdictions and to those persons in Canada where and to whom they may be lawfully offered for sale, and only by persons permitted to sell such Notes. In particular, the Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45–106 Prospectus Exemptions or (for purchasers in Ontario) subsection 73.3(1) of the Securities Act (Ontario), that are permitted clients, as defined in National Instrument 31–103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, and that are not individuals. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable Canadian securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33–105 Underwriting Conflicts ("**NI 33–105**"), neither the Initial Purchaser nor the Placement Agent is required to comply with the disclosure requirements of NI 33–105 regarding underwriter conflicts of interest in connection with this offering.

The Prospectus does not address the Canadian income tax consequences of the acquisition, holding or disposition of Notes. Prospective Canadian purchasers are advised to consult their own tax advisors with respect to the Canadian and other tax considerations applicable to them, and for information with respect to the eligibility of the Notes for investment by such purchaser under relevant Canadian legislation.

The directors and officers of the Issuer are likely to be located outside of Canada and, as a result, it may not be possible for purchasers to effect service of process within Canada upon the Issuer or those persons. All or a substantial portion of the assets of the Issuer and those persons are likely to be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against the Issuer or those persons in Canada or to enforce a judgment obtained in Canadian courts against the Issuer or those persons outside of Canada. Each purchaser by acquiring Notes acknowledges that it has been notified that the neither the Initial Purchaser nor the Placement Agent is registered as a securities dealer in any province or territory of Canada, that all or substantially all of the assets of the Initial Purchaser and the Placement Agent may be situated outside of Canada, and that there may be difficulty enforcing legal rights against the Initial Purchaser or the Placement Agent for these reasons.

Each purchaser of Notes in Canada hereby agrees that it is the purchaser's express wish that all documents evidencing or relating in any way to the sale of the Notes be drafted in the English language only. *Chaque acheteur au Canada de valeurs mobilières reconnaît que c'est sa volonté expresse que tous les documents faisant foi ou se rapportant de quelque manière à la vente de valeurs mobilières soient rédigés uniquement en anglais.*

Notice to Korean Investors

The Subordinated Notes may be characterised as "**debt securities**" as defined under Article 4(3) of the Financial Investment Services and Capital Markets Act of Korea (the "**FSCMA**") or as any security listed under Article 4(2) of the FSCMA. No communication (whether written or oral) with the Issuer or its Affiliates, representatives, agents or counsel (including the usage of the terms or expressions of "**note**", "**security**", "**bond**" or "**instrument**") shall be deemed to be an assurance or guarantee that the Subordinated Notes will be characterised as debt securities under Korean laws and regulations and the generally accepted accounting principles in Korea ("**KGAAP**"). Each resident of Korea who purchases any Subordinated Notes shall be considered to be capable of assessing or analysing the legal nature or characterisation of the Subordinated Notes under Korean laws and regulations and KGAAP (based upon its own judgement and upon advice from such advisers as it has deemed necessary) and understanding the consequences and risks from the re-characterisation of the Subordinated Notes.

Retention Requirements

Investors are directed to the further descriptions of the Retention Requirements in "*Risk Factors—Risk Retention and Due Diligence Requirements—EU Risk Retention and Due Diligence Requirements*" and "*Description of the Investment Management and Collateral Administration Agreement—The Retention Requirements*" below.

Each prospective investor in the Notes is required to independently assess and determine whether the information provided herein and in any reports provided to investors in relation to this transaction (including the Reports) are sufficient to comply with the Retention Requirements or any other applicable legal, regulatory or other requirements. None of the Issuer, the Investment Manager, any Investment Manager Related Person, the Initial Purchaser, the Placement Agent, the Collateral Administrator, the Trustee, their respective Affiliates, corporate officers or professional advisors 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 Retention Requirements or any other applicable legal, regulatory or other requirements other than, in the case of the Investment Manager, where such failure results from a breach of the Investment Management and Collateral Administration Agreement (as defined in the terms and conditions of the Notes) by the Investment Manager or any of its Affiliates. Each prospective investor in the Notes which is subject to the Retention Requirements should consult with its own legal, accounting, regulatory and other advisors and/or its national regulator to determine whether, and to what extent, such information is sufficient for such purposes and any other requirements of which it is uncertain.

The Monthly Reports will include a statement as to the receipt by the Issuer and the Trustee of a confirmation from the Retention Holder as to the holding of the Retention Notes, which confirmation the Retention Holder will undertake in the Investment Management and Collateral Administration Agreement to provide to the Issuer and the Trustee on a monthly basis.

VOLCKER RULE

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

An "ownership interest" is defined widely and may arise through a holder's exposure to the profits and losses of the "covered fund", as well as through certain rights of the holder to participate in the selection or removal of an investment advisor, investment manager, or general partner, trustee, or member of the board of directors of the "covered fund". A "covered fund" is defined widely, and includes any issuer which would be an investment company under the Investment Company Act 1940 (the "**ICA**") but is exempt from registration solely in reliance on section 3(c)(1) or 3(c)(7) of that Act, subject to certain exemptions found in the Volcker Rule's implementing regulations.

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

The Transaction Documents provide that the 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 Non-Voting Exchangeable Notes or IM Non-Voting Notes are 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 instruments issued by the Issuer not being characterised as "ownership interests" in the Issuer.

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

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, and accordingly none of the Issuer, the Investment Manager, the Initial Purchaser, the Placement Agent, or any of their respective Affiliates makes any representation regarding (i) the status of the Issuer under the Volcker Rule (including whether it is a "covered fund" for their purposes) or (ii) the ability of any purchaser to acquire or hold the Notes, now or at any time in the future.

Each prospective investor in the Notes should independently consider the potential impact of the Volcker Rule in respect of any investment in the Notes. See further also "*Risk Factors—Regulatory Initiatives—Volcker Rule*".

Information as to placement within the United States

The Notes of each Class offered pursuant to an exemption from registration under Rule 144A under the Securities Act ("**Rule 144A**") (the "**Rule 144A Notes**") will be sold only to "qualified institutional buyers" (as defined in Rule 144A) ("**QIBs**") that are also "qualified purchasers" 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 of a common depositary for Euroclear and 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 fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear Bank SA/NV, as operator of the Euroclear system ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**") or, in the case of Regulation S Definitive Certificates, the registered holder thereof. Neither U.S. Persons nor U.S. residents (as determined for the purposes of the Investment Company Act) ("**U.S. Residents**") may hold an interest in a Regulation S Global Certificate or a Regulation S Definitive Certificate. Ownership interests in the Regulation S Global Certificates and the Rule 144A Global Certificates (together, the "**Global Certificates**") will be shown on, and transfers thereof will only be effected through, records maintained by Euroclear and Clearstream, Luxembourg and their respective participants. Notes in definitive certificated form will be issued only in limited circumstances. In each case, purchasers and transferees of notes will be deemed, and in certain circumstances will be required, to have made certain representations and agreements. See "*Form of the Notes*", "*Book Entry Clearance Procedures*", "*Plan of Distribution*" and "*Transfer Restrictions*" below.

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

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

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

This Prospectus has been prepared by the Issuer solely for use in connection with the offering of the Notes described herein (the "**Offering**") 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 Prospectus 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 Prospectus to any persons other than the offeree and those persons, if any, retained to advise such offeree with respect thereto is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited. Any reproduction or distribution of this Prospectus in whole or in part and any disclosure of its contents or use of any information herein for any purpose other than considering an investment in the securities offered herein is prohibited.

Available Information

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

General Notice

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

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

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 HEDGE TRANSACTIONS (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.

U.S. TAX

NOTWITHSTANDING ANYTHING IN THIS PROSPECTUS 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 PROSPECTUS 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 Initial Purchaser or the Placement Agent expects to be required to prepare, and none of them has prepared, or will prepare, a "key information document" in respect of the Notes for the purposes of the PRIIPs Regulation.

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OVERVIEW

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

Issuer	GLG Euro CLO II D.A.C., a designated activity company incorporated under the laws of Ireland with registered number 566338 and having its registered office at 3rd Floor, Kilmore House, Park Lane, Dublin 1, Ireland.
Investment Manager	GLG Partners LP.
Retention Holder.....	The Investment Manager.
Trustee	U.S. Bank National Association.
Initial Purchaser and Placement Agent.....	Morgan Stanley & Co. International plc.
Collateral Administrator	Elavon Financial Services DAC.
Information Agent	Elavon Financial Services DAC.
Custodian, Account Bank and Calculation Agent	Elavon Financial Services DAC.
Transfer Agent and Registrar.....	U.S. Bank National Association.

Notes

Class of Notes	Principal Amount	Initial Stated Interest Rate[1]	Alternative Stated Interest Rate[2]	Fitch Ratings of at least[4]	Moody's Ratings of at least[4]	Maturity Date	Issue Price[5]
A-1	€207,000,000	3 month EURIBOR + 1.03%	6 month EURIBOR + 1.03%	"AAA(sf)"	"Aaa(sf)"	2030	100.00%
A-2	€10,000,000	1.15% per annum	1.15% per annum	"AAA(sf)"	"Aaa(sf)"	2030	100.00%
B	€43,900,000	3 month EURIBOR + 1.70%	6 month EURIBOR + 1.70%	"AA(sf)"	"Aa2(sf)"	2030	100.00%
C	€17,700,000	3 month EURIBOR + 2.50%	6 month EURIBOR + 2.50%	"A(sf)"	"A2(sf)"	2030	100.00%
D	€17,300,000	3 month EURIBOR + 3.80%	6 month EURIBOR + 3.80%	"BBB(sf)"	"Baa2(sf)"	2030	100.00%
E	€19,200,000	3 month EURIBOR + 6.55%	6 month EURIBOR + 6.55%	"BB(sf)"	"Ba2(sf)"	2030	93.75%
F	€7,700,000	3 month EURIBOR + 8.75%	6 month EURIBOR + 8.75%	"B-(sf)"	"B2(sf)"	2030	88.05%
Subordinated Notes	€41,200,000	Residual[3]	Residual[3]	Not Rated	Not Rated	2030	95.00%

[1] Applicable to each three month Accrual Period, provided that the rate of interest of the Notes of each Class for the first interest period will be determined by reference to a straight line interpolation of six month EURIBOR and nine month EURIBOR.

[2] Applicable to each six month Accrual Period.

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

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

Notes and the Class F Notes address the ultimate payment of principal and interest. The ratings assigned to the Notes by Moody's address the expected loss posed to investors by the legal final maturity on the Maturity Date.

[5] Either the Issuer or 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.
Distributions on the Notes	
Payment Dates.....	15 January, 15 April, 15 July and 15 October at any time other than following the occurrence of a Frequency Switch Event and on 15 January and 15 July (where the Payment Date immediately following the occurrence of the relevant Frequency Switch Event falls in either January or July) or on 15 April and 15 October (where the Payment Date immediately following the occurrence of the relevant Frequency Switch Event falls in either April or October) following the occurrence of a Frequency Switch Event, in each year commencing on 17 July 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). Subject to the prior redemption or repayment in full of the Rated Notes and certain other conditions, the Issuer or the Investment Manager (on behalf of the Issuer) may (and shall, in either case, if so directed by an Ordinary Resolution of the Subordinated Noteholders) designate a Business Day other than a Scheduled Payment Date as an Unscheduled Payment Date (see Condition 3(k) (*Unscheduled Payment Dates*)).
Interest.....	Interest in respect of the Notes of each Class will be payable quarterly in arrear prior to the occurrence of a Frequency Switch Event and semi-annually in arrear following the occurrence of a Frequency Switch Event, in each case on each Payment Date (with the first Payment Date occurring on 17 July 2017) in accordance with the Interest Proceeds Priority of Payments.
Deferral of Interest	Failure on the part of the Issuer to pay the Interest Amounts due and payable on the Class A Notes or the Class B Notes in accordance with the Priorities of Payment shall not constitute an Event of Default unless and until such failure continues for a period of five consecutive Business Days provided, in the case of a failure to disburse due to an administrative error or omission by the Investment Manager, the Collateral Administrator or any Paying Agent, such failure continues for a period of at least seven consecutive Business Days and save in each case as the result of any deduction therefrom or the imposition of any withholding thereon as set out in Condition 9 (*Taxation*). To the extent that interest payments on the Class C Notes, 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 and Class F Notes (as applicable), and from the date such unpaid interest is added to the applicable Principal Amount Outstanding of the relevant Class of Notes, such unpaid amount

	will accrue interest at the rate of interest applicable to the relevant Notes. See Condition 6(c) (*Deferral of Interest*). Non-payment of interest amounts due and payable on the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and 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 will not constitute an Event of Default.
Redemption of the Notes.....	Principal payments on the Notes may be made in the following circumstances: (a) on the Maturity Date (see Condition 7(a) (*Final Redemption*)); (b) with respect to all Classes of Rated Notes, in whole but not in part on any Business Day falling on or after the expiry of the Non-Call Period from Sale Proceeds or any Refinancing Proceeds (or a combination thereof) at the direction of the Subordinated Noteholders acting by Ordinary Resolution (with duly completed Redemption Notices) (see Condition 7(b)(i)(A) (*Optional Redemption in Whole—Subordinated Noteholders*)); (c) with respect to all Classes of Rated Notes, in whole but not in part upon the occurrence of a Collateral Tax Event, on any Business Day falling after such occurrence at the direction of the Subordinated Noteholders acting by Ordinary Resolution (with duly completed Redemption Notices) (see Condition 7(b)(i)(B) (*Optional Redemption in Whole—Subordinated Noteholders*)); (d) in part by the redemption in whole of one or more Classes of Rated Notes from Refinancing Proceeds on any Business Day following the expiry of the Non-Call Period if directed by the Subordinated Noteholders (acting by way of an Ordinary Resolution) (with duly completed Redemption Notices), as long as the Class of Rated Notes to be redeemed represents not less than the entire Class of such Rated Notes and subject to certain conditions (see Condition 7(b)(ii) (*Optional Redemption in Part—Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*)); (e) in whole (with respect to all Classes of Rated Notes) but not in part from Sale Proceeds on any Business Day following the expiry of the Non-Call Period if, upon or at any time following the expiry of the Non-Call Period the Aggregate Collateral Balance is less than 15 per cent. of the Target Par Amount and if directed in writing by the Investment Manager (on behalf of the Issuer) (see Condition 7(b)(iii) (*Optional Redemption in Whole—Investment Manager Clean-up Call*)); (f) the Subordinated Notes may be redeemed in whole or in part in aggregate at their Redemption Price, on any day or days following the redemption in full of all Classes of Rated Notes at the direction of either: (i) the Subordinated Noteholders acting by way of Ordinary Resolution; or (ii) the Investment Manager (on behalf of the Issuer) (see Condition 7(b)(xi) (*Optional Redemption of Subordinated Notes*)); (g) on any Payment Date on and after the Effective Date following a Determination Date on which a Coverage Test is not satisfied

	(to the extent such test is required to be satisfied on such Determination Date) (see Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*));
	(h) on any Payment Date during the Reinvestment Period at the discretion of the Investment Manager (acting on behalf of the Issuer) following written certification by the Investment Manager to the Trustee that, using reasonable endeavours, it has been unable, for a period of twenty consecutive Business Days, to identify a sufficient quantity of additional Collateral Debt Obligations or Substitute Collateral Debt Obligations in which to invest or reinvest Principal Proceeds (see Condition 7(d) (*Special Redemption*));
	(i) if, as at the Business Day prior to the Payment Date following the Effective Date, an Effective Date Rating Event has occurred and is continuing, the Rated Notes shall be redeemed in accordance with the Note Payment Sequence on such Payment Date and thereafter on each subsequent Payment Date (to the extent required) out of Interest Proceeds and thereafter out of Principal Proceeds subject to the Priorities of Payment, in each case until redeemed in full or, if earlier, until an Effective Date Rating Event is no longer continuing (see Condition 7(e) (*Redemption Upon Effective Date Rating Event*));
	(j) following expiry of the Reinvestment Period, on each Payment Date out of Principal Proceeds transferred to the Payment Account immediately prior to the related Payment Date (see Condition 7(f) (*Redemption Following Expiry of the Reinvestment Period*));
	(k) on any Payment Date in whole (with respect to all Classes of Rated Notes) at the option of the Controlling Class or the Subordinated Noteholders in each case acting by way of Extraordinary Resolution, following the occurrence of a Note Tax Event, subject to (i) the Issuer having failed to cure the Note Tax Event; and (ii) certain minimum time periods (see Condition 7(g) (*Redemption following Note Tax Event*)); and
	(l) at any time following an Event of Default which occurs and is continuing and has not been cured and following acceleration in accordance with Condition 10(b) (*Acceleration*) (See Condition 10 (*Events of Default*)).
Non-Call Period	During the period from and including the Issue Date up to, but excluding, the Payment Date falling on 15 January 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.

	The Redemption Price for each Subordinated Note will be 100 per cent. of the Principal Amount Outstanding thereof (if any) or, if greater, its *pro-rata* share (calculated in accordance with the Priorities of Payment) 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 but not in part pursuant to Condition 7(b)(i) (*Optional Redemption in Whole—Subordinated Noteholders*) or in connection with a redemption in whole but not in part pursuant to Condition 7(g) (*Redemption following Note Tax Event*), Interest Proceeds will be applied in accordance with the Interest Proceeds Priority of Payments and Principal Proceeds will be applied in accordance with the Principal Proceeds Priority of Payments. Upon any redemption in whole but not in part of the Notes in accordance with Condition 7(b)(i) (*Optional Redemption in Whole—Subordinated Noteholders*) or in accordance with Condition 7(g) (*Redemption following Note Tax Event*) or following the delivery of an Acceleration Notice (deemed or otherwise) in accordance with Condition 10(b) (*Acceleration*) which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*), Interest Proceeds and Principal Proceeds and the net proceeds of enforcement of the security over the Collateral (save in respect of and for the avoidance of doubt excluding any (1) Counterparty Downgrade Collateral which is required to be paid or returned to the relevant Hedge Counterparty outside the Priorities of Payment in accordance with the relevant Hedge Agreement and (2) any Swap Tax Credits which in each case are required to be paid or returned to a Hedge Counterparty outside the Priorities of Payment in accordance with the relevant Hedge Agreement) will be applied in accordance with the Post-Acceleration Priority of Payments, in each case as described in the Conditions of the Notes.
Investment Management Fees	
Senior Investment Management Fee.....	0.15 per cent. *per annum* of the Aggregate Collateral Balance (exclusive of any VAT) calculated semi-annually following the occurrence of a Frequency Switch Event and quarterly at all other times, in each case on the basis of a 360-day year and the actual number of days elapsed in such Due Period. See "*Description of the Investment Management and Collateral Administration Agreement—Fees*".
Subordinated Investment Management Fee.....	0.35 per cent. *per annum* of the Aggregate Collateral Balance (exclusive of any VAT) calculated semi-annually following the occurrence of a Frequency Switch Event and quarterly at all other times, in each case on the basis of a 360-day year and the actual number of days elapsed in such Due Period. 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 Management Fee IRR Threshold of 12 per cent. has been met or surpassed, equal (exclusive of any VAT) to 20 per cent. of any Interest Proceeds and Principal Proceeds that would otherwise be available to distribute to the Subordinated Noteholders in accordance with the relevant Priorities of Payment. 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 Collateral Enhancement 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, an "**Investment Manager Advance**")) to such account pursuant to the terms of the Investment Management and Collateral Administration Agreement. Each Investment Manager Advance shall bear interest at a rate of EURIBOR plus 2 per cent. per annum. All such Investment Manager Advances shall be repaid out of Interest Proceeds and Principal Proceeds on each Payment Date subject to and in accordance with the Priorities of Payment.
Security for the Notes	
General.....	The Notes will be secured in favour of the Trustee for the benefit of the Secured Parties by taking security over a portfolio of Collateral Debt Obligations predominantly consisting of Secured Senior Loans, Secured Senior Bonds, Mezzanine Obligations, Unsecured Senior Obligations Second Lien Loans, Corporate Rescue Loans and High Yield Bonds. The Notes will also be secured by an assignment by way of security of various of the Issuer's other rights, including its rights under certain of the agreements described herein but excluding its rights in respect of the Irish Excluded Assets. See Condition 4 (*Security*).
Hedge Arrangements.....	The Issuer will not be permitted to enter into a Hedge Agreement or a Hedge Transaction (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 "**Commodity Exchange Act**")) to hedge interest rate risk and/or currency risk around or after the Issue Date unless either: (a) such agreement complies with the Hedge Agreement Eligibility Criteria; or (b) the Issuer obtains legal advice (to which the Trustee shall be an addressee) from reputable international legal counsel knowledgeable in such matters to the effect that the entry into such arrangements shall not in respect of a commodity pool operator, and should not with respect to a commodity trading advisor (each such term as defined in the Commodity Exchange Act) require any of the Issuer, its Directors or officers or the Investment Manager or its Affiliates to register with the United States Commodities Futures Trading Commission (the "**CFTC**") and/or the United States National Futures Association (the "**NFA**") as a commodity pool operator and/or a commodity trading advisor pursuant to the Commodity Exchange Act (the "**Hedging Condition**").

	The Issuer will obtain Rating Agency Confirmation prior to entering into any hedging arrangements after the Issue Date unless it is in a form which the Issuer (or the Investment Manager acting on behalf of the Issuer) has previously received Rating Agency Confirmation in respect thereof. See "*Hedging Arrangements*".
Non-Euro Obligations and Asset Swap Transactions.....	Subject to the Eligibility Criteria, the Issuer may purchase Collateral Debt Obligations that are denominated in a currency other than Euro (each, a "**Non-Euro Obligation**") provided that: (a) such Collateral Debt Obligation is denominated in a Qualifying Currency; (b) subject to the satisfaction of the Hedging Condition, an Asset Swap Transaction is entered into in respect of each such Collateral Debt Obligation with one or more Asset Swap Counterparties satisfying the applicable Rating Requirement under which the currency risk is reduced or eliminated (i) if such Collateral Debt Obligation is purchased in the Primary Market and denominated in a Qualifying Unhedged Obligation Currency, within 180 calendar days of the settlement date of the acquisition by the Issuer of the relevant Collateral Debt Obligation, and (ii) in all other cases, no later than the settlement date of the acquisition by the Issuer of the relevant Collateral Debt Obligation; and (c) not more than 2.5 per cent. of the Aggregate Collateral Balance may consist of obligations that are Unhedged Collateral Debt Obligations at any time. 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 Asset Swap Transaction. Under each Asset Swap Transaction, the currency risk arising from the receipt of certain cash flows from the relevant Non-Euro Obligation, including interest and principal payments thereon, are hedged. The Asset Swap Transaction shall terminate on the maturity date of the Non-Euro Obligation and in the other circumstances specified therein. See "*The Portfolio—Management of the Portfolio—Non-Euro Obligations*" and "*Hedging Arrangements*".
Interest Rate Hedging.....	The Issuer (or the Investment Manager on behalf of the Issuer) may enter into Interest Rate Hedge Transactions from time to time in order to hedge any interest rate mismatch between the Notes (other than the Subordinated Notes) and the Collateral Debt Obligations and for no other purpose, subject to the receipt of Rating Agency Confirmation in respect thereof and the other requirements specified in "*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 herein. 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 hedging arrangements without the requirement

	for specific approval by the Issuer, the Collateral Administrator or the Trustee but subject to the policies and ongoing review of the Issuer. See "*Description of the Investment Management and Collateral Administration Agreement*" and "*The Portfolio*".
Purchase of Collateral Debt Obligations	
As of the Issue Date	The Issuer anticipates that, by the Issue Date, it will have purchased or committed to purchase Collateral Debt Obligations the Aggregate Principal Balance of which will equal or exceed approximately €245,000,000 (representing approximately 70 per cent. of the Target Par Amount).
Target Par Amount	It is intended that the Aggregate Principal Balance of the Collateral Debt Obligations in the Portfolio on the Effective Date will be €350,000,000.
Initial Investment Period	During the period from and including the Issue Date to but excluding the earlier of: (a) the date designated for such purpose by the Investment Manager, subject to the Effective Date Determination Requirements having been satisfied; and (b) 14 June 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 purchase the remainder of the Portfolio of Collateral Debt Obligations, subject to the Eligibility Criteria and certain other restrictions.
Reinvestment in Collateral Debt Obligations	Subject to the limits described in the Investment Management and Collateral Administration Agreement and Principal Proceeds being available from time to time, the Investment Manager (on behalf of the Issuer) shall use reasonable endeavours to purchase Substitute Collateral Debt Obligations meeting the Eligibility Criteria and the Reinvestment Criteria during the Reinvestment Period. Following expiry of the Reinvestment Period, only (a) Sale Proceeds from the sale of Credit Improved Obligations and Credit Impaired Obligations, and (b) Unscheduled Principal Proceeds received after the Reinvestment Period, may be reinvested by the Investment Manager (on behalf of the Issuer) in Substitute Collateral Debt Obligations meeting the Eligibility Criteria and the Reinvestment Criteria. See "*The Portfolio—Management of the Portfolio—Sale of Collateral Debt Obligations*" and "*The Portfolio—Management of the Portfolio—Reinvestment of Collateral Debt Obligations*".
Eligibility Criteria	In order to qualify as a Collateral Debt Obligation, an obligation must satisfy certain specified Eligibility Criteria. Each obligation shall only be required to satisfy the Eligibility Criteria at the time the Issuer (or the Investment Manager, acting on behalf of the Issuer) enters into a binding commitment to purchase such obligation save for an Issue Date Collateral Debt Obligation which must also satisfy the Eligibility Criteria on the Issue Date. See "*The Portfolio—Eligibility Criteria*".

Restructured Obligations..... In order for a Collateral Debt Obligation which is the subject of a restructuring to qualify as a Restructured Obligation, such Collateral Debt Obligation must satisfy the Restructured Obligation Criteria as at the applicable Restructuring Date.

Collateral Quality Tests..... The Collateral Quality Tests will comprise the following:

For so long as any of the Notes are rated by Fitch:

(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 Notes are rated by Moody's:

(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 Outstanding:

(a) the Minimum Weighted Average Spread Test;

(b) the Minimum Weighted Average Fixed Coupon Test; and

(c) the Maximum Weighted Average Life Test.

Portfolio Profile Tests ..... In summary, the Portfolio Profile Tests will consist of each of the following (the percentage requirements applicable to different types of Collateral Debt Obligations specified in the Portfolio Profile Tests and summarily displayed in the table below shall be determined by reference to the Aggregate Collateral Balance):

		Minimum	**Maximum**
(a)	Secured Senior Loans or Secured Senior Bonds in aggregate (which shall include the Balance of the Principal Account and the Unused Proceeds Account)	90.0%	N/A
(b)	Secured Senior Loans in aggregate (which shall include the Balance of the Principal Account and the Unused Proceeds Account)	70.0%	N/A
(c)	Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and/or High Yield Bonds in aggregate	N/A	10.0%
(d)	Collateral Debt Obligations to any 10 Obligors	N/A	20.0%
(e)	Collateral Debt Obligations to a single Obligor	N/A	3.0%, subject to (f) and (g) below

		Minimum	Maximum
(f)	Secured Senior Loans and Secured Senior Bonds to a single Obligor	N/A	2.5% provided that one such Obligor may represent up to 3.0%
(g)	Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and High Yield Bonds to a single Obligor	N/A	1.5%
(h)	Participations	N/A	5.0%
(i)	Fitch CCC Obligations	N/A	7.5%
(j)	Moody's Caa Obligations	N/A	7.5%
(k)	Fixed Rate Collateral Debt Obligations	N/A	10.0%
(l)	Current Pay Obligations	N/A	2.5%
(m)	Unfunded Amounts/Funded Amounts under Revolving Obligations/ Delayed Drawdown Collateral Debt Obligations	N/A	5.0%
(n)	Corporate Rescue Loans	N/A	5.0% provided that not more than 2.0% shall consist of Corporate Rescue Loans from a single Obligor
(o)	PIK Securities	N/A	5.0%
(p)	Cov-Lite Loans	N/A	30.0%
(q)	Loans originated by the Investment Manager	N/A	10.0%, 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 where mezzanine tranches of the senior loans were originated by the Investment Manager, shall in either case not be counted as originated by the Investment Manager
(r)	Domicile of Obligors	N/A	10.0% Domiciled in countries or jurisdictions with a Fitch local currency country risk ceiling below "AAA" unless Rating Agency Confirmation from Fitch is obtained
(s)	Domicile of Obligors	N/A	10.0% Domiciled in countries with a Moody's local currency risk ceiling below "Aa3" by Moody's, provided that the Aggregate Principal Balance of Collateral Debt Obligations of Obligors Domiciled in countries or jurisdictions with a local currency country risk ceiling rated below "A3" by Moody's shall not be greater than 5.0% of the Aggregate Collateral Balance and provided further that the Aggregate Principal Balance of Collateral Debt Obligations of Obligors Domiciled in countries or jurisdictions with a local currency country risk ceiling rated below "Baa3" by Moody's shall not be greater

		Minimum	Maximum
			than 0.0% of the Aggregate Collateral Balance
(t)	Maximum Fitch Industry classification	N/A	the Aggregate Collateral Balance of Collateral Debt Obligations the Obligors of which are classified in any single Fitch industry classification shall be less than or equal to 10.0% of the Aggregate Collateral Balance; provided that: (i) the Aggregate Collateral Balance of Collateral Debt Obligations the Obligors of which are classified in any one single Fitch industry classification may be less than or equal to 17.5% of the Aggregate Collateral Balance; (ii) the Aggregate Collateral Balance of Collateral Debt Obligations the Obligors of which, in each case, are classified in any two single Fitch industry classifications may, in each case, be less than or equal to 15.0% of the Aggregate Collateral Balance; and (iii) the Aggregate Collateral Balance of Collateral Debt Obligations the Obligors of which, together, are classified in any three Fitch industry classifications may, together, be less than or equal to 40.0% of the Aggregate Collateral Balance
(u)	Bivariate Risk Table	N/A	See limits set out in "*The Portfolio—Bivariate Risk Table*"
(v)	Moody's Rating derived from S&P Rating	N/A	10.0%
(w)	Non-Euro Obligations	N/A	30.0%
(x)	Annual Obligations	N/A	5.0%
(y)	Obligations of Obligors with total indebtedness greater than €100,000,000 but less than €200,000,000 (or its equivalent in any currency)	N/A	5.0%
(z)	Unhedged Collateral Debt Obligations	N/A	2.5%

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

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

Class	Required Par Value Ratio
A/B	124.2%
C	118.1%
D	112.3%
E	106.6%
F	104.4%

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

Reinvestment Overcollateralisation Test ... If the Class F Par Value Ratio is less than 104.9 per cent., on the relevant Determination Date, Interest Proceeds shall be paid to the Principal Account during the Reinvestment Period, for the acquisition of additional Collateral Debt Obligations 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 Proceeds Priority of Payments and (2) the amount which, after giving effect to the payment of all amounts payable in respect of paragraphs (A) to (V) (inclusive) of the Interest Proceeds Priority of Payments, would be sufficient to cause the Reinvestment Overcollateralisation Test to be met as of the relevant Determination Date after giving effect to any payments made pursuant to paragraph (W) of the Interest Proceeds Priority of Payments, such amounts to be applied during the Reinvestment Period to purchase additional Collateral Debt Obligations.

Authorised Denominations ..... The Regulation S Notes of each Class will be issued in minimum denominations of €100,000 each and integral multiples of €1,000 in excess thereof.

The Rule 144A Notes of each Class will be issued in minimum denominations of €250,000 each and integral multiples of €1,000 in excess thereof.

IM Voting Notes, IM Non-Voting Notes and IM Non-Voting Exchangeable Notes:..... Each Class A Note, Class B Note, Class C Note or Class D Note may be in the form of an IM Voting Note, an IM Non-Voting Exchangeable 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. IM Non-Voting Exchangeable 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 IM Voting Notes have a right to vote and be counted.
Form, Registration and Transfer of the Notes.....	The Regulation S Notes of each Class will be represented on issue by beneficial interests in one or more Regulation S Global Certificates in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking, *société anonyme* ("**Clearstream, Luxembourg**"). Beneficial interests in a Regulation S Global Certificate may at any time be held only through, and transfers thereof will only be effected through, records maintained by Euroclear or Clearstream, Luxembourg. See "*Form of the Notes*" and "*Book Entry Clearance Procedures*". Interests in any Regulation S Note may not at any time be held by any U.S. Person or U.S. Resident. The Rule 144A Notes of each Class will be represented on issue by beneficial interests in one or more Rule 144A Global Certificates in fully registered form, without interest coupons or principal receipts, which will be deposited on or about the Issue Date with, and registered in the name of, a nominee of a common depositary for Euroclear 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 the Regulation S Global Certificates will bear a legend and such Rule 144A Global Certificates and Regulation S Global Certificates, or any interest therein, may not be transferred except in compliance with the transfer restrictions set out in such legend. See "*Transfer Restrictions*". No beneficial interest in a Rule 144A Global Certificate may be transferred to a person who takes delivery thereof through a Regulation S Global Certificate unless the transferor provides the Transfer Agent with a written certification substantially in the form set out in the Trust Deed regarding compliance with certain of such transfer restrictions. Any transfer of a beneficial interest in a Regulation S Global Certificate to a person who takes delivery through an interest in a Rule 144A Global Certificate is also subject to certification requirements substantially in the form set out in the Trust Deed and each purchaser thereof shall be deemed to represent that such purchaser is a QIB/QP. In addition, interests in any of the Regulation S Notes may not at any time be held by any U.S. Person or U.S. Resident. See "*Form of the Notes*" and "*Book Entry Clearance Procedures*". Except in the limited circumstances described herein, Notes in definitive, certificated, fully registered form ("**Definitive Certificates**") will not be issued in exchange for beneficial interests in either the Regulation S Global Certificates or the Rule 144A Global Certificates. See "*Form of the Notes—Exchange for Definitive Certificates*". On the Issue Date, an acquirer of a Class E Note, Class F Note or Subordinated Note in the form of a Rule 144A Global Certificate or

a Regulation S Global Certificate will be deemed to represent (among other things) that it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or a Controlling Person unless such acquirer: (i) receives the written consent of the Issuer; and (ii) provides an ERISA certificate to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person (in or substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed). Other than on the Issue Date, an acquirer of a Class E Note, Class F Note or Subordinated Note in the form of a Rule 144A Global Certificate or a Regulation S Global Certificate will be deemed to represent (among other things) that it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or a Controlling Person unless such acquirer: (i) receives the written consent of the Issuer; (ii) provides an ERISA certificate to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person (in or substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed); and (iii) other than with respect to Retention Notes, holds such Class E Note, Class F Note or Subordinated Note, as applicable, 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 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 G (*Form of Definitive Certificate to Regulation S Global Certificate Transfer Certificate of Class E Notes, Class F Notes or Subordinated Notes*) of schedule 4 (*Transfer, Exchange and Registration Documentation*) of the Trust Deed or in such other form as the Registrar, relying upon the advice of counsel, may deem substantially similar in legal effect (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 Prospectus 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 F (*Form of Definitive Certificate to Rule 144A Global Certificate Transfer Certificate of Class E Notes, Class F Notes or Subordinated Notes*) of schedule 4 (*Transfer, Exchange and Registration Documentation*) of the Trust Deed or in such other form as the Registrar, relying upon the advice of counsel, may deem substantially similar in legal effect (in each case, copies of which are provided to the Registrar as applicable) given by the proposed transferee. Each person who becomes an owner of a beneficial interest in a Rule 144A Global Certificate will be deemed to have represented and agreed to the representations set forth in this Prospectus relating to such Notes under the heading "*Transfer Restrictions*". Transfers of interests in the Notes are subject to certain restrictions and must be made in accordance with the procedures set forth in the Trust Deed. See "*Form of the Notes*", "*Book Entry Clearance Procedures*" and "*Transfer Restrictions*". Each purchaser of Notes in making its purchase will be required to make, or will be deemed to have made, certain acknowledgements, representations and agreements. See "*Transfer Restrictions*". The transfer of Notes in breach of certain of such representations and agreements will result in affected Notes becoming subject to certain forced transfer provisions. See Condition 2(h) (*Forced Transfer of Rule 144A Notes*).
Governing Law	The Notes, the Trust Deed, the Investment Management and Collateral Administration Agreement, the Agency Agreement and all other Transaction Documents (save for the Corporate Services Agreement (which is governed by the laws of Ireland) will be governed by English law.
Listing	Application will be made to the Central Bank, as competent authority under the Prospectus Directive, for this Prospectus to be approved. The Central Bank will only approve this Prospectus as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Application will be made to Irish Stock Exchange for the Notes to be admitted to the Official List of the Irish Stock Exchange and trading on the Main Securities Market. The Main Securities Market is a regulated market for the purposes of Directive 2004/39/EC. Such approval relates only to Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC and/or which are to be offered to the public in any member state of the European Economic Area. 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 may be issued and sold. See Condition 17 (*Additional Issuances*).

Retention Holder and Retention Requirements	The Retention Notes will be subscribed for by the Investment Manager as "originator" on the Issue Date and, pursuant to the Investment Management and Collateral Administration Agreement, the Investment Manager, in its capacity as Retention Holder, will undertake to retain the Retention Notes in order to comply with the Retention Requirements. See "*Description of the Investment Management and Collateral Administration Agreement—The Retention Requirements*" and "*Risk Factors—Risk Retention and Due Diligence Requirements—EU Risk Retention and Due Diligence Requirements*".

RISK FACTORS

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

1. GENERAL

1.1 General

It is intended that the Issuer will invest in loans, bonds and other financial assets with certain risk characteristics as described below and subject to the investment policies, restrictions and guidelines described in "*The Portfolio*". There can be no assurance that the Issuer's investments will be successful, that its investment objectives will be achieved, that the Noteholders will receive the full amounts payable by the Issuer under the Notes or that they will receive any return on their investment in the Notes. Prospective investors are therefore advised to review this entire Prospectus carefully and should consider, among other things, the risk factors set out in this section before deciding whether to invest in the Notes. Except as is otherwise stated below, such risk factors are generally applicable to all Classes of Notes, although the degree of risk associated with each Class of Notes will vary in accordance with the position of such Class of Notes in the Priorities of Payment. See Condition 3(c) (*Priorities of Payment*). In particular, (i) payments in respect of 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 Initial Purchaser, the Placement Agent, the Trustee or any Agent undertakes to review the financial condition or affairs of the Issuer or the Investment Manager during the life of the arrangements contemplated by this Prospectus nor to advise any investor or potential investor in the Notes of any information coming to the attention of the Initial Purchaser, the Placement Agent or the Trustee which is not included in this Prospectus.

1.2 Suitability

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

1.3 Limited Resources of Funds to Pay Expenses of the Issuer

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

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

Legal, tax and regulatory changes could occur over the course of the life of the Notes that may adversely affect the Issuer. The regulatory environment for vehicles of the nature of the Issuer is evolving, and changes in regulation may adversely affect the value of investments held by the Issuer and the ability of the Issuer to obtain the leverage it might otherwise obtain or to pursue its investment and trading strategies. In addition, the

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

1.5 Events in the CLO and Leveraged Finance Markets

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

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

As discussed further in "*European Union and Euro Zone Risk*" below, it is possible that countries that have adopted the Euro could return to a national currency. The effect on a national economy as a result of it leaving the Euro is impossible to predict but 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.

There exist significant risks for the Issuer and investors 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 Debt Obligations may be adversely affected by a deterioration of economic and business conditions. To the extent that economic and business conditions deteriorate or fail to improve, non-performing assets are likely to increase, and the value and collectability of the Collateral Debt Obligations are likely to decrease. A decrease in market value of the Collateral Debt Obligations would also adversely affect the Sale Proceeds that could be obtained upon the sale of the Collateral Debt Obligations and could ultimately affect the ability of the Issuer to pay in full or redeem the Rated Notes, as well as the ability to make any distributions in respect of the Subordinated Notes.

Many financial institutions including banks continue to suffer from capitalisation issues in a regulatory environment which may increase the capital requirement for certain businesses. The bankruptcy or insolvency of a major financial institution may have an adverse effect on the Issuer, particularly if such financial institution is a grantor of a participation in an asset or is a Hedge Counterparty 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.

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

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

1.7 European Union and Euro Zone Risk

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

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

Despite these measures, concerns persist regarding the growing risk that other Euro zone countries could be subject to an increase in borrowing costs and could face an economic crisis similar to that of Cyprus, Greece, 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.

1.8 Referendum on the UK's EU Membership

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

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

Applicability of EU law in the UK

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

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

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

Regulatory Risk

Currently, under the EU single market directives, mutual access rights to markets and market infrastructure exist across the EU and the mutual recognition of insolvency, bank recovery and resolution regimes applies. In addition, regulated entities licensed or authorised in one EEA jurisdiction may operate on a cross-border basis in other EEA countries without the need for a separate licence or authorisation.

There is uncertainty as to how, following a UK exit from the EU or the EEA (whatever the form thereof), the existing passporting regime will apply (if at all). Depending on the terms of the UK's exit and the terms of any replacement relationship, it is likely that, UK regulated entities may, on the UK's withdrawal from the EU, lose the right to passport their services to EEA countries, and EEA entities may lose the right to reciprocal passporting into the UK. Also, UK entities may no longer have access rights to market infrastructure across the

EU and the recognition of insolvency, bank recovery and resolution regimes across the EU may no longer be mutual.

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

Regulatory Risk—UK manager/Retention Holder

In particular, if the UK were, as a consequence of leaving the EU, no longer within the scope of EU Directive 2004/39/EC on Markets in Financial Instruments ("**MiFID**") and a passporting regime or third country recognition of the UK is not in place, then (a) 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 and (b) the Investment Manager may not be able to continue to act as Retention Holder to the extent it was required to hold the retention solely as "sponsor" in accordance with the Retention Requirements (even if the Investment Manager were to remain subject to UK financial services regulation), however, we note that the Investment Manager intends to act as an "originator" retention holder for the purposes of this transaction. As of the date hereof, an "originator" retention holder is not required to be regulated in the EU in order to act in such capacity. See (*Risk Retention and Due Diligence Requirements—EU Risk Retention and Due Diligence Requirements*) below.

However, in Ireland under Regulation 8(1) of the European Communities (Markets in Financial Instruments) Regulations 2007, if the 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. So long as it forms part of Irish domestic law, a non-EU investment firm may continue to rely on the Irish "safe harbour" described above until such firm qualifies under the MiFID II measures to provide collateral management services in the EU on a cross-border basis.

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

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

Market Risk

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

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

Currency exchange rates and exchange controls

Since the result of the Referendum there has been increased volatility in the currency exchange rates. Investors should note that all payments on the Notes will be denominated in Euros. Investors who are investing in the Notes, but who consider their investment profile and return in another currency may incur a number of risks including those relating to changes in exchange rates (which may be significant). An appreciation in the value of the investor's currency relative to the Euro would result in a decrease of (1) the investor's currency-equivalent yield on the Notes, (2) the investor's currency-equivalent value of the principal payable on the Notes and (3) the investor's currency-equivalent market value of the Notes. See also "*Currency Risk*" below.

1.9 Third Party Litigation; Limited Funds Available

Investment activities such as the purchase, selling, holding and participation in voting or the restructuring of Collateral Debt Obligations may subject the Issuer to the risks of becoming involved in litigation by third parties. This risk may be greater where the Issuer exercises control or significant influence over a company's direction. The expense of defending claims against the Issuer by third parties (including bankruptcy or insolvency proceedings) and paying any amounts pursuant to settlements or judgments would, except in the unlikely event that that Issuer is indemnified for such amounts, be borne by the Issuer and would reduce the funds available for distribution and the Issuer's net assets. The funds available to the Issuer to pay certain fees and expenses of the Trustee, the Investment Manager, 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

In Europe, the U.S. and elsewhere there is 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. Investors in the Notes are responsible for analysing their own regulatory position and none of the Issuer, the Initial Purchaser, the Placement Agent, the Investment Manager, any Investment Manager Related Person, the Retention Holder, the Trustee, any Agent nor any of their respective Affiliates makes any representation to any prospective investor or purchaser of the Notes regarding the impact of such regulation on the prospective investor or purchaser of the Notes or the regulatory capital treatment of their investment in the Notes in each case, on the Issue Date or at any time in the future.

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.

No representation is made 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 purchase 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. Certain regulatory or legislative provisions applicable to certain investors may have the effect of limiting or restricting their ability to hold or acquire the Notes, which in turn may adversely affect the ability of investors in the Notes who are not subject to those provisions to resell their Notes in the secondary market.

2.1 Basel III

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

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

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

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

On 30 September 2015, the European Commission (the "**Commission**") published a proposal to amend the CRR (the "**Draft CRR Amendment Regulation**") and a proposed regulation relating to a European framework for simple, transparent and standardised securitisation (such proposed regulation, including any implementing regulation, technical standards and official guidelines related thereto, the "**Securitisation Framework**" and, together with the Draft CRR Amendment Regulation, the "**Securitisation Regulation**") which would, amongst other things, re-cast the EU risk retention rules as part of wider changes to establish a "Capital Markets Union" in Europe. The Presidency of the Council of Ministers of the European Union (the "**Council**") has also published compromise proposals concerning the Securitisation Regulation. On the 8 December 2016, The Economic and Monetary Affairs Committee of the European Parliament ("**ECON**") agreed a number of compromise amendments to the Securitisation Regulation (the "**ECON Amendments**"). The next step in the legislative process will be trilogue discussions among the Commission, the Council and representatives of the European Parliament. It is unclear at this time when the Securitisation Regulation will become effective and which, if any, of the ECON Amendments will be included in the final regulations. Investors should be aware that there are material differences between the current EU Risk Retention and Due Diligence Requirements, the Securitisation Regulation and the ECON Amendments. The Securitisation Regulation may also enter into force in a form that differs from the published proposals and drafts. If any changes to the Conditions or the Transaction Documents are required as a result of the implementation of the Securitisation Regulation, the Issuer shall be required to bear the costs of making such changes.

There can therefore be no assurances as to whether the transactions described herein will be affected by a change in law or regulation relating to the EU Risk Retention and Due Diligence Requirements (including the Securitisation Regulation), including as a result of any changes recommended in future reports or reviews.

Investors should therefore make themselves aware of the EU Risk Retention and Due Diligence Requirements 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. With respect to the commitment of the Retention Holder to retain a material net economic interest in the securitisation, please see the statements set out in "*The Investment Manager*" and "*Description of the Investment Management and Collateral Administration Agreement—The Retention Requirements*" below.

U.S. Risk Retention Requirements

On 21 October 2014, the final rules implementing the credit risk retention requirements of Section 941 of the Dodd-Frank Act (the "**U.S. Risk Retention Rules**") were issued. The U.S. Risk Retention Rules generally require the investment manager of a CLO to retain not less than five per cent. of the credit risk of the assets collateralising the CLO issuer's securities. The U.S. Risk Retention Rules will become effective with respect to CLO transactions on 24 December 2016 (the "**U.S. Risk Retention Effective Date**").

While the U.S. Risk Retention Rules will not apply to the issuance and sale of the Notes on the Issue Date, the U.S. Risk Retention Rules may have other adverse effects on the Issuer and/or the holders of the Notes.

The U.S. Risk Retention Rules would apply to any additional issuance of Notes or a Refinancing, in each case, that occurs on or after the U.S. Risk Retention Effective Date, absent an exemption. 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 a new "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 terms of the Notes to the extent such amendments require investors to make a new investment decision with respect to the Notes. Because the transaction is not structured to enable the Investment Manager to comply with the U.S. Risk Retention Rules or to avail itself of the foreign safe harbor to such rules, if any proposed amendment was determined by the Investment Manager to cause it to be required to comply with the U.S. Risk Retention Rules, the ability of the Investment Manager to consent to such amendment may be reduced. In addition, it is possible, but not certain, that in connection with a Refinancing or additional issuance, the Investment Manager may seek to comply with the U.S. Risk Retention Rules. Investors should assume that the Investment Manager will make its decision to either (i) comply with the U.S. Risk Retention Rules or (ii) not consent to a Refinancing or (in its capacity as Retention Holder) an additional issuance, taking into account its own interest (including as a holder of Subordinated Notes) and not the interest of the Issuer or any other Noteholder.

The impact of the U.S. Risk Retention Rules on the loan securitisation market and the leveraged loan market generally is uncertain, and any negative impact on secondary market liquidity for the Notes may be experienced in the short or longer-term, due to its possible effect on market expectations or uncertainty, the relative appeal of alternative investments not impacted by the new regime or other factors. In addition, it is possible that the U.S. Risk Retention Rules 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 reduction in liquidity in the loan market could reduce opportunities for the Investment Manager to sell Collateral Debt Obligations or to invest in Collateral Debt Obligations when it believes it is in the interest of the Issuer to do so, which in turn could negatively impact the return on the Collateral and reduce the market value or liquidity of the Notes. Any reduction in the volume and liquidity provided by CLOs in the leveraged loan market could also reduce opportunities to redeem or refinance the Notes.

2.3 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 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 Initial Purchaser, the Placement Agent or

any of their respective Affiliates makes any representation, warranty or guarantee that such Retention Financing Arrangements will comply with the 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 Retention Requirements and any such sale or appropriation may therefore cause the transaction described in this Prospectus to be non-compliant with the 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 Retention Requirements, and such sales may therefore cause the transaction described in this Prospectus to be non-compliant with the Retention Requirements.

2.4 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".

Financial counterparties (as defined in EMIR) will be subject to a general obligation (the "**clearing obligation**"), to clear through a duly authorised or recognised central counterparty 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 Agreement for 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 or restricting of their terms.

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

Clearing obligation

The regulatory technical standards governing the mandatory clearing obligation for certain classes of OTC derivative contracts which entered into force on 21 December 2015 specify that the clearing obligation in

respect of interest rate OTC derivative contracts that are (i) basis swaps and fixed-to-floating swaps denominated in euro, GBP, USD and Japanese Yen and (ii) forward rate agreements and overnight swaps denominated in euro, GBP and USD, in each case, will take effect on dates ranging from 21 June 2016 (for major market participants grouped under "Category 1") to 21 December 2018 (for non-financial counterparties that are not AIFs grouped under "Category 4").

Margin requirements

On 4 October 2016, the European Commission adopted regulatory technical standards on risk-mitigation techniques for OTC derivative contracts not cleared by a central clearing counterparty (the "**RTS**"). Upon expiry of the period of non-objection by the European Parliament and Council of the EU (or if earlier, when both the European Parliament and Council of the EU inform the Commission of their intention not to raise objections), the RTS will enter into force.

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. The timeline for entry into effect of these requirements is not yet known but may be as soon as December 2016.

If the Issuer becomes subject to the clearing obligation or to the margin requirement, it is unlikely that the Issuer 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, which could result in the sale of Non-Euro Obligations and/or termination of relevant Hedge Agreements. Hedge Counterparties may also be unable to enter into hedge transactions with the Issuer. This would limit the Issuer's ability to invest in Non-Euro Obligations and put it in breach of its obligation to enter into Asset Swap Transactions with respect to any Non-Euro Obligations it has purchased. Any termination of a Hedge Agreement would expose the Issuer to costs and increased interest rate or currency exchange rate risk until the hedged assets can be sold. As a result of such increased costs, additional regulatory requirements and limitations on ability of the Issuer to hedge interest rate and/or currency risk, the amounts payable to Noteholders may be negatively affected.

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 such an event. The termination of a Hedge Transaction in these circumstances may result in a termination payment being payable by the Issuer. See "*Hedging Arrangements*".

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

Prospective investors should be aware that the regulatory changes arising from EMIR may in due course significantly increase the cost of entering into derivative contracts (including the potential for non-financial counterparties such as the Issuer to become subject to marking to market and collateral posting requirements in respect of non-cleared OTC derivatives such as Asset Swap Transactions and Interest Rate Hedge Transactions).

These changes may adversely affect the Issuer's ability to enter the asset swaps and therefore the Issuer's ability to acquire Non-Euro Obligations and 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 be precluded from executing its investment strategy as anticipated. Investors should consult their own independent advisers and make their own assessment about the potential risks posed by EMIR in making any investment decision in respect of the Notes.

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

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

2.5 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 MiFID. As the Investment Manager is not permitted to be authorised under the AIFMD nor to conduct certain regulated activities under MiFID, it will not be able to apply for an authorisation under the AIFMD unless it gives up its authorisation under MiFID. If considered to be an AIF, the Issuer would also be classified as a "financial counterparty" under EMIR and may be required to comply with clearing obligations with respect to Hedge Transactions and obligations to post margin to any central clearing counterparty or market counterparty. See also "*EMIR*" above.

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

If the SSPE Exemption does not apply and the Issuer is considered to be an AIF, the Investment Manager would be subject to the AIFMD and would need to be appropriately regulated and certain duties and responsibilities would be imposed on the Investment Manager in respect of its management of the Portfolio. Such duties and responsibilities, were they to apply to the Investment Manager's management of the assets of the Issuer, may result in significant additional costs and expenses incurred by the Investment Manager which, in respect of some such fees and expenses, may be reimbursable by the Issuer to the Investment Manager pursuant to the Investment Management and Collateral Administration Agreement as an Administrative Expense, which may in turn negatively affect the amounts payable to Noteholders. If the Investment Manager was to fail to, or be unable to, be appropriately regulated, the Investment Manager may not be able to continue to manage the Issuer's assets, or its ability to do so may be impaired. Any regulatory changes arising from implementation of the AIFMD (or otherwise) that impair the ability of the Investment Manager to manage the Issuer's assets may adversely affect the Investment Manager's ability to carry out the Issuer's investment strategy and achieve its investment objective. 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.

2.6 U.S. Dodd-Frank Act

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the "**Dodd-Frank Act**") was signed into law on 21 July 2010. The Dodd-Frank Act represents a comprehensive change to financial regulation in the United States, and affects virtually every area of the capital markets. Implementation of the Dodd-Frank Act requires 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. Once fully implemented, the Dodd-Frank Act will affect 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. Although such rule will not become fully effective until 24 December 2016 (the "**U.S. Risk Retention Effective Date**"), it could limit the ability of the Issuer to issue additional Notes or undertake any Refinancing after the U.S. Risk Retention Effective Date.

The Securities and Exchange Commission (the "**SEC**") has also proposed changes to Regulation AB (as defined under the Securities Act) under the Securities Act which would have 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 restrict the use of this Prospectus or require the publication of a new prospectus in connection with the issuance and sale of any additional Notes or any Refinancing. While on 27 August 2014, the SEC adopted final rules amending Regulation AB that did not implement these proposals, 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, these may place additional requirements and therefore expenses on the Issuer in the event of the issuance and sale of any additional notes, which may reduce the amounts available for distribution to the Noteholders.

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

2.7 CFTC Regulations

Pursuant to the Dodd-Frank Act, the Commodity Futures Trading Commission ("**CFTC**") has promulgated a range of new regulatory requirements (the "**CFTC Regulations**") that may affect the pricing, terms and compliance costs associated with the entry into of 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 and variation margin requirements of any central clearing organisation (with respect to cleared swaps) or initial or variation requirements as may otherwise be required with respect to uncleared swaps, (iii) swap reporting and recordkeeping obligations, and other matters. These new requirements may 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 Debt Obligations, have unforeseen legal consequences on the Issuer or the Investment Manager or have other material adverse effects on the Issuer or the Noteholders.

2.8 Commodity Pool Regulation

The Issuer's ability to enter into Hedge Transactions may cause the Issuer to be a "commodity pool" as defined in the United States Commodity Exchange Act of 1936, as amended ("**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 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 (a) such Hedge Agreement complies with the Hedge Agreement Eligibility Criteria at the time of entry into such Hedge Agreement; or (b) the Issuer obtaining legal advice (to which the Trustee shall be an addressee) in respect of such Hedge Agreement from reputable international legal counsel knowledgeable in such matters to the effect that the entry into such arrangements shall not in respect of a CPO, and should not in respect of a CTA require any of the Issuer, its Directors or officers or the Investment Manager and its Affiliates to register with the CFTC and/or the United States National Futures Association (the "**NFA**") with respect to the Issuer as a CPO and/or a CTA pursuant to the CEA. No assurance can be given that a Hedge Agreement which complies with the Hedge 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 NFA with respect to the Issuer. Furthermore, if there is any change in the rules and regulations in the future, the Hedge Agreement Eligibility Criteria may need to be reviewed and revised by reputable legal counsel at such time.

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

Further, if the 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 "commodity pool operator", the Investment Manager may elect to withdraw its exemption from registration and instead register with the CFTC as the Issuer's CPO and/or a CTA. The costs of obtaining and maintaining these registrations and the related compliance obligations would 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 the Issuer's CPO and/or CTA. In addition, it may not be possible or advisable for the Investment Manager to withdraw from registration as the Issuer's 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.

2.9 Volcker Rule

Section 619 of the Dodd-Frank Act and the corresponding implementing rules (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 and exclusions.

An "ownership interest" is defined widely and may arise through a holder's exposure to the profits and losses of the "covered fund", as well as through certain rights of the holder to participate in the selection or removal of an investment advisor, investment manager, or general partner, trustee, or member of the board of directors of the "covered fund". A "covered fund" is defined widely, and includes any issuer which would be an investment company under the Investment Company Act 1940 (the "**ICA**") but is exempt from registration solely in reliance on section 3(c)(1) or 3(c)(7) of that Act, subject to certain exemptions found in the Volcker Rule's implementing regulations.

It should be noted that a commodity pool as defined in the CEA (see 2.8 "*Commodity Pool Regulation*" above) could, depending on which CEA exemption is used by such commodity pool or its commodity pool operator, also fall within the definition of a covered fund as described above.

The Transaction Documents provide that The 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 Non-Voting Exchangeable Notes or IM Non-Voting Notes are 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 instruments issued by the Issuer not being characterised as "ownership interests" in the Issuer.

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

"ownership interests" of the Issuer should consult its own legal advisors and consider the potential impact of the Volcker Rule in respect of such investment. If investment by "banking entities" in the Notes of any Class is prohibited or restricted by the Volcker Rule, this could impair the marketability and liquidity of such Notes.

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, and accordingly none of the Issuer, the Investment Manager, the Initial Purchaser or the Placement Agent makes any representation regarding (i) the status of the Issuer under the Volcker Rule or (ii) the ability of any purchaser to acquire or hold the Notes, now or at any time in the future. Each prospective investor in the Notes should independently consider the potential impact of the Volcker Rule in respect of any investment in the Notes and conduct their own analysis to determine whether the Issuer is a "covered fund" for their purposes.

2.10 Reliance on Rating Agency Ratings

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

2.11 Flip Clauses

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

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

In the U.S. courts, the U.S. Bankruptcy Court for the Southern District of New York in *Lehman Brothers Special Financing Inc. v. BNY Corporate Trustee Services Limited*. (*In re Lehman Brothers Holdings Inc.*), Adv. Pro. No. 09-1242-JMP (Bankr. S.D.N.Y. May 20, 2009) examined a flip clause 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 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 cases where the flip provisions are only in

an indenture, and do not constitute part of the swap agreement. This judgment highlights the difference in approach taken between U.S. and English law on this subject although it significantly reduces the practical differences in outcome.

There remain several actions in the U.S. commenced by debtors of Lehman Brothers concerning the enforceability of flip clauses and this is likely to be an area of continued judicial focus particularly in respect of multi-jurisdictional insolvencies.

The flip clause examined in the Belmont case is similar in substance to the relevant provisions in the Priorities of 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.

2.12 LIBOR and EURIBOR Reform

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

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

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

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

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

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

The Euro Interbank Offered Rate (for the purposes of this risk factor, "**EURIBOR**"), together with LIBOR and other so-called "benchmarks" are the subject of reform measures by a number of international authorities and other bodies. In the EU, in September 2013, the European Commission published a proposal for a regulation (the "**Benchmark Regulation**") on indices used as benchmarks in financial instruments and financial contracts. The Benchmark Regulation was published in the Official Journal of the EU on 29 June 2016 and entered into force on 30 June 2016. It is directly applicable law across the EU. The majority of its provision 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 to a benchmark could affect the level of the relevant 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 Debt Obligation is calculated with reference to a benchmark (or currency or tenor) which is discontinued:

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

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

(d) any of the relevant benchmarks referenced in paragraph (A) of Condition 6(e)(i) (*Rate of Interest*) is discontinued, interest on the Notes (other than the Class A-2 Notes) will be calculated under paragraph (B) of Condition 6(e)(i) (*Rate of Interest*); and

(e) the administrator of a relevant benchmark will not have any involvement in the Collateral Debt Obligations or the Notes and may take any actions in respect of such benchmark without regard to the effect of such actions on the Collateral Debt Obligations or the Notes (other than the Class A-2 Notes).

Any of the above or any other significant changes to EURIBOR or any other benchmark could have a material adverse effect on the value of, and the amount payable under (i) any Collateral Debt Obligations which pay interest linked to a EURIBOR rate or other benchmark (as applicable), and (ii) the Notes (other than the Class A-2 Notes).

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

In February 2013, the European Commission published a proposal (the "**Commission Proposal**") for a Council Directive implementing enhanced cooperation for a financial transaction tax ("**FTT**") requested by Austria, Belgium, Estonia, France, Germany, Greece, Italy, Portugal, Slovakia, Slovenia and Spain (the "**Participating**

Member States"). However, on 16 March 2016, Estonia completed the formalities required to cease participation in the enhanced cooperation on FTT.

Under the Commission Proposal, the proposed FTT would apply to certain dealings in the Notes where at least one party is a financial institution, and at least one party is established in a Participating Member State or the financial instrument in which the parties are dealing is issued in a Participating Member State. The FTT may apply to both transaction parties where one of these circumstances applies. The FTT may also apply to dealings in the Collateral to the extent the Collateral constitutes financial instruments within its scope, such as bonds. In such circumstances, there will be no gross-up by any party to the transaction and amounts due to Noteholders may be adversely affected.

Certain aspects of the Commission Proposal are controversial and, while the Commission Proposal initially identified the date of introduction of the FTT across the Participating Member States as being 1 January 2014, this anticipated introduction date has been extended on several occasions due to disagreement among the Participating Member States regarding a number of key issues concerning the scope and application of the FTT.

On 10 October 2016, following a meeting of the Finance Ministers of the ten remaining Participating Member States, it was reported that an agreement in principle had been reached on certain key aspects of the FTT and that the EU Commission had consequently been asked to prepare draft FTT legislation on the basis of that agreement. However, the details of the FTT remain to be agreed. Accordingly, the date of implementation of the FTT remains uncertain.

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.

2.14 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 Initial Purchaser, the Placement Agent, 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 Initial Purchaser, the Placement Agent, 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 Initial Purchaser, the Placement Agent, 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 Initial Purchaser, the Placement Agent, 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 Initial Purchaser, the Placement Agent, 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 AML Requirements.

2.15 CRA

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 the 20 June 2013. Article 8(b) of CRA3 requires issuers, sponsors and originators of structured finance instruments such as the Notes to make detailed disclosures of information relating to those structured finance instruments. The European Commission has adopted a delegated regulation, detailing the scope and nature of the required disclosure however, the disclosure reporting requirements will only become effective on 1 January 2017. Such disclosures will need to be made via a website to be set up by the European Securities and Markets Authority ("**ESMA**"). As yet, this website has not been set up and ESMA has announced that it is unlikely that such website will be available by 1 January 2017 so issuers, originators and sponsors would be unable to comply with Article 8(b). from such date. ESMA has confirmed that it does not expect to be in a position to receive the required disclosure from 1 January 2017. In their current form, the regulatory technical standards only apply to structured finance instruments for which a

reporting template has been specified. Currently there is no template for CLO transactions. 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 obligations, the Issuer may incur additional costs and expenses to comply with the disclosure obligations. Such costs and expenses will be payable by the Issuer as Administrative Expenses. In accordance with the current draft of the Securitisation Regulation, it is intended that Article 8(b) of CRA3 will be repealed, and that disclosure requirements will be governed thereafter by the Securitisation Regulation. However, it is uncertain at this time if the Securitisation Regulation will be adopted in its current form.

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

2.16 Evolution of international fiscal and taxation policy and OECD 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.

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 (tax-based) 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. The Issuer will generally fund interest payments it makes under the Notes from interest payments to which it is entitled under Collateral Debt Obligations (that is, such that the Issuer expects generally to pay limited or no net interest).

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 in the first part of 2016, 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.

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

Action 7

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

As noted below, whether the Issuer will be subject to UK corporation tax may depend on, among other things, whether the 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 Prospectus, 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 accompanying press release stated that a first "high-level" signing ceremony for the Multilateral Instrument will take place in the week beginning 5 June 2017.

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

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

2.17 EU Anti-Tax Avoidance Directive

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

2.18 Taxation Implications of Contributions

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

2.19 Diverted Profits Tax

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

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

2.20 EU Savings Directive

Under Council Directive 2003/48/EC (as amended) on the taxation of savings income (the "**EU Savings Directive**"), Member States of the European Union have been required to provide to the tax authorities of other Member States details of certain payments of interest or similar income paid or secured by a person established in a Member State to or for the benefit of an individual resident in another Member State or certain limited types of entities established in another Member State. For a transitional period, Austria has been required (unless during that period it elects otherwise) to operate a withholding system in relation to such payments. A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

However, in order to prevent overlap between the EU Savings Directive and provisions relating to a common reporting standard framework (being the Standard for Automatic Exchange of Financial Account Information in Tax Matters published on 21 July 2014 by the OECD and Council Directive 2014/107/EU on Administrative Co-operation in the Field of Taxation), the Council of the European Union, on 10 November 2015, published a directive which repealed the EU Savings Directive from 1 January 2017 in the case of Austria and 1 January 2016 in the case of all other Member States (in each case subject to transitional arrangements). The repeal is subject to transitional provisions imposing on-going requirements to fulfil certain administrative obligations such as reporting and exchange of information relating to, or accounting for withholding taxes, on payments made before those dates.

If a payment were to be made or collected through a Member State of the European Union which operates a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor the Principal Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. Pursuant to Condition 8(d) (*Principal Paying Agent and Transfer Agents*), the Issuer is required to maintain a paying agent in a Member State that is not obliged to withhold or deduct tax pursuant to, the EU Savings Directive, or any other directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any other law implementing or complying with, or introduced in order to conform to, the EU Savings Directive or any arrangement entered into between the Member States and certain third countries and territories in connection with such Directive.

2.21 The Common Reporting Standard

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

Directive 2014/107/EU on Administrative Cooperation in the Field of Taxation ("**DAC II**") implements the CRS in a European context and creates a mandatory obligation for all Member States to exchange financial account information in respect of residents in other 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 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 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 (which, for the avoidance of doubt, shall not be an Agent unless such Agent agrees to perform such role)) use for the purposes of satisfying CRS and DAC II requirements and the Issuer (or any nominated service provider) will agree, to the extent permitted by applicable law, that it will take reasonable steps to treat such information in a confidential manner, except that the Issuer may disclose such information (i) to its officers, directors, agents and advisors, (ii) to the extent reasonably necessary or advisable in connection with tax matters, including achieving CRS and DAC II compliance, (iii) to any person with the consent of the applicable Noteholder, or (iv) as otherwise required by law or court order or on the advice of its advisors. Further information in relation to CRS can be found on the Automatic Exchange of Information webpage on www.revenue.ie.

2.22 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 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

2.23 Lending

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

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

3. RELATING TO THE NOTES

3.1 Limited Liquidity and Restrictions on Transfer

Neither the Initial Purchaser nor the Placement Agent (or any of their Affiliates) is under any obligation to make a market for the Notes. The Notes are illiquid investments. There can be no assurance that any secondary market for any of the Notes will develop or, if a secondary market does develop, that it will provide the Noteholders with liquidity of investment or that it will continue for the life of such Notes. Consequently, a purchaser must be prepared to hold such Notes for an indefinite period of time or until the Maturity Date. 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 Prospectus. Such restrictions on the transfer of the Notes may further limit their liquidity.

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

3.2 Optional Redemption and Market Volatility

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

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

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

The Rated Notes may be redeemed in whole from Sale Proceeds and/or Refinancing Proceeds (i) on any Business Day falling on or after the expiry of the Non Call Period, at the direction of the Subordinated Noteholders 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 the Controlling Class, or the Subordinated Noteholders, in each case, acting by way of Extraordinary Resolution.

In addition, the Rated Notes may be redeemed in part by Class from Refinancing Proceeds at the applicable Redemption Prices, from any Refinancing Proceeds on any Business Day falling on or after the expiry of the Non Call Period at the direction of the Subordinated Noteholders acting by Ordinary Resolution. 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*) and Condition 7(b)(vi) (*Refinancing in relation to a Redemption in Whole*), 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 Debt 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 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. It should be noted that following the publication of the U.S. Risk Retention Rules it is unclear whether a Refinancing will trigger the U.S. Risk Retention Rules if such action is taken after 24 December 2016. As such, the ability of the Issuer and the Noteholders to enter into a Refinancing may be impacted. See "*U.S. Dodd-Frank Act*" and "*Risk Retention and Due Diligence—U.S. Risk Retention Requirements*" above.

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, any redemption of a Class of Notes is a redemption of the entire Class which is subject to the redemption. See Condition 7(b)(v) (*Optional*

Redemption effected in whole or in part through Refinancing) and Condition 7(b)(vii) (*Refinancing in relation to a Redemption in Part*).

In addition, upon any Refinancing in accordance with Condition 7(b)(vi) (*Refinancing in relation to a Redemption in Whole*), to the extent the Adjusted Collateral Principal Amount exceeds the Reinvestment Target Par Balance such excess may be transferred from the Principal Account to the Interest Account and distributed in accordance with the Interest Proceeds Priority of Payments.

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 Initial Purchaser, the Placement Agent 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 or in part in aggregate at their Redemption Price, on any day or days on or after the redemption or repayment in full of the Rated Notes at the direction of (x) the Subordinated Noteholders (acting by Ordinary Resolution) and (y) the Investment Manager (on behalf of the Issuer). See Condition 7(b)(xi) (*Optional Redemption of Subordinated Notes*).

The Investment Manager (on behalf of the Issuer) may also cause the Issuer to redeem the Rated Notes in whole from Sale Proceeds on any Business Day falling on or after the expiry of the Non-Call Period, if the Aggregate Collateral Balance is less than 15 per cent. of the Target Par Amount. See Condition 7(b)(iii) (*Optional Redemption in Whole—Investment Manager Clean-Up Call*).

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 Debt Obligations sold.

Where the Rated Notes are redeemable at the discretion of a transaction party or a particular Class of Noteholders, there is no obligation to consider the interests of any other party or Class of Noteholders when exercising such discretion. Furthermore, where one or more Classes of Rated Notes are redeemed through a Refinancing, Noteholders should be aware that any such redemption would occur outside of the Note Payment Sequence and the Priorities of Payment. In addition Noteholders of a Class of Rated Notes that are redeemed through a Refinancing should be aware that the Applicable Margin of any new notes will be equal to or lower than the Applicable Margin of such Rated Notes immediately prior to such Refinancing.

3.4 The Notes are Subject to Special Redemption at the Option of the 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) if, at any time during the Reinvestment Period, the Investment Manager (acting on behalf of the Issuer) certifies to (upon which certification the Trustee may rely without further enquiry) the Trustee that using reasonable endeavours it has been unable, for a period of twenty consecutive Business Days, to identify additional Collateral Debt Obligations or Substitute Collateral Debt Obligations that are deemed appropriate by the Investment Manager (acting on behalf of the Issuer) in its discretion which meet the Eligibility Criteria or, to the extent applicable, the Reinvestment Criteria, in sufficient amounts to permit the investment or reinvestment of all or a portion of the funds then in the Principal Account that are to be invested in additional Collateral Debt Obligations or Substitute Collateral Debt Obligations. On the Special Redemption Date, the Special Redemption Amount will be applied in accordance with the Priorities of Payment. The application of funds in that manner could result in an elimination, deferral or reduction of amounts available to make payments with respect to the Subordinated Notes. See Condition 7(d) (*Special Redemption*).

3.5 Mandatory Redemption 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

Certain mandatory redemption arrangements may result in an elimination, deferral or reduction in the interest payments or principal repayments made to the Class C Noteholders, the Class D Noteholders, the Class E Noteholders and the Class F Noteholders or the level of the returns to the Subordinated Noteholders, including the breach of any of the Coverage Tests or an Effective Date Rating Event. See Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*) and Condition 7(e) (*Redemption upon Effective Date Rating Event*).

3.6 The Reinvestment Period may Terminate Early

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

3.8 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 set out in Condition 17 (*Additional Issuances*), the Issuer may issue additional Notes and apply the net proceeds to acquire Collateral Debt Obligations and, if applicable, enter into additional Hedge Transactions in connection with the Issuer's issuance of, and making payments on, the Notes and ownership of and disposition of the Collateral Debt Obligations or (in the case of a further issuance of Subordinated Notes) apply such net proceeds as Interest Proceeds pursuant to the Interest Proceeds Priority of Payments or for other Permitted Uses (see Condition 17 (*Additional Issuances*));

(b) the Investment Manager may, pursuant to the Priorities of Payment, apply funds by either deferring, designating for reinvestment in Collateral Debt Obligations or the purchase of Notes pursuant to Condition 7(k) (*Purchase*) or irrevocably waiving all or a portion of the Investment Management Fees that would otherwise have been payable to it;

(c) a Noteholder may, in certain circumstances, provide the Issuer with cash by way of a Contribution to be applied toward a specified Permitted Use; and/or

(d) the Investment Manager may make Investment Manager Advances pursuant to Condition 3(l) (*Investment Manager Advances*) from time to time to the extent there are insufficient sums standing to the credit of the Collateral Enhancement Account to purchase or exercise rights under Collateral Enhancement Obligations which the Investment Manager determines on behalf of the Issuer should be purchased or exercised. Outstanding Investment Manager Advances may accrue interest based on EURIBOR plus 2.0 per cent. per annum.

Any of the above actions could result in satisfaction of a Coverage Test that would otherwise be failing and therefore potentially prevent 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 Initial Purchaser, the Placement Agent, the Trustee, the Collateral Administrator, the Custodian, any Agent, any Hedge Counterparty or any Affiliates of any of the foregoing or the Issuer's Affiliates or any other person or entity (other than the Issuer) will be obliged to make payments on the Notes of any Class. Consequently, Noteholders must rely solely on distributions on the Collateral Debt Obligations and other Collateral securing the Notes for the payment of principal, discount, interest and premium, if any, thereon. There can be no assurance that the distributions on the Collateral Debt Obligations and other Collateral securing the Notes will be sufficient to make payments on any Class of Notes after making payments on more senior Classes of Notes and certain other required amounts to other creditors ranking senior to or *pari passu* with such Class pursuant to the Priorities of 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 Initial Purchaser, the Placement Agent, 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 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, then the filing or presentation of such a petition could 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 A Notes, the Class C Notes are fully subordinated to the Class A Notes and the Class B Notes, the Class D Notes are fully subordinated to the Class A Notes, the Class B Notes and the Class C Notes, the Class E Notes are fully subordinated to the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, the Class F Notes are fully subordinated to the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, and the Subordinated Notes are fully subordinated to the Rated Notes.

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

Non-payment of any Interest Amount due and payable in respect of the Class A Notes or the Class B Notes 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 seven Business Days in the case of an administrative 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 Noteholders and following redemption in full of the Class B Notes in accordance with the definition of Controlling Class), acting by Ordinary Resolution, may request the Trustee to accelerate the Notes pursuant to Condition 10 (*Events of Default*).

In the event of any 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 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. Remedies pursued on behalf of the Class A Noteholders could be adverse to the interests of the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class B Noteholders could be adverse to the interests of the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class C Noteholders could be adverse to the interests of the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class D Noteholders could be adverse to the interests of the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class E Noteholders could be adverse to the interests of the Class F Noteholders and the Subordinated Noteholders. Remedies pursued on behalf of the Class F Noteholders could be adverse to the interests of the Subordinated Noteholders.

The Trust Deed provides that in the event of any conflict of interest among or between 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 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. See Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*).

3.12 Calculation of Rate of Interest

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

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

3.13 Amount and Timing of Payments

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

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.

3.14 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 Prospectus and the Transaction Documents. The rating assigned to any Rated Note may also be lowered following the occurrence of an event or circumstance despite the fact that the related Rating Agency previously provided confirmation that such occurrence would not result in the rating of such Rated Note being lowered. Additionally, any Rating Agency may, at any time and without any change in its published ratings criteria or methodology, lower or withdraw any rating assigned by it to any Class of Rated Notes. If any rating initially assigned to any Note is subsequently lowered or withdrawn for any reason, holders of the Notes may not be able to resell their Notes without a substantial discount. Any reduction or withdrawal to the ratings on any Class of Rated Notes may significantly reduce the liquidity of the Notes and may adversely affect the Issuer's ability to make certain changes to the composition of the Collateral.

As at the date of this Prospectus, each of the Rating Agencies is established in the European Union and is registered under CRA3. As such each Rating Agency is included in the listing 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 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 who has reviewed the transaction may have a fundamentally different methodology or approach to or opinion of the structure or the nature or quality of all or some of the underlying Collateral Debt Obligations which may result in a view or rating which differs significantly from the ratings assigned by the Rating Agencies. Such unsolicited ratings could have a material adverse effect on the price and liquidity of the Rated Notes and, for regulated entities, could adversely affect the value of the Rated Notes as an investment or the capital treatment of the Rated Notes.

The SEC may determine that one or both of the Rating Agencies no longer qualifies as a nationally recognised statistical rating organisation for purposes of the federal securities laws and that determination may also have an adverse effect on the market prices and liquidity 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). 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. 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 be required under Rule 17g-10.

3.16 Average Life and Prepayment Considerations

The Maturity Date of the Notes is the Payment Date falling on or about 15 January 2030 (subject to adjustment for non-Business Days); however, the principal of the Notes of each Class is expected to be repaid in full prior to the Maturity Date. Average life refers to the average amount of time that will elapse from the date of delivery of a Note until each Euro of the principal of such Note will be paid to the investor. The average lives of the Notes will be determined by the amount and frequency of principal payments, which are dependent upon, among other things, the amount of payments received at or in advance of the scheduled maturity of the Collateral Debt Obligations (whether through sale, maturity, redemption, default or other liquidation or disposition). The actual average lives and actual maturities of the Notes will be affected by the financial condition of the obligors of the underlying Collateral Debt Obligations and the characteristics of such assets, including the existence and frequency of exercise of any optional or mandatory redemption features, the prevailing level of interest rates, the redemption price, any prepayment fees, the actual default rate, the actual level of recoveries on any Defaulted Obligations and the timing of defaults and recoveries, and the frequency of tender or exchange offers for such Collateral Debt Obligations. Collateral Debt Obligations may be subject to optional prepayment by the Obligor of such loans. Any disposition of a Collateral Debt Obligation may change the composition and characteristics of the remaining Portfolio and the rate of payment thereon and, accordingly, may affect the actual average lives of the Notes. The rate of and timing of future defaults and the amount and

timing of any cash realisation from Defaulted Obligations also will affect the maturity and average lives of the Notes.

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

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

3.17 Volatility of the Subordinated Notes

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

In addition, the failure to meet certain Coverage Tests will result in cash flow that may have been otherwise available for distribution to the Subordinated Notes, to pay interest on one or more subordinate Classes of Rated Notes or for reinvestment in Collateral Debt Obligations being applied on the next Payment Date to make principal payments on the more senior classes of Rated Notes until such Coverage Tests 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 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 the Subordinated 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 Notes and an increase in EURIBOR may indirectly reduce the credit support to the Notes

The Notes (other than the Class A-2 Notes) accrue interest at EURIBOR (i) in the case of the initial Accrual Period, pursuant to a straight line interpolation of six month EURIBOR and nine month EURIBOR, (ii) in the case of each six month Accrual Period, six month EURIBOR, and (iii) at all other times, three month EURIBOR.

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 Investment Manager, the Initial Purchaser, the Placement Agent, any Agent 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 Floating Rate Notes*), there may be a basis mismatch between the Rated 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 three month or six month EURIBOR for a different accrual period. In addition, not more than 10.0 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Fixed Rate Collateral Debt Obligations. It is possible that EURIBOR payable on the Rated 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 Rated Notes). No assurance can be made that the portion of Floating Rate Collateral Debt Obligations of the Issuer that bear interest based on indices other than EURIBOR will not increase in the future. Some Collateral Debt Obligations, however, may have EURIBOR floor arrangements that may help mitigate this risk, but there is no requirement for any Collateral Debt 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 Rated Notes rises during periods in which EURIBOR (or another applicable index) relating to the various Collateral Debt 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 Rated 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 Rated Notes.

There may also be a timing mismatch between the Rated Notes and the underlying Collateral Debt Obligations as EURIBOR (or other applicable index) on such Collateral Debt Obligations may adjust more frequently or less frequently, on different dates than EURIBOR on the Rated Notes. Such a mismatch could result in the Issuer not collecting sufficient Interest Proceeds to make interest payments on the Rated 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*", "*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 Debt Obligations and the Eligible Investments will in all circumstances generate sufficient Interest Proceeds to make timely payments of interest on the Rated 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 Debt 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 Debt Obligations re-set to semi-annual interest payments there may be insufficient interest received to make quarterly interest payments on the Notes. In order to mitigate the effects of any such timing mismatch, the Issuer will hold back a portion of the interest received on Collateral Debt 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 Debt 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 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 in Ireland on payments of interest on the Notes (provided the Notes remain listed on a recognised stock exchange for the purposes of section 64 of the TCA, 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 interest on the Notes, holders of 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 subject to any withholding tax or deduction on account of tax, the Notes may be redeemed in whole but not in part at the direction of the holders of each of the Controlling Class or the Subordinated Notes, in each case acting by way of Extraordinary Resolution, subject to certain conditions including a threshold test pursuant to which determination is made as to whether the anticipated proceeds of liquidation of the security over the Collateral would be sufficient to pay all amounts due and payable on the Rated Notes in such circumstances in accordance with the Priorities of Payment.

3.22 Security

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

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

Any risk of loss arising from any insufficiency or ineffectiveness of the security for the Notes or the custody and clearance risks which may be associated with assets comprising the Portfolio will be borne by the Noteholders without recourse to the Issuer, the Initial Purchaser, the Placement Agent, 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 Debt 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 or Extraordinary Resolution, in each case, either acting together or, to the extent specified in any applicable Transaction Document, as a Class of Noteholders acting independently. Such Resolutions can be effected either at a duly convened meeting of the applicable Noteholders or by the applicable Noteholders resolving in writing. Meetings of the Noteholders may be convened by the Issuer, the Trustee or by one or more Noteholders holding not less than 10 per cent. of the aggregate Principal Amount Outstanding of the Notes of a particular Class, subject to certain conditions including minimum notice periods.

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

Notes held by or on behalf of the Investment Manager or any Investment Manager Related Person (a) shall not have any voting rights in respect of, and shall not be counted for the purposes of determining a quorum and the result of voting on any removal of the Investment Manager; and (b) shall have voting rights in respect of, and shall be counted for the purposes of determining a quorum and the result of voting on any assignment or transfer by the Investment Manager of its obligations under the Investment Management and Collateral Administration Agreement, and, for the avoidance of doubt, shall carry a right to vote and be so counted on all other matters as to which Noteholders have a right to vote and be counted.

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 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 Notes (or of the relevant Class or Classes only, if applicable). Such quorum provisions still, however, require considerably lower thresholds than would be required for a Written Resolution. In addition, if a quorum requirement is not satisfied at any meeting, lower quorum thresholds will apply at any meeting previously adjourned for want of quorum as set out in Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and in the Trust Deed. 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 or the Controlling Class (as applicable) 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).

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 amend the Transaction Documents to modify the Collateral Quality Tests, Portfolio Profile Tests, Reinvestment Criteria or Eligibility Criteria and all related definitions, provided that Rating Agency Confirmation has been obtained and the Controlling Class has consented by way of Ordinary Resolution.

Notes constituting the Controlling Class that are in the form of IM Non-Voting Exchangeable Notes or IM Non-Voting Notes will have no right to vote in connection with and will not be counted for the purposes of determining a quorum or the result of voting on any IM Removal Resolution or any IM Replacement Resolution. As a result, for so long as the Class A Notes, Class B Notes, Class C Notes or Class D Notes constitute the Controlling Class, only Notes of such Class 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 Exchangeable Notes and/or IM Non-Voting Notes) will be bound by such Resolution. Furthermore, investors should be aware that if the entirety of the Class of Notes which represents the most senior Class outstanding is held in the form of IM Non-Voting Exchangeable Notes and/or IM Non-Voting Notes, as the holders of such Class will not be entitled to vote in respect of an IM Removal Resolution or IM Replacement Resolution, such right shall pass to a more junior Class of Notes.

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

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, subject to prior notice thereof being given to the Trustee but without the consent of the Trustee or 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 and the Investment Manager that all the Notes are immediately due and repayable, provided that following the occurrence of an Event of Default described in Condition 10(a)(vi) (*Insolvency Proceedings*) or 10(a)(vii) (*Illegality*), such notice shall be deemed to have been given and all the Notes shall automatically become immediately due and payable.

At any time after the Notes become due and repayable and the security under the Trust Deed becomes enforceable, the Trustee may, at its discretion (but subject always to Condition 4(c) (*Limited Recourse and Non-Petition*)), and shall, if so directed by the Controlling Class acting by Extraordinary Resolution (subject, in each case, 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 Investment Manager determines that the anticipated proceeds realised from such Enforcement Action (after deducting any expenses properly incurred in connection therewith) would be sufficient to discharge in full all amounts due and payable in respect of all Classes of Notes (including, without limitation, Deferred Interest on the Class C Notes, the Class D Notes, 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; (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*) or (ii) (*Non-payment of principal*) of Condition 10(a) (*Events of Default*), the Controlling Class acting by way of Extraordinary Resolution (and no other Class of Notes) may direct the Trustee to take Enforcement Action without regard to any other Event of Default which

has occurred prior to, contemporaneously or subsequent to such Event of Default; or (C) in the case of any other Event of Default, the Noteholders of each Class of Rated Notes voting separately by Class by way of Extraordinary Resolution may direct the Trustee to take Enforcement Action (subject to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction).

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, if certain employee benefit plans or other retirement arrangements subject to 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 under such Notes could be considered "prohibited transactions" under Section 406 of ERISA or Section 4975 of the Code. See the section of this Prospectus 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 Holder**") or a Noteholder is a Non-Permitted ERISA Holder, the Issuer shall, promptly after determination that such person is a Non-Permitted Holder or Non-Permitted ERISA Holder by the Issuer, send notice to such Non-Permitted Holder or Non-Permitted ERISA Holder (as applicable) demanding that such holder transfer its interest outside the United States to a non-U.S. Person or to a person that is not a Non-Permitted Holder or Non-Permitted ERISA Holder (as applicable), within 30 days (or 10 days in the case of a Non Permitted ERISA Holder) of the date of such notice. If such holder fails to effect the transfer required within such 30-day period (or 10 day period in the case of a Non Permitted ERISA Holder), (a) 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 Holder (b) pending such transfer, no further payments will be made in respect of such beneficial interest.

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

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

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 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 reasonable best efforts 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.

Other than with respect to the Retention Notes, 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 be subject to tax under FATCA, the Issuer is authorised to withhold amounts otherwise distributable to the Noteholder, to compel the Noteholder to sell its Notes, and, if the Noteholder does not sell its Notes within 10 Business Days after notice from the Issuer, to sell the Noteholder's Notes on behalf of the Noteholder.

(d) Possible treatment of the Rated 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 and 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 Debt Obligation is required to satisfy, as disclosed in this Prospectus, and on the Portfolio Profile Tests, Collateral Quality Tests, Coverage Tests and Target Par Amount that the Portfolio is required to satisfy as at the Effective Date (other than in respect of the Interest Coverage Tests, which are required to be satisfied on and after the Determination Date immediately preceding the second Payment Date) and in each case (save as described herein) thereafter. This Prospectus does not contain any information regarding the individual Collateral Debt Obligations on which the Notes will be secured from time to time. Purchasers of any of the Notes will not have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding the investments to be made by the Issuer and, accordingly, will be dependent upon the 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, the Initial Purchaser or the Placement Agent have made any investigation into the Obligors of the Collateral Debt Obligations. The value of the Portfolio may fluctuate from time to time (as a result of substitution or otherwise) and none of the Issuer, the Trustee, the Initial Purchaser, the Placement Agent, the Investment Manager, any Investment Manager Related Person, any Agent, any Hedge Counterparty or any of their Affiliates are under any obligation to maintain the value of the Collateral Debt Obligations at any particular level. None of the Issuer, the Trustee, the Initial Purchaser, the Placement Agent the Investment Manager, any Investment Manager Related Person, any Agent, any Hedge Counterparty or any of their Affiliates has any liability to the Noteholders as to the amount or value of, or any decrease in the value of, the Collateral Debt Obligations from time to time.

Furthermore, pursuant to the Investment Management and Collateral Administration Agreement, the Investment Manager is required to carry out due diligence 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 of such Collateral Debt 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 Debt Obligations are properly and effectively transferred and satisfy each of the Eligibility Criteria.

4.2 Nature of Collateral; Defaults

The Issuer will invest in a portfolio of Collateral Debt Obligations consisting at the time of acquisition of predominantly Secured Senior Loans, Secured Senior Bonds, Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations, High Yield Bonds, Corporate Rescue Loans, 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 Prospectus.

Due to the fact that the Subordinated Notes represent a leveraged investment in the underlying Collateral Debt 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 Debt 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 Debt Obligations. See the "*Ratings of the Notes*" section of this Prospectus. There is no assurance that actual losses will not exceed such assumed losses. If any losses exceed such assumed levels, payments on the relevant Class of Notes could be adversely affected by such defaults. To the extent that a default occurs with respect to any Collateral Debt Obligation securing the Notes and the Issuer sells or otherwise disposes of such Collateral Debt 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 Debt 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 Debt 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 Debt Obligations whose prices have risen or to acquire Collateral Debt 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 Debt Obligations would also adversely affect the proceeds of sale that could be obtained upon the sale of the Collateral Debt Obligations and could ultimately affect the ability of the Issuer to pay in full or redeem the Notes. Accordingly, no assurance can be given as to the amount of proceeds of any sale or disposition of such Collateral Debt Obligations at any time, or that the proceeds of any such sale or disposition would be sufficient to repay a corresponding par amount of principal of and interest on the Notes after, in each case, paying all amounts payable prior thereto pursuant to the Priorities of 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, the Initial Purchaser or the Placement Agent may have with investors, and there is no assurance that (i) any investor would have agreed with any views regarding the initial proposed portfolio that are expressed by another investor in such discussions, (ii) the 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, the Initial Purchaser or the Placement Agent would not receive the benefits of its role in the transaction, and in order to preserve the possibility of future business opportunities between the Investment Manager, the Initial Purchaser or the Placement Agent and such investors, (iii) those views, and any modifications made to the Portfolio as a result of those discussions, will not adversely affect the performance of a holder's Notes, or (iv) the views of any particular investors that are expressed in such discussions will 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 Debt 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, the Initial Purchaser or the Placement Agent. The Initial Purchaser and the Placement Agent have not and will not determine the composition of the collateral pool.

4.3 Acquisition of Collateral Debt 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 Debt Obligations prior to the Issue Date pursuant to a financing arrangement (the "**Warehouse Arrangements**"). The Warehouse Arrangements were provided by an Affiliate of the Initial Purchaser and the Placement Agent as a senior lender, and the Investment Manager and a third party lender in their capacities as junior lenders (together, the "**Warehouse Providers**"). Some of the Collateral Debt Obligations may have been acquired from the Warehouse Providers. The involvement of the senior lender under the Warehouse Arrangements was solely in its capacity as senior lender thereunder (which included a right to approve the purchase of Collateral Debt Obligations by the Issuer) and its agreement to fund the purchase of such Collateral Debt Obligations should not be viewed as a determination by the Initial Purchaser or the Placement Agent or their Affiliate as to whether a particular asset is an appropriate investment by the Issuer or whether such asset satisfies the Eligibility Criteria or other criteria applicable to the Issuer. The Warehouse Arrangements must be terminated in all respects on the Issue Date, and all amounts owing to the Warehouse Providers in connection with such arrangements must be repaid on or prior to the Issue Date, including from the proceeds of the issuance of the Notes.

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

The prices paid for such Collateral Debt Obligations may 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 which may occur between the date on which the Issuer first acquired a Collateral Debt Obligation and the Issue Date, including changes in prevailing interest rates, prepayments of principal, developments or trends in any particular industry, changes in the financial condition of the Obligors of Collateral Debt Obligations, the timing of purchases prior to the Issue Date and a number of other factors beyond the Issuer's control, including the condition of certain financial markets, general economic conditions and international political events, could adversely affect the market value of the Collateral Debt Obligations acquired prior to the Issue Date.

In addition, any interest or other amounts paid or accrued on such Collateral Debt Obligations during the period prior to the Issue Date will be paid to the Warehouse Providers on the Issue Date. Investors in the Notes will be assuming the risk of market value and credit quality changes in the Collateral Debt Obligations from the date such Collateral Debt Obligations are acquired during the period prior to the Issue Date but will not receive the benefit of interest earned on the Collateral Debt Obligations during such period provided that any risk in relation to any Collateral Debt Obligations which are ineligible collateral as at the Issue Date or which do not satisfy the Eligibility Criteria as at the Issue Date, and in each case, are sold by the Issuer (or the Investment Manager on its behalf) prior to the Issue Date, shall be borne by the Warehouse Providers.

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 Debt Obligations in which the Issuer invests may decline substantially. In particular, purchasing assets at what may appear to be "undervalued" levels is no guarantee that these assets will not be trading at even lower levels at a time of valuation or at the time of sale. It may not be possible to predict, or to hedge against, such risk.

The requirement that the Eligibility Criteria be satisfied applies only (i) at the time that any commitment to purchase a Collateral Debt Obligation is entered into, (ii) in respect of Issue Date Collateral Debt Obligations, on the Issue Date and (iii) in respect of certain of the Eligibility Criteria that comprise the Restructured Obligation Criteria, those Collateral Debt Obligations which are the subject of a restructuring (whether effected by way of an amendment to the terms of such Collateral Debt Obligation or by way of substitution of new obligations and/or change of Obligor), on the applicable Restructuring Date, and, in each case, any failure by such Collateral Debt Obligation to satisfy the relevant Eligibility Criteria (and, if applicable, with respect to Restructured Obligations, the Restructured Obligation 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 Debt Obligations in order to satisfy, as of 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 on and after the Determination Date immediately preceding the second Payment Date), the Collateral Quality Tests and the Portfolio Profile Tests. See "*The Portfolio*" section of this Prospectus. The ability to satisfy such tests and requirement will depend on a number of factors beyond the control of the Issuer and the 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 Asset Swap 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 Asset Swap Counterparty with whom the Issuer may enter into Asset Swap Transactions. See also "*EMIR*" above. To the extent it is not possible to purchase such additional Collateral Debt Obligations, the level of income receivable by the Issuer on the Collateral, and therefore its ability to meet its interest payment obligations under the Notes, may be adversely affected. Such inability to invest may also shorten the weighted average lives of the Notes as it may lead to early redemption of the Notes. To the extent such additional Collateral Debt Obligations are not purchased, the level of income receivable by the Issuer on the Collateral and therefore its ability to meet its interest payment obligations under the Notes, together with the weighted average lives of the Notes, may be adversely affected. Any failure by the Investment Manager (on behalf of the Issuer) to acquire such additional Collateral Debt Obligations and/or enter into required Asset Swap Transactions during such period could result in the non-confirmation or downgrade or withdrawal by any Rating Agency of its Initial Rating of any Class of Notes. Such non-confirmation, downgrade or withdrawal may result in the redemption of the Notes, shortening their weighted average life and reducing the leverage ratio of the Subordinated Notes to the other Classes of Notes which could adversely affect the level of returns to the holders of the Subordinated Notes. Any such redemption of the Notes may also adversely affect the risk profile of 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 Debt Obligations. Such application may affect the amounts which would otherwise have been payable to Noteholders and, in particular, may reduce amounts available for distribution to the Subordinated Noteholders.

4.5 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 Debt Obligations which will secure the Notes will be predominantly comprised of Secured Senior Loans, Secured Senior Bonds, Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations, High Yield Bonds and Corporate Rescue Loans 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 Debt Obligations by or on behalf of the Issuer and the amounts of the claims of creditors of the Issuer ranking in priority to the holders of each Class of the Notes. In particular, prospective purchasers of such Notes should be aware that the amount and timing of payment of the principal and interest on the Collateral Debt Obligations will depend upon the detailed terms of the documentation relating to each of the Collateral Debt Obligations and on whether or not any Obligor thereunder defaults in its obligations.

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 Debt 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 Debt 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 Debt Obligations is likely to be increased to the extent that the Portfolio of Collateral Debt Obligations is concentrated in any one

issuer, industry, region or country as a result of the increased potential for correlated defaults in respect of a single issuer or within a single industry, region or country as a result of downturns relating generally to such industry, region or country. Subject to any confidentiality obligations binding on the Issuer, Noteholders will receive information through the Reports from time to time of the identity of Collateral Debt Obligations which are "Defaulted Obligations".

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

For the purposes of the section of this Prospectus entitled "*Risk Factors—Relating to the Collateral*":

"**Senior Bonds**" means, together, Secured Senior Bonds and Unsecured Senior Obligations which are bonds;

"**Senior Loans**" means, together, Secured Senior Loans and Unsecured Senior Obligations which are loans; and

"**Senior Obligation**" means, together, Senior Loans, Senior Bonds and Second Lien Loans.

Characteristics of Senior Obligations, Mezzanine Obligations and Second Lien Loans

The Portfolio Profile Tests provide that as of the Effective Date, at least (i) 90.0 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Secured Senior Loans or Secured Senior Bonds (which shall comprise for this purpose the aggregate of the Aggregate Principal Balance of the Secured Senior Loans and Secured Senior Bonds and the Balances standing to the credit of the Principal Account and the Unused Proceeds Account, in each case as at the relevant Measurement Date), and (ii) 70.0 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Secured Senior Loans (which shall comprise for this purpose the aggregate of the Aggregate Principal Balance of the Secured Senior Loans and the Balances standing to the credit of the Principal Account and the Unused Proceeds Account, in each case as at the relevant Measurement Date). Senior Obligations and Mezzanine Obligations are of a type generally incurred by the Obligors thereunder in connection with highly leveraged transactions, often (although not exclusively) to finance internal growth, pay dividends or other distributions to the equity holders in the Obligor, or finance acquisitions, mergers, and/or stock purchases. As a result of the additional debt incurred by the borrower in the course of such a transaction, the Obligor's creditworthiness is typically judged by the rating agencies to be below investment grade. Secured Senior Loans, Secured Senior Bonds and Unsecured Senior Obligations are typically at the most senior level of the capital structure with Second Lien Loans being subordinated thereto and Mezzanine Obligations being subordinated to any Senior Obligations or to any other senior debt of the Obligor. 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.

Secured Senior Bonds typically contain bondholder collective action clauses permitting specified majorities of bondholders to approve matters which, in a typical Senior Loan, would require unanimous lender consent. The Obligor under a Secured Senior Bond may therefore be able to amend the terms of the bond, including terms as to the amount and timing of payments, with the consent of a specified majority of bondholders, either voting by written resolution or as a majority of those attending and voting at a meeting, and the Issuer is unlikely to have a blocking minority position in respect of any such resolution. The Issuer may further be restricted by the 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 Debt Obligations may bear interest at a fixed rate, for example high yield bonds. Risks associated with fixed rate obligations are discussed at "*Interest Rate Risk*" below.

The majority of Senior 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 relating to such Senior Obligation, 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 makewhole. Prepayments on loans and bonds may be caused by a variety of factors, which are difficult to predict. Accordingly, there exists a risk that loans or bonds purchased at a price greater than par may experience a capital loss as a result of such a prepayment. In addition, Principal Proceeds received upon such a prepayment are subject to reinvestment risk. Any inability of the Issuer to reinvest payments or other proceeds in Collateral Debt Obligations with comparable interest rates in compliance with the Reinvestment Criteria may adversely affect the timing and amount of payments and distributions received by the Noteholders and the yield to maturity of the Notes. There can be no assurance that the Issuer will be able to reinvest proceeds in Collateral Debt Obligations with comparable interest rates in compliance with the Reinvestment Criteria or (if it is able to make such reinvestments) as to the length of any delays before such investments are made.

4.7 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 are 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 Debt 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 Debt Obligations*" below.

Characteristics of Unsecured Senior Obligations

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

Characteristics of High Yield Bonds

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

High Yield Bonds have historically experienced greater default rates than investment grade securities. Although several studies have been made of historical default rates in the U.S. high yield market, such studies do not necessarily provide a basis for drawing definitive conclusions with respect to default rates and, in any event, do not necessarily provide a basis for predicting future default rates in either the European or the U.S. high yield

markets which may exceed the hypothetical default rates assumed by investors in determining whether to purchase the Notes or by the Rating Agencies in rating the Notes.

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

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

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

In addition to the characteristics described above, high yield securities frequently have call or redemption features that permit the issuer to redeem such obligations prior to their final maturity date. If such a call or redemption were exercised by an issuer during a period of declining interest rates, the 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 Debt 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 Debt Obligation if a default or foreclosure on that Collateral Debt Obligation occurs.

Liens on the collateral (if any) securing a Collateral Debt Obligation may arise at law that have priority over the Issuer's interest. An example of a lien arising under law is a tax or other government lien on property of an Obligor. A tax lien may have priority over the Issuer's lien on such collateral. To the extent a lien having priority over the Issuer's lien exists with respect to the collateral related to any Collateral Debt Obligation, the Issuer's interest in the asset will be subordinate to such lien. If the creditor holding such lien exercises its remedies, it is possible that, after such creditor is repaid, sufficient cash proceeds from the underlying collateral will not be available to pay the outstanding principal amount of such Collateral Debt Obligation.

4.8 Limited Control of Administration and Amendment of Collateral Debt Obligations

As a holder of an interest in a syndicated loan, the Issuer will have limited consent and control rights and such rights may not be effective in view of the expected proportion of such obligations held by the Issuer. The 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 Debt Obligations or any related documents or will refuse amendments or waivers of the terms of any underlying asset and related documents in accordance with its portfolio management practices and the standard of care specified in the 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 Debt Obligations which are loans either directly (by way of novation or assignment) or indirectly (by way of sub-participation). Each institution from which such an interest is taken by way of participation or acquired by way of assignment is referred to herein as a "**Selling Institution**". Interests in loans acquired directly by way of novation or assignment are referred to herein as "**Assignments**". Interests in loans taken indirectly by way of sub-participation are referred to herein as "**Participations**".

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

Participations by the Issuer in a Selling Institution's portion of the loan typically results in a contractual relationship only with such Selling Institution and not with the borrower under such loan. The Issuer would, in such case, only be entitled to receive payments of principal and interest to the extent that the Selling Institution has received such payments from the borrower. In purchasing Participations, the Issuer generally will have no

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

In addition, Participations may be subject to the exercise of the "bail-in" powers attributed to Resolution Authorities under the BRRD or similar resolution mechanisms provided for in the SRM Regulation. See 2.22 "*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 impose limits on the amount of Collateral Debt Obligations that may comprise Participations as a proportion of the Aggregate Collateral Balance.

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 Debt Obligations issued or sold in connection with any loan facility will maintain the terms and conditions to which the Issuer or a predecessor in interest to the Issuer originally agreed.

4.11 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 Collateral Enhancement Obligations

All funds required in respect of the purchase price of any Collateral Enhancement Obligations and all funds required in respect of the exercise price of any rights or options thereunder, may only be paid out of the Balance standing to the credit of the Collateral Enhancement Account at the relevant time, 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 Collateral Enhancement Account pursuant to the Priorities of Payment rather than being paid to the Subordinated Noteholders. The aggregate amount which may be credited to the Collateral Enhancement 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 €1,000,000 and (ii) the cumulative maximum aggregate total in respect of all Payment Dates may not exceed €2,000,000.

To the extent that there are insufficient sums standing to the credit of the Collateral Enhancement Account from time to time to purchase or exercise rights under Collateral Enhancement Obligations which the 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. All such Investment Manager Advances shall be repaid (together with interest thereon) out of Interest Proceeds and Principal Proceeds on each Payment Date pursuant to the Priorities of Payment.

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 Collateral Enhancement Account will be sufficient to fund the exercise of any right or option under any Collateral Enhancement Obligation at any time. The ability of the 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 Collateral Enhancement 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, the Collateral Quality Tests or the Reinvestment Overcollateralisation Test.

4.13 Counterparty Risk

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

If a Hedge Counterparty is subject to a rating withdrawal or downgrade by the Rating Agencies to below the applicable Rating Requirement, there will be a termination event under the applicable Hedge Agreement unless, within the applicable grace period following such rating withdrawal or 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 within the time limits prescribed for such action in the applicable Transaction Documents.

Transactions with counterparties that are relevant institutions for the purposes of the BRRD may be subject to the exercise of the "bail-in" powers attributed to Resolution Authorities under the BRRD or similar resolution mechanisms provided for in the SRM Regulation. See 2.22 "*EU Bank Recovery and Resolution Directive*" above.

4.14 Concentration Risk

The Issuer will invest in a Portfolio of Collateral Debt Obligations consisting of predominantly secured Senior Obligations, Mezzanine Obligations, Unsecured Senior Obligations, Second Lien Loans, High Yield Bonds and Corporate Rescue Loans. 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 Prospectus.

4.15 Credit Risk

Risks applicable to Collateral Debt Obligations also include the possibility that earnings of the Obligor may be insufficient to meet its debt service obligations thereunder and the declining creditworthiness and potential for insolvency of the Obligor of such Collateral Debt Obligations during 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.

4.16 Interest Rate Risk

The Rated Notes bear interest at a floating rate based on EURIBOR. It is possible that Collateral Debt 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 Debt 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 Aggregate Collateral Balance may comprise Fixed Rate Collateral Debt Obligations.

In addition, any payments of principal or interest received in respect of Collateral Debt Obligations and not otherwise reinvested during the Reinvestment Period in Substitute Collateral Debt Obligations will generally be invested in Eligible Investments until shortly before the next Payment Date. There is no requirement that such Eligible Investments bear interest on a particular basis, and the interest rates available for such Eligible Investments are inherently uncertain. As a result of these factors, it is expected that there may be a fixed/floating rate mismatch, a floating rate basis mismatch (including in the case of Collateral Debt Obligations or Eligible Investments which pay a floating rate based on a benchmark other than EURIBOR), maturity date mismatch and/or mismatch in timing of determination of the applicable floating rate benchmark between the Notes and the underlying Collateral Debt Obligations and Eligible Investments. Such mismatch may be material and may change from time to time as the composition of the related Collateral Debt Obligations and Eligible Investments change and as the liabilities of the Issuer accrue or are repaid. As a result of such mismatches, changes in the level of EURIBOR could adversely affect the ability to make payments on the Notes. In addition, pursuant to the 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 (other than in respect of a Form Approved Interest Rate Hedge Agreement) and subject to certain regulatory considerations in relation to swaps, discussed in "*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 Notes and an increase in EURIBOR may indirectly reduce the credit support to the Notes*".

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

There may be a timing mismatch between the Rated Notes and the Floating Rate Collateral Debt Obligations as the interest rate on such Floating Rate Collateral Debt Obligations may adjust more frequently or less frequently, on different dates and based on different indices as compared to the interest rates on the 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 Debt Obligations and Eligible Investments securing the Notes will in all circumstances generate sufficient Interest Proceeds to make timely payments of interest on the Notes or that any particular levels of return will be generated on the Subordinated Notes.

4.17 Non-Euro Obligations and Asset Swap Transactions

Currency Risk

The Portfolio Profile Tests provide that up to 30.0 per cent. of the Aggregate Collateral Balance may comprise Non-Euro Obligations. The Portfolio Profile Tests also provide that not more than 2.5 per cent. of the Aggregate Collateral Balance may comprise Unhedged Collateral Debt 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 intends to hedge against certain currency exposures pursuant to Asset Swap Transactions, it is not required that all Non-Euro Obligations must be the subject of an Asset Swap Transaction, and some may be Unhedged Collateral Debt Obligations.

Accordingly, fluctuations in the Euro exchange rate for currencies in which Non-Euro Obligations are denominated may lead to the proceeds of the Collateral Debt 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 (including but not limited to a Non-Euro Obligation 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 an Asset Swap Transaction would result in the Issuer being exposed to currency risk in respect of the related Non-Euro Obligations for so long as the Issuer has not entered into a replacement Asset Swap Transaction, and may result in the Issuer being required to pay a termination amount to the relevant Hedge Counterparty. The Investment Manager may also be unable to find suitable Asset Swap Counterparties willing to provide Asset Swap Transactions. There are currently a number of regulatory initiatives which may make it difficult or impossible for the Issuer to enter into Asset Swap Transactions or Interest Rate Hedge Transactions. See "*EMIR*", "*CFTC Regulations*" and "*Commodity Pool Regulation*". See further "*Hedging Arrangements*" below.

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

Defaults, prepayments, trading and other events 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 Debt 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 Asset Swap Counterparty to perform its obligations under any hedges. If the Asset Swap Counterparty defaults or becomes unable to perform due to insolvency or otherwise, the Issuer may not receive payments it would otherwise be entitled to from the Asset Swap Counterparty to cover its foreign exchange exposure. See "*Counterparty Risk*" above.

4.18 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 Debt Obligations on behalf of the Issuer and to reinvest the proceeds thereof in Substitute Collateral Debt Obligations in compliance with the Reinvestment Criteria. In addition, during the Reinvestment Period, to the extent that any Collateral Debt Obligations prepay or mature prior to the Maturity Date, the Investment Manager will seek, to invest the proceeds thereof in Substitute Collateral Debt Obligations, subject to the Reinvestment Criteria. In addition, following the expiry of the Reinvestment Period, the 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 Debt Obligations will depend, among other factors, on reinvestment rates available at the time, on the availability of investments which satisfy the Reinvestment Criteria and are acceptable to the 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 Debt Obligations with a lower yield than those replaced, with different characteristics than those replaced (including, but not limited to, coupon, maturity, call features and/or credit quality) or require that such funds be maintained in cash or Eligible Investments pending reinvestment in Substitute Collateral Debt Obligations, which will further reduce the Adjusted 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 Debt Obligations are sold, prepaid, or mature, yields on Collateral Debt Obligations that are eligible for purchase will be at the same levels as those replaced and there can be no assurance that the characteristics of any Substitute Collateral Debt Obligations purchased will be the same as those replaced and there can be no assurance as to the timing of the purchase of any Substitute Collateral Debt Obligations.

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

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

4.19 Ratings on Collateral Debt Obligations

The Collateral Quality Tests, the Portfolio Profile Tests, the Coverage Tests and the Reinvestment Overcollateralisation Test are sensitive to variations in the ratings applicable to the underlying Collateral Debt Obligations. Generally, deteriorations in the business environment or increases in the business risks facing any particular Obligor may result in downgrade of its obligations, which may result in such obligation becoming a Credit Impaired Obligation, a CCC Obligation or Caa Obligation (and therefore potentially subject to haircuts in the determination of the Par Value Tests and the Reinvestment Overcollateralisation Test 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 some 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 Debt Obligation but may be based on either a private rating of the Obligor or Collateral Debt Obligation or, in certain cases, a confidential credit estimate determined separately by Fitch and Moody's. Such private ratings and confidential credit estimates are private and therefore not capable of being disclosed to Noteholders. In addition, some ratings will be derived by the 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 Aggregate Collateral Balance that may be made up of Collateral Debt Obligations where the Moody's Rating is derived from the rating of another rating agency. Furthermore, such derived ratings will not reflect detailed credit analysis of the particular Collateral Debt Obligation and may reflect a more or less conservative view of the actual credit risk of such Collateral Debt Obligation than any such fundamental credit analysis might, if conducted, warrant; and model-derived variations in such ratings may occur (and have consequential effects on the Collateral Quality Tests, the Portfolio Profile Tests and the Coverage Tests) without necessarily reflecting comparable variation in the actual credit quality of the Collateral Debt Obligation in question. Please see "*Ratings of the Notes*" and "*The Portfolio*" section of this Prospectus.

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

4.20 Insolvency Considerations relating to Collateral Debt Obligations

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

The different insolvency regimes applicable in the different European jurisdictions result in a corresponding variability of recovery rates for different types of Collateral Debt Obligations, 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.

4.21 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 Debt Obligations, the Issuer may be subject to claims from creditors of an Obligor that Collateral Debt Obligations issued by such Obligor that are held by the Issuer should be equitably subordinated. However, the Issuer does not intend to engage in, and the 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 Debt Obligations that are obligations of non-United States Obligors are concerned, the laws of certain foreign jurisdictions may impose liability upon lenders or bondholders under factual circumstances similar to those described above, with consequences that may or may not be analogous to those described above under United States federal and state laws.

4.22 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 Debt Obligations, which would have an adverse effect on the amount available for distributions on Notes, beginning with the Subordinated Notes as the most junior Class of Notes.

4.23 Changes in Tax Law; No Gross Up; General

The Eligibility Criteria require that at the time Collateral Debt Obligations are acquired by the Issuer, interest payments on such Collateral Debt Obligations will not be subject to withholding tax imposed by any jurisdiction under the current market practice unless: (i) such withholding tax can be eliminated by application being made under an applicable double tax treaty or otherwise; (ii) the Obligor is required to make "gross-up" payments to the Issuer that cover the full amount of any such withholding on an after-tax basis; or (iii) if the Obligor is not required to make "gross-up" payments to the Issuer that cover the full amount of any such withholding on an after-tax basis, the Minimum Weighted Average Spread Test and the Minimum Weighted Average Fixed Coupon Test (as applicable), based on payments received by the Issuer on an after-tax basis, are maintained or improved before and 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 Debt Obligations will not be or become subject to withholding tax or increased withholding rates in respect of which the relevant Obligor will not be obliged to gross up to the Issuer. In such circumstances, the Issuer may be able, but will not be obliged, to take advantage of (a) a double taxation treaty between Ireland and the jurisdiction from which the relevant payment is made, or (b) the current applicable law in the jurisdiction of the relevant Obligor. If the Issuer receives any interest payments on any Collateral Debt 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 Debt Obligations would be sufficient to make timely payments of interest and principal on the Notes of each Class and the other amounts payable in respect of the Notes on the Maturity Date. If payments in respect of Collateral Debt Obligations to the Issuer become subject

to withholding tax, this may also trigger a Collateral Tax Event and result in an optional redemption of the Rated Notes in accordance with Condition 7(b)(i)(B) (*Optional Redemption in Whole—Subordinated Noteholders*).

4.24 UK Taxation of the Issuer

In the context of the activities to be carried out under the Transaction Documents, the Issuer will be subject to UK corporation tax if it (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 or it has an agent in the UK who has and habitually exercises authority in the UK to do business on the Issuer's behalf. The Issuer does not intend to have a fixed place of business in the UK. The 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 for profits generated in the UK by an investment manager on behalf of its non-resident clients (section 1146 of the Corporation Tax Act 2010) applies. This domestic exemption will be available in the context of this transaction if, amongst other conditions, the Investment Manager (and certain connected entities) holds no more than 20 per cent. of any series of Notes (the Investment Manager covenants under the Investment Management and Collateral Administration Agreement that the 20 per cent. requirement will be satisfied). If this domestic exemption is not available, the Issuer may nonetheless be able to rely on Article 8(1) of the UK-Ireland income tax treaty to exclude a charge to UK tax on its profits resulting from the agency of Investment Manager, provided that the Investment Manager is regarded as an independent agent acting in the ordinary course of its business for the purpose Article 5(6) of the UK-Ireland income tax treaty.

Should the Investment Manager be assessed to UK tax (including diverted profits 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.

4.25 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 Prospectus. The powers and duties of the Investment Manager in relation to the Portfolio include effecting, on behalf of the Issuer, in accordance with the provisions of the Investment Management and Collateral Administration Agreement: (a) the acquisition of Collateral Debt Obligations during the Reinvestment Period; (b) the sale of Collateral Debt Obligations during the Reinvestment Period (subject to certain limits) and, at any time, upon the occurrence of certain events (including a Collateral Debt Obligation becoming a Defaulted Obligation, a Credit Improved Obligation or a Credit Impaired Obligation); and (c) the participation in restructuring and work-outs of Collateral Debt Obligations on behalf of the Issuer. See "*The Portfolio*" section of this Prospectus. Any analysis by the Investment Manager (on behalf of the Issuer) of

Obligors under Collateral Debt Obligations which it is purchasing (on behalf of the Issuer) or which are held in the Portfolio from time to time will, in respect of Collateral Debt Obligations which are publicly listed bonds, be limited to a review of readily available public information and in respect of Collateral Debt Obligations which are bonds which are not publicly listed, any analysis by the 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 Debt 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 senior and mezzanine 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 Debt Obligations. Accordingly, during certain periods or in certain specified circumstances, the Investment Manager may be unable to buy or sell Collateral Debt Obligations or to take other actions which it might consider in the best interest of the Issuer and the Noteholders, as a result of such restrictions.

Pursuant to the Investment Management and Collateral Administration Agreement, neither the Investment Manager, nor any of its Affiliates, directors, employees, officers, shareholders (and their respective managers), partners, agents and any fund or account for which the Investment Manager or its Affiliates exercise discretionary authority over, shall be liable (whether directly or indirectly, in contract or in tort or otherwise) to the Issuer, the Trustee, the Noteholders or any other person for losses, claims, damages, judgments, interest on judgments, assessments, costs, fees, charges, amounts paid in settlement or other liabilities (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 provided that nothing shall relieve the Investment Manager from liability to such persons for Liabilities they may incur:

(a) by reason of acts or omissions constituting bad faith, fraud, wilful misconduct or gross negligence of the Investment Manager under the Investment Management and Collateral Administration Agreement, the Trust Deed or any other Transaction Document to which it is a party;

(b) with respect to the information concerning the Investment Manager provided in writing to the Issuer by the Investment Manager expressly for inclusion in the preliminary prospectuses (as referred to in the Investment Management and Collateral Administration Agreement) and this Prospectus, such information containing any untrue statement of material fact or omitting to state a material fact necessary in order to make the statement therein, in light of the circumstances under which they were made, not misleading in each case, as at the date of publication thereof; or

(c) with respect to any unauthorised offers or solicitations to investors by the Investment Manager or any other material breach by the Investment Manager of the Investment Management and Collateral Administration Agreement,

(such matters collectively referred to as "**Investment Manager Breaches**", and an "**Investment Manager Breach**" referring to any one of them), as further described in "*Description of the Investment Management and Collateral Administration Agreement - Responsibilities of the Investment Manager*". Investors should note that the concept of "gross negligence" may be interpreted by an English court as implying a significantly lower required standard of care on the part of the Investment Manager than ordinary negligence under English law. As a result, the Investment Manager may have no liability for its actions or inactions under the Investment Management and Collateral Administration Agreement where it would otherwise have been liable for failing to reach the required standard of care if a mere ordinary negligence standard were applied under the Investment Management and Collateral Administration Agreement.

The Issuer is a newly formed entity and has no operating history or performance record of its own, other than in respect of the Warehouse Arrangements. The actual performance of the Issuer will depend on numerous factors which are difficult to predict and may be beyond the control of the 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 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.

4.26 No Initial Purchaser or Placement Agent Role Post-Closing

The Initial Purchaser and the Placement Agent 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 Initial Purchaser, the Placement Agent 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.

4.27 Acquisition and Disposition of Collateral Debt Obligations

The net proceeds of the issue of the Notes remaining after payment of (a) certain fees and expenses incurred in connection with the issue of the Notes payable on or about the Issue Date and following completion of the issue of the Notes (including, without duplication, amounts deposited into the Expense Reserve Account), (b) any amounts borrowed by the Issuer (together with any interest thereon) pursuant to the Warehouse Arrangements and all other amounts due in order to finance the acquisition of warehoused Collateral Debt Obligations purchased by the Issuer prior to the Issue Date and (c) an amount equal to €1,500,000 into the First Period Reserve Account, are expected to be approximately €194,100,000. Such remaining net proceeds shall be retained in the Unused Proceeds Account and applied in accordance with the Transaction Documents to purchase (or enter into agreements to purchase) additional Collateral Debt Obligations during the Initial Investment Period. The Investment Manager's decisions concerning purchases of Collateral Debt Obligations will be influenced by a number of factors, including market conditions and the availability of securities and loans satisfying the Eligibility Criteria, 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 Debt Obligations with the proceeds of the offering or to reinvest Sale Proceeds or payments and prepayments of principal in Substitute Collateral Debt Obligations in a timely manner will adversely affect the returns on the Notes, in particular with respect to the most junior Class or Classes.

Under the 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 Debt Obligations in any period of 12 calendar months as well as any Collateral Debt Obligation that meets the definition of a Defaulted Obligation, an Exchanged Security and, subject to the satisfaction of certain conditions, a Credit Impaired Obligation or Credit Improved Obligation. Notwithstanding such restrictions and subject to the satisfaction of the conditions set forth in the Investment Management and Collateral Administration Agreement, sales and purchases by the Investment Manager of Collateral Debt Obligations

could result in losses by the Issuer, which will be borne in the first instance by the holders of the Subordinated Notes and then by holders of the Rated Notes, beginning with the most junior Class.

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

4.28 Valuation Information; Limited Information

None of the Initial Purchaser, the Placement Agent, 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 Debt 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 Debt Obligations and will not be required to disclose such information to the Noteholders.

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. As a result there is a rebuttable presumption that its centre of main interest ("**COMI**") is in Ireland and consequently that any main insolvency proceedings applicable to it would be governed by Irish law. In the decision by the European Court of Justice ("**ECJ**") in relation to Eurofood IFSC Limited, the ECJ restated the presumption in Council Regulation (EC) No. 1346/2000 of 29 May 2000 on Insolvency Proceedings, that the place of a company's registered office is presumed to be the company's COMI and stated that the presumption can only be rebutted if "factors which are both objective and ascertainable by third parties enable it to be established that an actual situation exists which is different from that which locating it at the registered office is deemed to reflect". As the Issuer has its registered office in Ireland, 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 Debt 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) Morgan Stanley 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 Debt 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 Debt 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 Debt 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 "*The Investment Manager*" and "*Description of the Investment Management and Collateral Administration Agreement*".

Certain Conflicts of Interest Involving the Investment Manager and its Affiliates

Various potential and actual conflicts of interest may arise from the overall management, advisory, investment and other activities of the Investment Manager, its Affiliates including its ultimate parent Man Group plc and its affiliates (collectively, the "**GLG Group**") and their respective clients or as party to or in connection with the investment of any funds in Eligible Investments. The following briefly summarises some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

The GLG Group and its clients may invest in securities that would be appropriate as security for the Notes. Such investments may be different from those made on behalf of the Issuer. Members of the GLG Group may also have ongoing relationships with, render services to or engage in transactions with, companies whose securities are pledged to secure the Notes and may own equity or debt securities issued by issuers of and other obligors on Collateral Debt Obligations. As a result, directors, officers and/or employees of members of the GLG Group may possess information relating to issuers of Collateral Debt Obligations which is not known to the individuals at the Investment Manager responsible for monitoring the Collateral Debt Obligations and performing the other obligations under the Investment Management and Collateral Administration Agreement. GLG Group members, in trading on behalf of other clients or their own accounts, may make use of information obtained by them in the course of managing the Issuer. No member of the GLG Group has any obligation to the Issuer for any profits earned from its use of such information or to compensate the Issuer in any respect for its receipt of such information. In addition, the GLG Group and its clients may invest in loans and securities that are senior to, or have interests different from or adverse to, the Collateral Debt Obligations that are pledged to secure the Notes. Members of the GLG Group may at certain times be simultaneously seeking to purchase or dispose of investments for its or their own account, for the Issuer, for any similar entity for which it serves as manager or adviser and for the GLG Group and/or its clients. It is intended that all Collateral Debt Obligations will be purchased and sold by the Issuer on terms prevailing in the market. The Investment Manager may effect any transaction with or for the Issuer in which the Investment Manager (or another member of the GLG Group) has a relationship with another person which may involve or conflict with the Investment Manager's duty to the Issuer. No member of the GLG Group is under any obligation to offer investment opportunities of which they have become aware to the Issuer or to account to the Issuer (or share with the Issuer or inform the Issuer of) any such transaction or any benefit received by them from any such transaction. Furthermore, any member of the GLG Group may make an investment on behalf of any account that it manages or advises without offering the investment opportunity to or making any investment on behalf of the Issuer. No member of the GLG Group has any affirmative obligation to offer any investments to the Issuer or to inform the Issuer of any investments before offering any investments to other funds or accounts that a member of the GLG Group manages or advises. Furthermore, other members of the GLG Group may make an investment on their own behalf without offering the investment opportunity to, or the Investment Manager making any investment on behalf of, the Issuer. Affirmative obligations may exist or may arise in the future, whereby Affiliates of the Investment Manager are obliged to offer certain investments to funds or accounts that such Affiliates manage or advise before or without the Investment Manager offering those investments to the Issuer. Affiliates of the Investment Manager have no affirmative obligation to offer any investments to the Issuer or to inform the Issuer of any investments before engaging in any investments for themselves. The Investment Manager will endeavour to resolve conflicts with respect to investment opportunities in a manner which it deems equitable to the extent possible under the prevailing facts and circumstances. Although the professional staff of the Investment Manager will devote as much time to the Issuer as the Investment Manager deems appropriate to perform its duties in accordance with the Investment Management and Collateral Administration Agreement, those staff

may have conflicts in allocating their time and services among the Issuer and the Investment Manager's other accounts.

The Investment Manager may, subject to the provisions of the Investment Management and Collateral Administration Agreement, deal or arrange for the dealing on the Issuer's behalf in (i) securities or other obligations of which the issue or offer for sale was undertaken, underwritten, managed or arranged by the Investment Manager or an Affiliate of the Investment Manager; (ii) securities or other obligations which have been issued by, held or acquired for the account of any Affiliate of the Investment Manager or the Investment Manager itself; and (iii) securities or other obligations issued by, purchased or sold to anyone with whom any Affiliate of the Investment Manager or the Investment Manager itself has a banking or other relationship; provided that any activity or decision made by the Investment Manager on behalf of the Issuer shall take place outside the United States.

In addition, no termination or resignation of the Investment Manager shall be effective unless and until a replacement Investment Manager has agreed to assume all the duties and obligations arising out of the Investment Management and Collateral Administration Agreement and the Trust Deed, in accordance with the terms and conditions of the Investment Management and Collateral Administration Agreement. Any Notes held by or on behalf of an Investment Manager Related Person will have no voting rights with respect to, and shall not be counted for the purposes of determining a quorum and the result of, any vote (or written direction or consent) in connection with an IM Removal Resolution; provided, however, that any Notes held by or on behalf of an Investment Manager Related Person will, save as otherwise expressly provided, have voting rights (including in respect of written directions and consents) with respect to all other matters as to which Noteholders of IM Voting Notes are entitled to vote (including, without limitation, any vote in respect of an IM Replacement Resolution). See "*Description of the Investment Management and Collateral Administration Agreement*".

The Investment Manager may directly or indirectly enter into "principal transactions" with the Issuer within the meaning of Section 206(3) of the Investment Advisers Act. A principal transaction is one in which the Investment Manager (or an affiliate of the Investment Manager) acts as principal for its own account with respect to the sale of a Collateral Debt Obligation to, or the purchase of a Collateral Debt Obligation from, the Issuer, but in certain circumstances may also be interpreted to include any transaction that may be effected between the Issuer and any Affiliate of the Investment Manager or any other fund, account or other vehicle as to which the Investment Manager or its Affiliates may act as investment adviser, investment manager or in a similar capacity (each such fund or account, a "Related Account" and any such transaction described in this sentence, an "**Affiliate Transaction**"). In analysing Affiliate Transactions, the Investment Manager will have a conflict between acting in the best interests of the Issuer and assisting itself, other members of the GLG Group, Man Group plc and/or a Related Account by selling or purchasing a particular Collateral Debt Obligation. All Affiliate Transactions, and any other transactions involving a conflict of interest between the Issuer and the Investment Manager, any member of the GLG Group or any Related Account: (i) must be exempt from the prohibited transaction rules of ERISA and the Code and (ii) will be conducted in compliance with the Investment Advisers Act and the Investment Company Act, if applicable.

Subject to the requirements stated herein, the Issuer will, pursuant to the Investment Management and Collateral Administration Agreement, prospectively authorise the Investment Manager to effect agency cross transactions (where the Investment Manager causes a purchase or sale of a Collateral Debt Obligation to be effected between the Issuer and any Related Account, in each case which do not require consent of the Issuer under Section 206(3) of the Investment Advisers Act); provided, however, that to the extent required by the Investment Advisers Act, such prospective authorisation may be revoked by the Issuer at any time upon written notice to the Investment Manager.

The Investment Manager may cause the Issuer to engage in Affiliate Transactions when the Investment Manager believes such transactions are appropriate and in the best interests of the Issuer. In the event the Investment Manager wishes to reduce the investment of the Issuer or one or more of such Related Accounts, or increase the investment of the Issuer or one or more Related Accounts, in any particular portfolio investment, it may effect an Affiliate Transaction by directing the sale and purchase of such portfolio investment or other obligation between funds. Any such Affiliate Transaction will be subject to the conditions noted above. The Investment Manager may also cause the Issuer to purchase or sell an investment that is being sold or purchased, respectively, at the same time by the Investment Manager, an affiliate or a Related Account. The Investment Management and Collateral Administration Agreement requires that all such purchases from or sales to the Investment Manager, its Affiliates or their respective clients (including the Issuer) be made in compliance with the provisions of the Investment Advisers Act.

Notwithstanding whether any such Affiliated Transaction or other transaction involving a conflict of interest between the Issuer and the Investment Manager requires consent of the Issuer under Section 206(3) of the Investment Advisers Act, all principal trades and agency cross transactions shall be conducted in compliance with the investment Manager's policy and procedures with respect thereto.

In addition, the Investment Manager and/or its Affiliates may have ongoing relationships (including, without limitation, the provision of investment banking, commercial banking and investment management or advisory services or engaging in securities derivatives transactions) with Obligors of Collateral Debt Obligations and may own equity or other securities of Obligors of Collateral Debt Obligations while also maintaining ongoing relationships (including, without limitation, the provision of investment banking, commercial banking and advisory services or engaging in securities derivatives transaction) with purchasers of the Notes. The Issuer may invest in the securities of companies Affiliated with the Investment Manager or their respective Affiliates or companies in which the Investment Manager or their respective Affiliates have an equity or participation interest. The purchase, holding and sale of such investments by the Issuer may enhance the profitability of the Investment Manager's or their Affiliates' own investments in such companies. It is possible that one or more of the Affiliates of the Investment Manager may also act as counterparty with respect to one or more Participations or Hedge Transactions.

It is also possible that one or more Affiliates of the Investment Manager may also act as counterparty with respect to one or more Participations or Hedge Transactions. This may result in a conflict of interest between the Investment Manager in its role as such and any Affiliate thereof acting as a counterparty under one or more such instruments as a result of the Investment Manager's position as manager on behalf of the Issuer in respect of such instruments and the authority delegated to it to take action on the Issuer's behalf in respect of such instruments.

There is no limitation or restriction on the Investment Manager or any of their respective Affiliates with regard to acting as Investment Manager (or in a similar role) to other parties or persons. The Investment Manager and/or its Affiliates may at certain times be simultaneously seeking to purchase or dispose of Collateral Debt Obligations and to purchase or dispose of investments for its own account or the account of one of its Affiliates, any similar entity for which it serves as manager or advisor and for its other clients. Subject to the requirements of the applicable agreements pertaining to the Investment Manager or its Affiliates, investment opportunities sourced by the Investment Manager will generally be allocated to the Investment Manager's clients in a manner that is considered to be reasonable and equitable and in a manner that is consistent with each client's investment objectives and guidelines. The Investment Manager may determine that an investment opportunity or particular purchases or sales are appropriate for one or more clients, but not for other clients, or are appropriate for or available to certain clients but in different sizes, terms, or timing than is appropriate for others. The Investment Manager will make allocations for clients of such investments with reference to numerous factors including, without limitation, the Investment Manager's perception of the appropriate risks and rewards for each client, investment objectives and guidelines of each client, leverage of each client, the liquidity of the client at the time of the investment and on a going-forward basis, risk parameters for each client, regulatory restrictions affecting the client, in the case of offerings (initial or secondary), the size of the offering and such other factors as are relevant in the judgment of the Investment Manager. Although allocating orders among clients may create potential conflicts of interest because of the interests of the Investment Manager and any of its Affiliates or its employees or because the Investment Manager may receive greater fees or compensation from on client over another, the Investment Manager will not make allocation decisions based on such interests or greater fees or compensation. Allocation among clients in any particular circumstance may be more or less advantageous to any client. In addition, transactions in investments by multiple clients may have the effect of diluting or otherwise impairing the values, prices or investment strategies of an individual client, particularly, but not limited to, in small capitalization, emerging market, or less liquid strategies. Therefore, the amount, timing, structuring, or terms of an investment by some clients may differ from, and performance may be lower than, investments and performance of other clients. This and other future activities of the Investment Manager and/or their Affiliates may give rise to additional conflicts of interest. Investors in the Notes will not be permitted to inspect the records relating to trades by GLG Group. Certain members of the GLG Group and/or their affiliates may also have material non-public information about an issuer in whose securities or other financial instruments the Issuer has invested and may not share such information with the Issuer or GLG Group personnel responsible for the Issuer's trading.

The Investment Manager may, notwithstanding any other provisions of the Investment Management and Collateral Administration Agreement, at any time refrain from effecting the acquisition or sale of obligations (i) of persons of which the Investment Manager, its Affiliates, or any of their or their Affiliates' officers, partners, directors or employees are partners, directors or officers; (ii) of persons for which the Investment Manager or

any of its Affiliates act as financial advisers or underwriter; (iii) of persons about which the Investment Manager has information which the Investment Manager deems confidential, non-public, price sensitive or which otherwise might prohibit it from trading such assets in accordance with applicable laws including without limitation any insider dealing laws; or (iv) of persons whose obligation the Investment Manager has recommended be acquired by a vehicle or fund in respect of whose assets the Investment Manager acts as Investment Manager. In addition, the Investment Manager shall not be obliged to provide with the respect to the Portfolio any particular investment opportunity of which it becomes aware.

Certain holders of Notes may have access to more or better information than other investors or holders of Notes such as, but not limited to, portfolio risk, personnel and/or investment-related information. In addition, in the course of conducting due diligence, current or prospective investors or holders of Notes may request information pertaining to investments, portfolios or the Investment Manager. The Investment Manager may respond to such requests and provide a response containing information which is not generally made available to other investors although it may require investors receiving such information to agree to keep such information confidential. When the Investment Manager provides this requested information, it does so without an obligation to provide it to other investors or to correct or update any such information previously provided.

The Investment Manager may, in its sole discretion, agree with one or more Noteholders to rebate a portion of its Investment Management Fees and, if such agreement is made, the Investment Manager will not be obliged to enter into similar agreements with or to notify other Noteholders. Such rebates may affect the incentives of the Investment Manager in managing the Collateral Debt Obligations and may also affect the actions of the relevant Noteholders in taking any actions it may be permitted to take in respect of the Notes, including votes concerning amendments. The Investment Manager may enter into agreements with one or more holders of the Notes pursuant to which the Investment Manager may agree, subject to its obligations under the Transaction Documents and applicable law, to take actions with respect to such holders of the Notes that it will not take with respect to other holders of the Notes, including but not limited to any fee rebates as set out above.

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 Morgan Stanley and its Affiliates

Various potential and actual conflicts of interest may arise as a result of the investment banking, commercial banking, asset management, financing and financial advisory services and products provided by Morgan Stanley & Co. International plc ("**Morgan Stanley**") and its Affiliates to the Issuer, the Trustee, the Investment Manager, the issuers of the Collateral Debt Obligations and others, as well as in connection with the investment, trading and brokerage activities of Morgan Stanley and its Affiliates. Morgan Stanley and its Affiliates may from time to time hold Notes of any Class for investment, trading or other purposes, and may sell at any time any Notes held by them. Morgan Stanley and its Affiliates will have the right to vote the Notes that they hold. The interests and incentives of Morgan Stanley or its Affiliates will not necessarily be aligned with those of the other holders. Additionally, Morgan Stanley or any of its Affiliates may, on either its own or its clients' behalf, invest or take long or short positions in the Notes, which may be different from the position taken by holders of the Notes. Any such short position will increase in value if the Notes decrease in value. Morgan Stanley and its Affiliates are not obligated to consider the interests of the Noteholders or any effect that such positions could have on them.

Morgan Stanley or any its Affiliates may, on their own behalf or on behalf of clients, act as Hedge Counterparty or Selling Institution. The position of Morgan Stanley, its Affiliates or its clients in such a derivative transaction may increase in value if the Notes default or decrease in value. In conducting such activities, Morgan Stanley and its Affiliates are under no obligation to consider the interests of Noteholders or the impact of any such activities on the Noteholders.

Morgan Stanley and any of its Affiliates will act in their own commercial interests in these various capacities without regard to whether its interests conflict with those of the Noteholders or any other party. None of Morgan Stanley or its Affiliates take any responsibility for, and have no obligations to potential investors or other third parties in respect of, the Issuer.

The Issuer's purchase of Collateral Debt Obligations prior to the Issue Date has been financed by an Affiliate of Morgan Stanley, together with a junior lender (being the Investment Manager), pursuant to the Warehouse Arrangements. A portion of the proceeds of the offering of the Notes will be paid to such Affiliate of Morgan Stanley to repay the Warehouse Arrangements. The existence of the Warehouse Arrangements may give Morgan Stanley the incentive to close the issuance of the Notes in conditions that are not optimal.

In addition, the Issuer has purchased (as described under "*Acquisition of Collateral Debt Obligations Prior to the Issue Date*") and may sell prior to the Issue Date, and may purchase or sell after the Issue Date, Collateral Debt Obligations from, to or through one or more of Morgan Stanley or its Affiliates (including purchases of Collateral Debt Obligations in anticipation of the Issue Date). Certain Eligible Investments may be issued, managed or underwritten by one or more of Morgan Stanley or its Affiliates. One or more of Morgan Stanley or its Affiliates may provide investment banking, commercial banking, asset management, financing and financial advisory services and products to the Investment Manager, its Affiliates, and/or funds managed by the Investment Manager or its Affiliates, and purchase, hold and sell, both for their respective accounts or for the account of their respective clients, on a principal or agency basis, loans, securities, and other obligations and financial instruments of the Investment Manager, its Affiliate(s), and funds managed by the Investment Manager or its Affiliate(s). As a result of such transactions or arrangements, one or more of Morgan Stanley or its Affiliates may have interests adverse to those of the Issuer and Noteholders. Morgan Stanley is not obligated to consider the interests of the Noteholders or any effect that such positions could have on them.

Morgan Stanley and its Affiliates may have underwritten or be acting as agent, counterparty or lender in respect of certain of the Collateral Debt Obligations, may have on-going relationships (including, without limitation, the provision of investment banking, commercial banking and advisory services or engaging in securities or derivatives transactions) with issuers whose debt obligations constitute Collateral Debt Obligations and may own either equity securities or debt obligations (including the debt obligations that constitute Collateral Debt Obligations) issued by such issuers. Morgan Stanley and its Affiliates may also have on-going relationships (including, without limitation, the provision of investment banking, commercial banking and advisory services or engaging in securities or derivatives transactions) with purchasers of the Notes or the Investment Manager or their respective Affiliates. Morgan Stanley and its Affiliates and clients may also invest in debt obligations that have interests different from or adverse to the debt obligations that constitute Collateral Debt Obligations. From time to time the Issuer may purchase, enter into, terminate or sell Collateral Debt Obligations from or through Morgan Stanley or any of its Affiliates.

In addition, certain "private side" and "walled off" areas of Morgan Stanley or its Affiliates may have access to material non-public information regarding the Collateral Debt Obligations or the issuers whose debt obligations constitute Collateral Debt Obligations. These areas have not participated in the preparation of this Prospectus, nor have they provided any material non-public information to any employee of Morgan Stanley involved in the preparation of this Prospectus.

Morgan Stanley will be entitled to be paid certain fees in connection with the structuring and offering of the Notes from the proceeds of the issuance of the Notes. Morgan Stanley may forego a portion of or otherwise choose to accept a reduced amount of such fees for any reason. Whether any such amount will be foregone or reduced may depend on the terms of the securities issued on the Issue Date (including, without limitation, the interest rates and purchase prices of Notes purchased for the account of Morgan Stanley or its Affiliates or otherwise for distribution), the purchase price of the Collateral Debt Obligations and other terms of the transaction.

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.

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

If the SEC or a court of competent jurisdiction were to find that the Issuer is required, but in violation of the Investment Company Act had failed, to register as an investment company, possible consequences include, but are not limited to, the following: (i) the SEC could apply to a district court to enjoin the violation; (ii) investors in the Issuer could sue the Issuer and seek recovery of any damages caused by the violation; and (iii) any contract to which the Issuer is party could be declared unenforceable unless a court were to find that under the circumstances enforcement would produce a more equitable result than non-enforcement and would not be inconsistent with the purposes of the Investment Company Act. In addition, the Issuer or any of the Collateral becoming required to register as an "investment company" under the Investment Company Act will constitute an Event of Default if such requirement continues for 45 days. Should the Issuer be subjected to any or all of the foregoing, the Issuer would be materially and adversely affected.

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

The Trust Deed provides that if, notwithstanding the restrictions on transfer contained therein, the Issuer determines that any holder of an interest in a Rule 144A Note is a Non-Permitted Holder, the Issuer shall require the sale of the relevant Notes subject to and in accordance with the Conditions. See "*Forced Transfer*" above.

TERMS AND CONDITIONS OF THE NOTES

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

The issue of €207,000,000 Class A-1 Senior Secured Floating Rate Notes due 2030 (the "**Class A-1 Notes**"), €10,000,000 Class A-2 Senior Secured Fixed Rate Notes due 2030 (the "**Class A-2 Notes**" and, together with the Class A-1 Notes, the "**Class A Notes**"), €43,900,000 Class B Senior Secured Floating Rate Notes due 2030 (the "**Class B Notes**"), €17,700,000 Class C Deferrable Mezzanine Floating Rate Notes due 2030 (the "**Class C Notes**"), €17,300,000 Class D Deferrable Mezzanine Floating Rate Notes due 2030 (the "**Class D Notes**"), €19,200,000 Class E Deferrable Junior Floating Rate Notes due 2030 (the "**Class E Notes**"), €7,700,000 Class F Deferrable Junior Floating Rate Notes due 2030 (the "**Class F Notes**", together with the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes, the "**Rated Notes**") and €41,200,000 Subordinated Notes due 2030 (the "**Subordinated Notes**") (the Rated Notes and the Subordinated Notes, together the "**Notes**") of GLG Euro CLO II D.A.C. (the "**Issuer**") was authorised by resolution of the board of Directors of the Issuer dated 7 December 2016. The Notes are constituted, secured by, subject to and have the benefit of a trust deed (together with any other security document entered into in respect of the Notes, the "**Trust Deed**") to be dated on or about 14 December 2016, as amended, varied or substituted from time to time, between (amongst others) the Issuer and U.S. Bank National Association in its capacity as trustee for itself and the Noteholders and security trustee for the Secured Parties (the "**Trustee**", which expression shall include all persons for the time being the trustee or trustees under the Trust Deed).

These terms and conditions of the Notes, as amended, varied or substituted from time to time (the "**Conditions of the Notes**" include summaries of, and are subject to, the detailed provisions of the Trust Deed (which includes the forms of the certificates representing the Notes). The following agreements have, amongst others been entered into in relation to the Notes: (a) an agency agreement to be dated on or about 14 December 2016, as amended, varied or substituted from time to time, (the "**Agency Agreement**") between the Issuer, U.S. Bank National Association as registrar and transfer agent (respectively, the "**Registrar**" and the "**Transfer Agent**", which terms shall include any successor or substitute registrar or transfer agent appointed pursuant to the terms of the Agency Agreement, and together, the "**Transfer Agents**" and each a "**Transfer Agent**"), Elavon Financial Services DAC acting through its UK Branch, as principal paying agent, account bank, calculation agent, custodian or information agent (respectively, the "**Principal Paying Agent**", the "**Account Bank**", the "**Calculation Agent**", the "**Custodian**", and "**Information Agent**", which terms shall include any successor or substitute principal paying agent, account bank, calculation agent or custodian appointed pursuant to the terms of the Agency Agreement and any successor or substitute information agent appointed pursuant to the terms of the Investment Management and Collateral Administration Agreement), Elavon Financial Services DAC acting through its UK Branch, 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) and the Trustee; (b) an investment management and collateral administration agreement to be dated on or about 14 December 2016, as amended, varied or substituted from time to time, (the "**Investment Management and Collateral Administration Agreement**") between GLG Partners LP, 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, the Custodian, the Information Agent, the Collateral Administrator and the Trustee; (c) a corporate services agreement dated 17 August 2015, as amended, varied or substituted from time to time, (the "**Corporate Services Agreement**") between the Issuer and the Corporate Services Provider; and (d) a subscription and placement agency agreement to be dated on or about 14 December 2016, as amended, varied or substituted from time to time, (the "**Subscription and Placement Agency Agreement**") between the Issuer and Morgan Stanley & Co. International plc as initial purchaser and placement agent (respectively, the "**Initial Purchaser**" and the "**Placement Agent**"). Copies of the Trust Deed, the Agency Agreement, the Investment Management and Collateral Administration Agreement, the Corporate Services Agreement and each Hedge Agreement are available for inspection during usual business hours at the principal office of the Issuer (presently at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland) and at the specified offices of the Transfer Agents for the time being. The holders of each Class of Notes are entitled to the benefit of, are bound by and are deemed to have notice of all the provisions of the Trust Deed, and are deemed to have notice of all the provisions of the Transaction Documents applicable to them.

1. **Definitions**

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

"**Accounts**" means the Collection Account, the Principal Account, the Custody Account, the Interest Account, the Unused Proceeds Account, the Payment Account, the Expense Reserve Account, the First Period Reserve Account, the Collateral Enhancement Account, the Counterparty Downgrade Collateral Account, the Contribution Account, the Interest Smoothing Account, each Hedge Termination Account, each Asset Swap Account and the Unfunded Revolver Reserve Account all of which shall be held and administered outside Ireland.

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

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

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

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

(c) in relation to a Deferring Security, the lesser of: (i) its Moody's Collateral Value; and (ii) its Fitch Collateral Value and in relation to a Defaulted Obligation, the lesser of: (i) its Moody's Collateral Value; and (ii) its Fitch Collateral Value, provided that in the case of a Defaulted Obligation, the Adjusted Collateral Principal Amount of a Defaulted Obligation that has been a Defaulted Obligation for more than three years after the date on which it became a Defaulted Obligation and continues to be a Defaulted Obligation on such date shall be zero; *plus*

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

(e) the Excess CCC/Caa Adjustment Amount;

provided further that:

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

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

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

(a) in the following order of priority:

(i) on a *pro rata* and *pari passu* basis to: (A) the Agents pursuant to the Agency Agreement, in each case, including amounts by way of indemnity, (B) the Collateral Administrator and the Information Agent pursuant to the Investment Management and Collateral Administration Agreement, in each case, including amounts by way of indemnity and (C) the Irish Stock Exchange, or such other stock exchange or exchanges upon which any of the Notes are listed from time to time; then

(ii) the Corporate Services Provider pursuant to the Corporate Services Agreement, including amounts by way of indemnity; and then

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

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

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

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

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

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

(iii) the Directors of the Issuer in respect of any directors' fees (if any);

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

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

(vi) on a *pro-rata* basis to any other Person in respect of any other fees or expenses contemplated in the Conditions of the Notes and in the Transaction Documents (other than the Investment Management and Collateral Administration Agreement) or any other documents (other than the Investment Management and Collateral Administration Agreement) delivered pursuant to or in connection with the issue and sale of the Notes, including, without limitation, an amount up to €10,000 *per annum* in respect of fees and expenses (and VAT thereon) incurred by the Issuer (in its sole and absolute discretion) in assisting in the preparation, provision or validation of data for purposes of Noteholder tax jurisdictions;

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

(viii) on a *pro-rata* basis to any other Person in connection with satisfying the requirements of EMIR, the Securitisation Regulation, the Common Reporting Standard or CRA3 (excluding any requirement under EMIR to post margin to either any central clearing counterparty, or to any Hedge Counterparty, as applicable);

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

(x) 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);

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

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

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

(i) on a *pro-rata* basis to any other Person (including the Investment Manager) in connection with satisfying the requirements of EMIR, CRA3 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 Retention Requirements, in each case as applicable to the Issuer only, including any costs or fees related to additional due diligence or reporting requirements;

(iii) cost of complying with FATCA (and any other international automatic exchange of tax information regime); and

(iv) reasonable fees, costs and expenses of the Issuer and Investment Manager including reasonable attorneys' fees, in each case in relation to compliance by the Issuer and the Investment Manager with the Commodity Exchange Act (including rules and regulations promulgated thereunder);

(d) on a *pro-rata* basis, to the extent not already paid above or a Trustee Fee and Expense, any Refinancing Costs; and

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

provided that:

(i) the Investment Manager may direct the payment of any Rating Agency fees set out in (b)(i) above other than in the order required by paragraph (b) above if the Investment Manager or Issuer has been advised by a Rating Agency that non-payment of its fees will immediately result in the withdrawal of any ratings on any Class of Rated Notes but only if amounts due to be paid under paragraph (a) above on the Payment Date immediately following such payment have been paid or provided for in full at the time of such payment; and

(ii) the Investment Manager may direct payment other than in the order required by paragraph (b) if, it determines (in accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement), a payment other than in the order required by paragraph (b) above is required to ensure the delivery of certain accounting services and reports but only if amounts due to be paid under paragraph (a) above on the Payment Date immediately following such payment have been paid or provided for in full at the time of such payment.

"**Affected Class(es)**" has the meaning given thereto in Condition 14(b)(viii) (*Resolutions affecting other Classes*).

"**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:

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

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

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

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

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

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

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

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

(i) the Portfolio Profile Tests and the Collateral Quality Tests; and

(ii) determining whether an Event of Default has occurred in accordance with Condition 10(a)(iv) (*Collateral Debt Obligations*),

the Principal Balance of each Defaulted Obligation shall be excluded; and

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

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

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

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

"**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 references to 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 AIFMD or the AIFM Regulation.

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

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

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

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

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

"**Asset Swap Account**" means each segregated currency account denominated in one of the relevant currencies of Non-Euro Obligations into which amounts due to the Issuer in respect of Non-Euro Obligations denominated in such currency shall be paid and out of which amounts from the Issuer to each applicable Asset Swap Counterparty under each applicable Asset Swap Transaction are to be paid.

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

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

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

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

"**Asset Swap Obligation**" means any Collateral Debt Obligation which is not denominated or drawn in EUR and which is or, if the purchase of such Collateral Debt Obligation has not yet settled, will no later than the settlement date thereof become, the subject of an Asset Swap Transaction.

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

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

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

"**Asset Swap Termination Receipt**" means the amount payable by an Asset Swap Counterparty to the Issuer upon termination or modification of an Asset Swap Transaction excluding, for purposes other than payment to

the applicable Account to which the Issuer shall credit such amounts, the portion thereof representing any due and unpaid scheduled amounts payable thereunder and any Asset Swap Counterparty Principal Exchange Amounts.

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

"**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.

"**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.

"**Average Life**" means, on any Measurement Date with respect to any Collateral Debt Obligation, an amount equal to:

(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 Debt Obligation; and

(ii) the respective amounts of principal of such scheduled distributions; *divided by*

(b) the sum of all successive scheduled distributions of principal on such Collateral Debt Obligation.

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

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

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

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

provided that (i) if a default as to payment of principal and/or interest has occurred and is continuing (disregarding any grace periods provided for pursuant to the terms thereof) in respect of any Eligible Investment or any obligation of the obligor thereunder which is senior or equal in right of payment to such Eligible Investment such Eligible Investment shall have a value equal to the lesser of its Fitch Collateral Value and its Moody's Collateral Value (determined as if such Eligible Investment were a Collateral Debt Obligation), (ii) to the extent that the Hedging Condition has been satisfied and an Asset Swap Transaction is in place, amounts standing to the credit of the Asset Swap Accounts shall be converted into Euro at the exchange rate applicable under the relevant Asset Swap Transaction and (iii) any other balance which is denominated in a currency other than Euro shall be converted into Euro at the Applicable Exchange Rate.

"**Benefit Plan Investor**" means:

(a) an employee benefit plan (as defined in section 3(3) of ERISA), 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.

"**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 Dublin and London (other than a Saturday or a Sunday); and

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

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

(a) the excess of the Principal Balance of all Moody's Caa Obligations over an amount equal to 7.5 per cent. of the Aggregate Collateral Balance; and

(b) the excess of the Principal Balance of all Fitch CCC Obligations over an amount equal to 7.5 per cent. of the Aggregate Collateral Balance,

provided that, (i) in determining the Aggregate Collateral Balance for the purposes of part (a) and part (b) above, the Principal Balance of Defaulted Obligations shall be excluded, and (ii) in determining which of the Moody's Caa Obligations or Fitch CCC Obligations, as applicable, shall be included under part (a) or (b) above, the Moody's Caa Obligations or Fitch CCC Obligations, as applicable, with the lowest Market Value (assuming that such Market Value is expressed as a percentage of the Principal Balance of such Collateral Debt Obligations as of such date of determination) shall be deemed to constitute the CCC/Caa Excess.

"**CFTC**" means the United States Commodity Futures Trading Commission.

"**CFR**" means, with respect to an obligor of a Collateral Debt Obligation, if such obligor has a corporate family rating by Moody's, then such corporate family rating; provided, if such obligor does not have a corporate family rating by Moody's but any entity in the obligor's corporate family does have a corporate family rating, then the CFR is such corporate family rating.

"**Class A IM Non-Voting Exchangeable Notes**" means, together, the Class A-1 IM Non-Voting Exchangeable Notes and the Class A-2 IM Non-Voting Exchangeable Notes.

"**Class A IM Non-Voting Notes**" means, together, the Class A-1 IM Non-Voting Notes and the Class A-2 IM Non-Voting Notes.

"**Class A IM Voting Notes**" means, together, the Class A-1 IM Voting Notes and the Class A-2 IM Voting Notes.

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

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

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

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

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

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

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

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

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

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

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

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

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

(a) the Interest Coverage Amount; by

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

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

"**Class A/B Interest Coverage Test**" means the test which will apply as of any Measurement Date occurring on and after the Determination Date immediately preceding the second Payment Date 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 124.2 per cent.

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

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

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

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

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

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

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

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

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

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

"**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:

(a) the Interest Coverage Amount; by

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

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

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

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

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

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

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

"**Class C Par Value Test**" means the test which will apply as of any Measurement Date on and after the Effective Date and which will be satisfied on such Measurement Date if the Class C Par Value Ratio is at least equal to 118.1 per cent.

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

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

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

(a) the Interest Coverage Amount; by

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

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

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

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

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

(a) the amount equal to the Adjusted 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 112.3 per cent.

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

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

"**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:

(a) the Interest Coverage Amount; by

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

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

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

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

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

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

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

"**Class E Par Value Test**" means the test which will apply as of any Measurement Date on and after the 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 F Noteholders**" means the holders of any Class F Notes from time to time.

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

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

(b) the sum of the Principal Amount Outstanding of each of the Class A Notes, the Class B 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 Effective Date and which will be satisfied on such Measurement Date if the Class F Par Value Ratio is at least equal to 104.4 per cent.

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

(a) the Class A-1 Notes;

(b) the Class A-2 Notes;

(c) the Class B Notes;

(d) the Class C Notes;

(e) the Class D Notes;

(f) the Class E Notes;

(g) the Class F Notes; and

(h) the Subordinated Notes,

and "**Class of Noteholders**" and "**Class**" shall be construed accordingly and such references shall include any Refinancing Obligations replacing any Class or Classes of Notes and any Notes issued pursuant to Condition 17 (*Additional Issuances*), provided that:

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

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

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

"**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 from time to time.

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

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

"**Collateral Debt Obligation**" means any debt obligation or debt security purchased by or on behalf of the Issuer from time to time (or, if the context so requires, to be purchased by or on behalf of the Issuer) and which satisfies the Eligibility Criteria 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 (or the Participation Agreement is entered into in respect of a Participation) save for an Issue Date Collateral Debt Obligation which must only satisfy the

Eligibility Criteria on the Issue Date. References to Collateral Debt Obligations shall include Non-Euro Obligations, but shall not include Collateral Enhancement Obligations, Eligible Investments or Exchanged Equity Securities. Obligations which are to constitute Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to purchase but which have not yet settled shall be included as Collateral Debt Obligations in the calculation of the Portfolio Profile Tests, Collateral Quality Tests, Reinvestment Overcollateralisation Test and Coverage Tests at any time as if such purchase had been completed. Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to sell but which have not yet settled shall be excluded as Collateral Debt Obligations in the calculation of the Portfolio Profile Tests, the Collateral Quality Tests, Reinvestment Overcollateralisation Test and Coverage Tests at any time as if such sale had been completed. The failure of any obligation to satisfy the Eligibility Criteria at any time after the Issuer or the Investment Manager on behalf of the Issuer has entered into a binding agreement to purchase it, shall not cause such obligation to cease to constitute a Collateral Debt Obligation unless it is an Issue Date Collateral Debt Obligation which does not satisfy the Eligibility Criteria on the Issue Date. A Collateral Debt Obligation which has been restructured (whether effected by way of an amendment to the terms of such Collateral Debt Obligation (including but not limited to an extension of its maturity) or by way of substitution of new obligations and/or change of Obligor) shall only constitute a Collateral Debt Obligation if it is a Restructured Obligation.

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

"**Collateral Enhancement Amount**" means, with respect to any Payment Date during the Reinvestment Period, the amount of Interest Proceeds retained in the Collateral Enhancement Account on the Payment Date in accordance with the Interest Proceeds Priority of Payments, at the sole discretion of the Investment Manager which amounts shall not exceed €1,000,000 in the aggregate for any Payment Date or an aggregate amount for all applicable Payment Dates of €2,000,000.

"**Collateral Enhancement Obligation**" means any warrant or equity security, excluding Exchanged Equity Securities, but including without limitation, warrants relating to Mezzanine Obligations and any equity security received upon conversion or exchange of, or exercise of an option under, or otherwise in respect of a Collateral Debt Obligation; or any warrant or equity security purchased (or otherwise acquired) as part of a unit with a Collateral Debt Obligation (but in all cases, excluding, for the avoidance of doubt, the Collateral Debt 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 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;

  (ii) the Minimum Weighted Average Fixed Coupon Test; and

  (iii) the Maximum 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 treaty, regulation, rule, ruling, practice, market practice procedure or judicial decision or interpretation (whether proposed, temporary or final in any jurisdiction), or as a result of the application of FATCA, interest, discount or premium payments due from the Obligors of any Collateral Debt Obligations (or from Selling Institutions in the case of Participations) in relation to any Due Period becoming subject to the imposition of withholding tax (other than where such withholding tax is compensated for by a "gross up" provision in the terms of the Collateral Debt Obligation or such requirement to withhold is eliminated, or any withholding can be recovered, pursuant to a double taxation treaty or otherwise so that the Issuer as holder thereof, either directly or indirectly through a Participation, is held completely harmless from the full amount of any such withholding tax on an after tax basis) so that the aggregate amount of any such withholding tax on all Collateral Debt Obligations in relation to such Due Period is equal to or in excess of 6 per cent. of the aggregate interest payments due (for the avoidance of doubt, excluding any additional interest arising as a result of the operation of any gross up provision) on all Collateral Debt Obligations in relation to such Due Period.

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

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

"**Common Reporting Standard**" 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.

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

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

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

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

"**Controlling Class**" means:

(a) whilst any Class A Notes are Outstanding, the Class A-1 Notes and the Class A-2 Notes acting as a single Class; or

(b) (i) following redemption and payment in full of the Class A Notes, whilst any Class B Notes are Outstanding; or

(ii) prior to the redemption and payment in full of the Class A Notes and solely in connection with:

(A) an IM Removal 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 Non-Voting Exchangeable Notes or by or on behalf of the Investment Manager or any Investment Manager Related Person; or

(B) 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 Exchangeable Notes and/or IM Non-Voting Notes,

the Class B Notes; or

(c) (i) following redemption and payment in full of the Class A Notes and the Class B Notes, whilst any Class C Notes are Outstanding; or

(ii) prior to the redemption and payment in full of the Class A Notes and the Class B Notes and solely in connection with:

(A) an IM Removal Resolution, if 100 per cent. of the Principal Amount Outstanding of the Class A Notes and the Class B Notes is held in the form of IM Non-Voting Notes and/or IM Non-Voting Exchangeable Notes or by or on behalf of the Investment Manager or any Investment Manager Related Person; or

(B) an IM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of the Class A Notes and the Class B Notes is held in the form of IM Non-Voting Exchangeable Notes and/or IM Non-Voting Notes,

the Class C Notes; or

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

(ii) prior to the redemption and payment in full of the Class A Notes, the Class B Notes and the Class C Notes and solely in connection with:

(A) an IM Removal Resolution, if 100 per cent. of the Principal Amount Outstanding 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 Non-Voting Exchangeable Notes or by or on behalf of the Investment Manager or any Investment Manager Related Person; or

(B) an IM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding of the Class A Notes, the Class B Notes and the Class C Notes is held in the form of IM Non-Voting Exchangeable Notes and/or IM Non-Voting Notes,

the Class D Notes; or

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

(ii) prior to the redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes and solely in connection with:

(A) an IM Removal Resolution, if 100 per cent. of the Principal Amount Outstanding 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 Non-Voting Exchangeable Notes or by or on behalf of the Investment Manager or any Investment Manager Related Person; or

(B) an IM Replacement Resolution, if 100 per cent. of the Principal Amount Outstanding 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 Exchangeable Notes and/or IM Non-Voting Notes,

the Class E Notes; or

(f) (i) 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, whilst any Class F Notes are Outstanding; or

(ii) prior to the redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes and solely in connection with an IM Removal Resolution, if 100 per cent. of the Principal Amount Outstanding of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes is held by or on behalf of the Investment Manager or any Investment Manager Related Person,

the Class F Notes; or

(g) (i) following redemption and payment in full of the Rated Notes, whilst any Subordinated Notes are Outstanding; or

(ii) prior to the redemption and payment in full of the Rated Notes and solely in connection with an IM Removal Resolution, if 100 per cent. of the Principal Amount Outstanding of the Rated Notes is held by or on behalf of the Investment Manager or any Investment Manager Related Person,

the Subordinated Notes,

provided that:

(i) solely in connection with an IM Removal Resolution or an IM Replacement Resolution, no Notes held in the form of IM Non-Voting Exchangeable Notes and/or IM Non-Voting Notes 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; and

(ii) solely in connection with an IM Removal Resolution, no Notes held by or on behalf of the Investment Manager or any Investment Manager Related Person shall (A) constitute or form part of the Controlling Class and shall be deemed not to be Outstanding, (B) be entitled to vote in respect of such IM Removal Resolution or (C) be counted for the purposes of determining a quorum or the result of voting in respect of such IM Removal Resolution.

"**Controlling Person**" means a person (other than a Benefit Plan Investor) who has discretionary authority or control with respects 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. For the purposes of this definition, an "affiliate" includes any person directly or indirectly through one or more intermediaries, controlling, controlled by or under common control with the person. For the purposes of this definition, "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.

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

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

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

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

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

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

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

(ii) either:

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

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

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

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

"**Counterparty Downgrade Collateral Account**" means one or more accounts of the Issuer with the Custodian into which all Counterparty Downgrade Collateral received in respect of a Hedge Counterparty (other than cash) is to be deposited or (as the case may be) an account(s) of the Issuer with the Account Bank into which all Counterparty Downgrade Collateral (in the form of cash) is to be deposited. A separate Counterparty Downgrade Collateral Account shall be opened in respect of each Hedge Counterparty.

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

"**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 Collateral Debt Obligation that is an interest in a loan, the Underlying Instruments for which do not:

(a) contain any financial covenants; or

(b) 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 (i) a loan described in (a) or (b) above that either contains a cross-default provision to, is *pari passu* with, or is senior to, another loan of the Obligor, that requires the Obligor to comply with a Maintenance Covenant shall be deemed not to be a Cov-Lite Loan and (ii) if the Underlying Instrument provides for Maintenance Covenants which only take effect only when such other obligation is funded upon the occurrence of a particular specified event, such Collateral Debt Obligation shall be deemed not to be a Cov-Lite Loan.

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

"**Credit Impaired Obligation**" means any Collateral Debt Obligation that, the Investment Manager determines (in accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement), has a significant risk of declining in credit quality or price; provided that, in forming such judgment, an increase in credit spread or decrease in market value of a Collateral Debt Obligation may only be utilised as corroboration of other bases for such judgment; and provided further that, at any time during a Restricted Trading Period or after the expiry of the Reinvestment Period, a Collateral Debt Obligation will qualify as a Credit Impaired Obligation for purposes of sales of Collateral Debt Obligations only if:

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

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

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

"**Credit Impaired Obligation Criteria**" means the criteria that will be met in respect of a Collateral Debt Obligation if any of the following apply to such Collateral Debt Obligation, as determined by the Investment Manager (in accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement):

(a) if such Collateral Debt Obligation is a loan obligation or floating rate note, the price of such Collateral Debt Obligation has changed during the period from the date on which the Issuer entered into a binding commitment to purchase such Collateral Debt Obligation to the proposed date the Issuer intends to enter into a binding commitment to sell such Collateral Debt Obligation by a percentage which is:

(i) in the case of Secured Senior Loans or Secured Senior Bonds, 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 an Eligible Loan Index;

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

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

(d) if such Collateral Debt Obligation is a loan obligation or a floating rate note, the spread over the applicable reference rate for such Collateral Debt Obligation has been increased in accordance with the underlying Collateral Debt Obligation since the date the Issuer or the Investment Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by:

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

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

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

"**Credit Improved Obligation**" means any Collateral Debt Obligation which, the Investment Manager determines (in accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement) has significantly improved in credit quality since it was acquired by the Issuer; provided that in forming such judgment, a reduction in credit spread or an increase in market value of a Collateral Debt Obligation may only be utilised as corroboration of other bases for such judgment, and provided further that, at any time during a Restricted Trading Period or after the expiry of the Reinvestment Period, a Collateral Debt Obligation will qualify as a Credit Improved Obligation only if:

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

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

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

"**Credit Improved Obligation Criteria**" means the criteria that will be met in respect of a Collateral Debt Obligation if any of the following apply to such Collateral Debt Obligation, as determined by the Investment Manager (in accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement):

(a) if such Collateral Debt Obligation is a loan obligation, a bond or security, the Sale Proceeds (excluding Sale Proceeds that constitute Interest Proceeds) of such loan obligation, bond or security would be at least 101 per cent. of the purchase price paid by the Issuer at the time of its acquisition;

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

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

(d) if such Collateral Debt Obligation is a loan obligation, the spread over the applicable reference rate for such Collateral Debt Obligation has been decreased in accordance with the underlying Collateral Debt Obligation since the date the Issuer or the Investment Manager acting on behalf of the Issuer entered into a binding commitment to purchase such obligation by:

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

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

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

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

"**CRR**" means European Union Regulation (EU) No. 575/2013 on capital requirements, as amended, varied or substituted 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.

"**Current Pay Obligation**" means any Collateral Debt Obligation (other than a Corporate Rescue Loan) that would otherwise be treated as a Defaulted Obligation but as to which no payments are due and payable that are unpaid and with respect to which the Investment Manager determines (in accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement), that:

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

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

(c) for so long as any Notes rated by Moody's are outstanding, satisfies the Moody's Additional Current Pay Criteria; and

(d) the Collateral Debt Obligation has a Market Value of at least 80 per cent. of its current Principal Balance,

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

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

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

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

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

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

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

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

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

(a) the greater of:

(i) zero; and

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

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

"**Defaulted Obligation**" means a Collateral Debt Obligation as determined by the Investment Manager (in accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement):

(a) in respect of which there has occurred and is continuing a default with respect to the payment of interest or principal, disregarding any grace periods applicable thereto provided that in the case of any Collateral Debt 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 non-credit

related causes, such Collateral Debt Obligation shall not constitute a "Defaulted Obligation" for the lesser of:

(i) five Business Days;

(ii) seven calendar days; or

(iii) any grace period applicable thereto,

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

(b) in respect of which any bankruptcy, insolvency or receivership proceeding has been initiated in connection with the Obligor of such Collateral Debt Obligation and, to the knowledge of the Investment Manager, such proceedings have not been stayed or dismissed (provided that a Collateral Debt Obligation shall not constitute a Defaulted Obligation under this paragraph (b) if it is a Current Pay Obligation);

(c) in respect of which the Investment Manager has actual knowledge that the Obligor thereunder is in default as to payment of principal and/or interest on another of its obligations, save for obligations constituting trade debts which the applicable Obligor is disputing in good faith, (and such default has not been cured) but only if:

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

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

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

(d) which has:

(i) a Moody's Rating of "Ca" or "C" or below;

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

(iii) had a Moody's Rating of "D" or "LD" (or below) or a Fitch Rating of "RD" or "D" (or below), which Moody's Rating or Fitch Rating, in either case, has subsequently been withdrawn;

(e) such Collateral Debt Obligation is *pari passu* or subordinated in right of payment as to the payment of principal and/interest to another debt obligation of the same Obligor which has: (i) a Moody's Rating of "Ca" or "C" or lower or (ii) a Fitch Rating of "RD" or "D" or had such rating before such rating was withdrawn provided that both the Collateral Debt Obligation and such other debt obligation are full recourse obligations of the applicable issuer or secured by the same collateral;

(f) which the Investment Manager, acting on behalf of the Issuer, determines (in accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement) should be treated as a Defaulted Obligation;

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

(h) if the Obligor thereof offers holders of such Collateral Debt Obligation a new security, obligation or package of securities or obligations that amount to a diminished financial obligation (such as preferred or common stock, or debt with a lower coupon or 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; or

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

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

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

(iii) other than prior to the Effective Date, the Selling Institution has (x) a Moody's rating of "C" or "Ca" (or below) or in either case had such rating prior to the withdrawal of its Moody's rating or (y) a Fitch Rating of "CC" (or below) or "RD" (or below) or in either case had such rating prior to withdrawal of its Fitch Rating,

provided that:

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

(B) a Collateral Debt Obligation which is a Corporate Rescue Loan shall constitute a Defaulted Obligation if such Corporate Rescue Loan satisfies this definition of "Defaulted Obligation" other than paragraphs (b) and (h) hereof;

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

(D) a Collateral Debt Obligation shall not constitute a "Defaulted Obligation" under paragraph (b) or paragraph (c) of the definition hereof if the Investment Manager has notified the Rating Agencies in writing of its decision not to treat the Collateral Debt Obligation as a Defaulted Obligation.

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

(a) zero; and

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

"**Deferred Interest**" has the meaning given thereto in Condition 6(c)(i) (*Deferred 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 PIK Security that is deferring the payment of the current cash interest due thereon and has been so deferring the payment of such interest due thereon:

(a) with respect to Collateral Debt Obligations that have a Moody's Rating of at least "Baa3", for the shorter of two consecutive accrual periods or one year; and

(b) with respect to Collateral Debt Obligations that have a Moody's Rating of "Ba1" or below, for the shorter of one accrual period or six consecutive months,

which deferred capitalised interest has not, as of the date of determination, been paid in cash.

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

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

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

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

(c) does not permit the re-borrowing of any amount previously repaid; but any such Collateral Debt Obligation will be a Delayed Drawdown Collateral Debt Obligation only: (i) until all commitments to make advances to the borrower expire or are terminated or reduced to zero; (ii) where the making of any advance to the borrower by the Issuer would not cause the Issuer to breach any law or regulation in its jurisdiction or that of the borrower and (iii) where the underlying borrower cannot transfer its rights and obligations to another entity without the Issuer's consent.

"**Determination Date**" means the last Business Day of each Due Period, or if any redemption of the Notes occurs, following the occurrence of an Event of Default, five Business Days prior to the applicable Redemption Date.

"**Directors**" means Kevin Butler and John Fisher or such person(s) who may be appointed as Directors of the Issuer from time to time.

"**Discount Obligation**" means any Collateral Debt Obligation that is not a Swapped Non-Discount Obligation and that the Investment Manager determines (in accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement):

(a) in the case of any Floating Rate Collateral Debt Obligations, is acquired by the Issuer for a purchase price of less than (x) in the case of an Unhedged Collateral Debt Obligation (or part thereof), 80 per cent. of its Unhedged Principal Balance, and (y) in the case of all other such Collateral Debt Obligations (or parts thereof), 80 per cent. of the Principal Balance of such Collateral Debt Obligation (or, if such Collateral Debt Obligation has a Moody's Rating below "B3", such Collateral Debt Obligation is acquired by the Issuer for a purchase price of less than 85 per cent. of its Unhedged Principal Balance or Principal Balance (as applicable); provided that such Collateral Debt Obligation shall cease to be a Discount Obligation at such time as the Market Value of such Collateral Debt Obligation, as determined for any period of 30 consecutive days since the acquisition by the Issuer of such Collateral Debt Obligation equals or exceeds (1) in the case of an Unhedged Collateral Debt Obligation (or part thereof) 90 per cent. of its Unhedged Principal Balance, and (2) in the case of all other such Collateral Debt Obligations (or parts thereof), 90 per cent. of the Principal Balance of such Collateral Debt Obligation; or

(b) in the case of any Fixed Rate Collateral Debt Obligation, is acquired by the Issuer for a purchase price of less than (x) in the case of an Unhedged Collateral Debt Obligation (or part thereof), 75 per cent. of its Unhedged Principal Balance, and (y) in the case of all other such Collateral Debt Obligations (or parts thereof), 75 per cent. of the Principal Balance of such Collateral Debt Obligation (or, if such Collateral Debt Obligation has a Moody's Rating below "B3", such Collateral Debt Obligation is acquired by the Issuer for a purchase price of less than 80 per cent. of its Principal Balance); provided that such Collateral Debt Obligation shall cease to be a Discount Obligation at such time as the Market Value of such Collateral Debt Obligation, as determined for any period of 30 consecutive days since the acquisition by the Issuer of such Collateral Debt Obligation, equals or exceeds (1) in the case of an Unhedged Collateral Debt Obligation (or part thereof), 85 per cent. of its Unhedged Principal Balance, and (2) in the case of all other such Collateral Debt Obligations (or parts thereof), 85 per cent. of the Principal Balance of such Collateral Debt Obligation.

"**Distribution**" means any payment of principal or interest or any dividend or premium or other amount (including any proceeds of sale) or asset paid or delivered on or in respect of any Collateral Debt Obligation,

any Collateral Enhancement Obligation, any Eligible Investment or any Exchanged Equity Security (or under or in respect of any Hedge Agreement in respect thereof), as applicable.

"**Dodd-Frank Act**" means the Dodd-Frank Wall Street Reform and Consumer Protection Act of 21 July 2010, as amended.

"**Domicile**" or "**Domiciled**" means with respect to any Obligor with respect to a Collateral Debt 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 judgment, a substantial portion of such Obligor's operations are located or from which a substantial portion of its revenue is derived, in each case directly or through subsidiaries (which shall be any jurisdiction and country known at the time of designation by the Investment Manager to be the source of the majority of revenues, if any, of such Obligor).

"**Due Period**" means, with respect to any Payment Date, the period commencing on and including the day immediately following the eighth Business Day prior to the preceding Payment Date (or on the Issue Date, in the case of the Due Period relating to the first Payment Date or, on and including the day immediately following the Business Day prior to the preceding Payment Date, in the case that the preceding Payment Date was on an Unscheduled 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 or an Unscheduled Payment Date, ending on and including the Business Day preceding such Payment Date).

"**EBA**" means the European Banking Authority or any 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) 14 June 2017 (or, if such day is not a Business Day, the next following Business Day).

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

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

(a) the Issuer is provided with an accountant's certificate recalculating and comparing each element of the Effective Date Report; and

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

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

(a) the Effective Date Determination Requirements not having been satisfied as at the Effective Date (unless Rating Agency Confirmation is received in respect of such failure to satisfy any of the Effective Date Determination Requirements) and either:

(i) the failure by the Investment Manager (acting on behalf of the Issuer) to present a Rating Confirmation Plan to the Rating Agency; or

(ii) the Investment Manager (acting on behalf of the Issuer) does present a Rating Confirmation Plan to the Rating Agencies but Rating Agency Confirmation is not received 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 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 Debt 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 Debt Obligations, the Issue Date.

"**Eligible Bond Index**" means Markit iBoxx EUR High Yield Index (or any subsequent name given to such index) or subject to Rating Agency Confirmation, any other index proposed by the Investment Manager and notified to the Rating Agencies and the Collateral Administrator.

"**Eligible Investments**" means any investment denominated in Euro that is one or more of the following obligations or securities (other than Zero Coupon Securities), including, without limitation, any Eligible Investments for which the Agents, the Trustee or the Investment Manager, any 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 Qualifying Country or any agency or instrumentality of a Qualifying Country, the obligations of which are fully and expressly guaranteed by a Qualifying Country in each case satisfying the Eligible Investments Minimum Rating (but excluding (i) "General Services Administration" participation certificates; (ii) "U.S. Maritime Administration guaranteed Title XI financings"; (iii) "Financing Corp. debt obligations"; (iv) "Farmers Home Administration Certificates of Beneficial Ownership"; and (v) "Washington Metropolitan Area Transit Authority guaranteed transit bonds");

(b) demand and time deposits in, certificates of deposit of and bankers' acceptances issued by any depository institution (including the Account Bank) or trust company incorporated under the laws of a Qualifying Country with, in each case, a maturity of no more than ninety days or, following the occurrence of a Frequency Switch Event, one hundred and eighty days and subject to supervision and examination by governmental banking authorities so long as the commercial paper and/or the debt obligations of such depository institution or trust company (or, in the case of the principal depository institution in a holding company system, the commercial paper or debt obligations of such holding company) and such depository institution or trust company at the time of such investment or contractual commitment have a rating of not less than the applicable Eligible Investment Minimum Rating;

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

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

(ii) any other security issued or guaranteed by an agency or instrumentality of a Qualifying Country, in either case entered into with a depository institution or trust company (acting as principal) described in paragraph (b) above or entered into with a corporation (acting as principal) whose debt obligations are rated not less than the applicable Eligible Investments Minimum Rating at the time of such investment;

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

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

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

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

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

and, in each case, such instrument or investment provides for payment of a pre-determined fixed amount of principal on maturity that is not subject to change and either:

(a) has a Stated Maturity (giving effect to any applicable grace period) no later than the Business Day immediately preceding the next following Payment Date; or

(b) is capable of being liquidated on demand without penalty and having a remaining maturity of less than 366 calendar days,

provided, however, that Eligible Investments shall not include any mortgage backed security, interest only security, security subject to withholding or similar taxes, security purchased at a price in excess of 100 per cent. of par, security whose repayment is subject to substantial non-credit related risk (as determined by the Investment Manager in its discretion) and provided further that only assets which are "qualifying assets" within the meaning of Section 110 of the TCA and which do not give rise to Irish stamp duty or any other transfer duty or tax (except to the extent that such stamp duty or transfer duty or tax is taken into account by the Investment Manager (on behalf of the Issuer) in deciding whether to acquire the assets) shall constitute Eligible Investments.

"**Eligible Investments Minimum Rating**" means:

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

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

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

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

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

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

(B) a short-term senior unsecured debt or issuer 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 Stated Maturity of 30 days or less:

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

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

(C) such other ratings as confirmed by Fitch.

"**Eligible Loan Index**" means the Credit Suisse Western European Leveraged Loan Index (or any subsequent name given to such index) or, subject to Rating Agency Confirmation, any other index proposed by the Investment Manager and notified to the Rating Agencies and the Collateral Administrator.

"**EMIR**" means the European Market Infrastructure Regulation (Regulation (EU) No 648/2012) as the same may be amended, varied or substituted from time to time, including any implementing and/or delegated regulation, technical standards and guidance related thereto.

"**Enforcement 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*).

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

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

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

(b) in the case of each six month Accrual Period, as applicable to six month Euro deposits or, in the case of the period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date, if such first mentioned Payment Date falls in October 2029, as applicable to three month Euro deposits; and

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

provided that, where such rate is used to determine a Floating Rate of Interest, it shall be subject to a minimum of zero per cent. per annum.

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

"**Euroclear**" means Euroclear Bank SA/NV.

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

"**EU Savings Directive**" means Directive 2003/48/EC on taxation of savings income as the same may be amended, varied or substituted from time to time, including any implementing and/or delegated regulation, technical standards and guidance related thereto.

"**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 Debt Obligations included in the CCC/Caa Excess; *over*

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

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

"**Exchanged Equity Security**" means an equity security which is not a Collateral Enhancement Obligation and which is delivered to the Issuer upon acceptance of an Offer in respect of a Defaulted Obligation or received by the Issuer as a result of restructuring of the terms in effect as of the later of (a) the Issue Date and (b) the date of issuance of the relevant Collateral Debt Obligation.

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

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

"**FATCA**" means:

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

(b) any agreement pursuant to the implementation of any law or official guidance referred to in paragraph (a) above with the IRS, the U.S. government or any governmental or taxation authority in any other jurisdiction; or

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

"**First-Lien Last-Out Loan**" means a loan obligation or Participation in a loan obligation that: (a) by its terms becomes subordinate in right of payment to any other obligation of the Obligor of the loan solely upon the occurrence of a default or event of default by the Obligor of the loan and (b) is secured by a valid perfected first priority security interest or lien in, to or on specified collateral securing the Obligor's obligations under the loan. For the avoidance of doubt, a First-Lien Last-Out Loan shall be treated in all cases as if it is a Second Lien Loan.

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

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

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

"**Fitch Collateral Value**" means:

(a) for each Defaulted Obligation and Deferring Security the lower of:

(i) its prevailing Market Value; and

(ii) the relevant Fitch Recovery Rate,

multiplied by its Principal Balance; or

(b) in the case of any other applicable Collateral Debt Obligation 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 Rating**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

"**Fitch Recovery Rate**" means, in respect of each Collateral Debt 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 Debt Obligation**" means any Collateral Debt Obligation that bears a fixed rate of interest.

"**Fixed Rate Notes**" means the Class A-2 Notes.

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

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

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

"**Form Approved Asset Swap**" means an Asset Swap Transaction, the documentation for and structure of which conforms (save for the amount and timing of periodic payments, the name and financial aspects of the related Collateral Debt Obligation, the notional amount, the effective date, the termination date and other related and/or immaterial changes) to a form approved by the Rating Agencies from time to time provided that such approval shall be deemed to have been so received in respect of any such form approved by Fitch and reviewed by Moody's prior to the Issue Date unless otherwise notified to the Investment Manager (acting on behalf of the Issuer) by one or both Rating Agencies prior to entering into a new Asset Swap Transaction.

"**Form Approved Hedge Agreement**" means either a Form Approved Asset Swap or a Form Approved Interest Rate Hedge.

"**Form Approved Interest Rate Hedge**" means an Interest Rate Hedge Transaction, the documentation for and structure of which conforms (save for the amount and timing of periodic payments, the applicable floating rate index, the notional amount, the effective date, the termination date and other related and/or immaterial changes) to a form approved by the Rating Agencies from time to time provided that such approval shall be deemed to have been so received in respect of any such form approved by Fitch and reviewed by Moody's prior to the Issue Date unless otherwise notified to the Investment Manager (acting on behalf of the Issuer) by one or both Rating Agencies that such approval has been withdrawn prior to entering into a new Interest Rate Hedge Transaction.

"**Frequency Switch Event**" shall occur if, on any Frequency Switch Measurement Date (a)(i) the Aggregate Principal Balance of Collateral Debt Obligations that reset so as to become Semi-Annual Obligations in the Due Period ending on such Frequency Switch Measurement Date (or where such Due Period is the first Due Period, in the last three months of such Due Period), is greater than or equal to 20 per cent. of the Aggregate Collateral Balance; and (ii) the Class A/B Interest Coverage Ratio is less than 100 per cent. (and provided that for such purpose, paragraph (b) of the definition of Interest Coverage Amount shall be deemed to be equal to zero); or (b) the Investment Manager declaring in its sole discretion that a Frequency Switch Event shall have occurred, in each case notified in writing by the Investment Manager to the Rating Agencies, the Calculation Agent, the Issuer, the Principal Paying Agent, the Trustee, the Transfer Agents, the Collateral Administrator and the Registrar.

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

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

"**Hedge Agreement**" means any Interest Rate Hedge Agreement or any Asset Swap Agreement, as applicable.

"**Hedge Agreement Eligibility Criteria**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

"**Hedge Counterparty**" means any Interest Rate Hedge Counterparty or Asset Swap Counterparty, as applicable.

"**Hedge Replacement Payment**" means any Interest Rate Hedge Replacement Payment or Asset Swap Replacement Payment, as applicable.

"**Hedge Replacement Receipt**" means any Interest Rate Hedge Replacement Receipt or Asset Swap Replacement Receipt, as applicable.

"**Hedge Termination Account**" means the account (or accounts) of the Issuer with the Account Bank into which Hedge Termination Receipts and Hedge Replacement Receipts shall be paid, which account (or accounts) shall be maintained in each relevant currency in relation to the Asset Swap Transactions.

"**Hedge Termination Payment**" means any Interest Rate Hedge Termination Payment or Asset Swap Termination Payment, as applicable.

"**Hedge Termination Receipt**" means any Interest Rate Hedge Termination Receipt or Asset Swap Termination Receipt, as applicable.

"**Hedge Transaction**" means any Interest Rate Hedge Transaction or Asset Swap Transaction, as applicable, and "**Hedge Transactions**" means any of them.

"**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:

(a) such agreement complies with the Hedge Agreement Eligibility Criteria; or

(b) the Issuer obtains legal advice (to which the Trustee shall be an addressee) from reputable international legal counsel knowledgeable in such matters to the effect that the entry into such arrangements shall not in respect of a commodity pool operator, and should not with respect to a commodity trading advisor (each such term as defined in the Commodity Exchange Act) require any of the Issuer, its Directors or officers or the Investment Manager or its Affiliates to register with the CFTC and/or the NFA as a commodity pool operator and/or a commodity trading advisor pursuant to the Commodity Exchange Act.

"**High Yield Bond**" means a debt security which, on acquisition by the Issuer, is either rated below investment grade by at least one internationally recognised credit rating agency (provided that, if such debt security is, at any time following acquisition by the Issuer, no longer rated by at least one internationally recognised credit rating agency as below investment grade it will not, as a result of such change in rating, fall outside this definition) or which is a high yielding debt security, in each case as determined by the 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 Non-Voting Exchangeable Notes**" means Notes which:

(a) do not carry a right to vote in respect of or be counted for the purposes of determining a quorum and the result of voting on 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 IM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of the transferor or otherwise into IM Non-Voting Notes.

"**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 Non-Voting Exchangeable 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 and 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 voting on an IM Removal Resolution or an IM Replacement Resolution and all other matters as to which Noteholders are entitled to vote; and

(b) are exchangeable at any time upon request by the relevant Noteholder into IM Non-Voting Exchangeable Notes or IM Non-Voting Notes.

"**Incentive Investment Management Fee**" means the fee payable to the Investment Manager on each Payment Date on which the Incentive Investment Management Fee IRR Threshold has been met or surpassed, such Incentive Investment Management Fee (exclusive of any VAT payable in relation thereto) being equal to 20 per cent. of any Interest Proceeds and Principal Proceeds that would otherwise be available to distribute to the Subordinated Noteholders, in accordance with paragraph (DD) of the Interest Proceeds Priority of Payments, paragraph (T) of the Principal Proceeds Priority of Payments and paragraph (Z) of the Post-Acceleration Priority of Payments.

"**Incentive Investment Management Fee IRR Threshold**" means the threshold which will have been reached on the relevant Payment Date if the Subordinated Notes Outstanding have received an IRR of at least 12 per cent. on the Principal Amount Outstanding of the Subordinated Notes as of the first day of the Due Period preceding such Payment Date (after giving effect to all payments in respect of the Subordinated Notes to be made on such Payment Date).

"**Incurrence Covenant**" means a covenant by any Obligor to comply with one or more financial covenants only upon the occurrence of certain actions of the Obligor, including a debt issuance, dividend payment, share purchase, merger, acquisition or divestiture.

"**Independent Director**" means a duly appointed member of the board of Directors who was not, at the time of such appointment, or at any time in the preceding five years:

(a) a direct or indirect legal or beneficial owner of any Secured Party (other than the Directors) or any of its Affiliates (excluding *de minimis* ownership interests);

(b) a creditor, supplier, employee, officer, director, family member, manager or contractor of any Secured Party (other than the Directors) or its Affiliates; and

(c) a Person who controls (whether directly, indirectly, or otherwise) any Secured Party (other than the Directors) or its Affiliates, provided that, an employee or a director of TMF Management (Ireland) Limited or TMF Administration Services Limited shall be considered an Independent Director.

"**Initial Investment Period**" means the period from, and including, the Issue Date to, but excluding, the Effective Date.

"**Initial Purchaser**" means Morgan Stanley & Co. International plc.

"**Initial Ratings**" means in respect of any Class of Notes and any Rating Agency, the ratings assigned to such Class of Notes by such Rating Agency as at the Issue Date and "**Initial Rating**" means each such rating.

"**Insolvency Law**" has the meaning given thereto in Condition 10(a)(vi) (*Insolvency Proceedings*).

"**Interest Account**" means an account described as such in the name of the Issuer with the Account Bank into which Interest Proceeds are to be paid.

"**Interest Amount**" means:

(a) in the case of the Floating Rate Notes, the amount calculated by the Calculation Agent in accordance with Condition 6(e)(ii) (*Determination of Floating Rate of Interest and Calculation of Interest Amounts*);

(b) in the case of the Subordinated Notes, the amount calculated by the Collateral Administrator in accordance with Condition 6(g) (*Proceeds in Respect of Subordinated Notes*); and

(c) in the case of the Fixed Rate Notes, the amount specified in Condition 6(f) (*Interest on the Fixed Rated Notes*).

"**Interest Coverage Amount**" means, on any particular Measurement Date (without double counting), the sum of:

(a) the Balance standing to the credit of the Interest Account; *plus*

(b) the scheduled interest payments (including additional amounts by way of gross-up in respect of withholding taxes and any commitment fees due but not yet received in respect of any Revolving Obligations or Delayed Drawdown Collateral Debt Obligations) due but not yet received (in each case regardless of whether the applicable due date has yet occurred) in the Due Period in which such Measurement Date occurs on the Collateral Debt Obligations excluding:

(i) accrued and unpaid interest on Defaulted Obligations (excluding Current Pay Obligations) unless such amounts constitute Defaulted Obligation Excess Amounts (in which case such Defaulted Obligation Excess Amounts shall not form part of the exclusion in this paragraph (b)(i));

(ii) interest on any Collateral Debt Obligation to the extent that such Collateral Debt Obligation does not provide for the scheduled payment of interest in cash;

(iii) any amounts, to the extent that such amounts if not paid, will not give rise to a default under the relevant Collateral Debt Obligation;

(iv) any amounts expected to be withheld at source or otherwise deducted in respect of taxes;

(v) interest on any Collateral Debt Obligation which has not paid cash interest on a current basis in respect of the lesser of:

(A) twelve months; and

(B) the two most recent interest periods;

(vi) any scheduled interest payments as to which the Issuer or the Investment Manager has actual knowledge that such payment will not be made; and

(vii) any Purchased Accrued Interest,

provided that, in respect of a Non-Euro Obligation denominated in a Qualifying Currency (x) that is an Asset Swap Obligation, this paragraph (b) shall be deemed to refer to the related Scheduled Periodic

Asset Swap Counterparty Payment, subject to the exclusions set out above and (y) that is an Unhedged Collateral Debt Obligation, the amount taken into account for this paragraph (b) shall be an amount equal to:

(A) if such Unhedged Collateral Debt Obligation was purchased in the Primary Market, is denominated in a Qualifying Unhedged Obligation Currency and has been an Unhedged Collateral Debt Obligation for less than 180 calendar days since the settlement of the purchase by the Issuer of such Collateral Debt Obligation, 85 per cent. of the scheduled interest payments due but not yet received in respect of such Collateral Debt Obligation (subject to the exclusions set out above), converted into Euro at the then prevailing Spot Rate; and

(B) otherwise, zero; *minus*

(c) the amounts payable pursuant to paragraphs (A) to (F) of the Interest Proceeds Priority of Payments on the following Payment Date; *minus*

(d) any of the above amounts that would be payable into the Interest Smoothing Account on the Business Day after the Determination Date at the end of the Due Period in which such Measurement Date falls; *plus*

(e) any amounts that would be payable from the Expense Reserve Account, the Interest Smoothing Account, the First Period Reserve Account and/or Asset Swap Accounts to the Interest Account in the Due Period relating to such Measurement Date (without double counting any such amounts which have been already transferred to the Interest Account); *plus*

(f) any Scheduled Periodic Interest Rate Hedge Counterparty Payments payable to the Issuer under any Hedge Transaction but to the extent not already included in accordance with paragraph (a) above; *minus*

(g) any interest in respect of a PIK Security that has been deferred (but only to the extent such amount has not already been excluded in accordance with paragraphs (b)(ii) or (iii) above).

For the purposes of calculating any Interest Coverage Amount, the expected or scheduled interest income on Floating Rate Collateral Debt Obligations and Eligible Investments and the expected or scheduled interest payable on any Class of Notes and on any relevant Account shall be calculated using then current interest rates applicable thereto.

"**Interest Coverage Ratio**" means the Class A/B Interest Coverage Ratio, the Class C Interest Coverage Ratio, the Class D Interest Coverage Ratio and the Class E Interest Coverage Ratio. For the purposes of calculating an Interest Coverage Ratio, the expected interest income on Collateral Debt Obligations, Eligible Investments and the Accounts (to the extent applicable) and the expected interest payable on the relevant Rated Notes will be calculated using the then current interest rates applicable thereto.

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

"**Interest Determination Date**" means the second Business Day prior to the commencement of each Accrual Period.

"**Interest Proceeds**" means all amounts paid or payable into the Interest Account from time to time and, with respect to any Payment Date, means any Interest Proceeds received or receivable by the Issuer during the related Due Period to be disbursed pursuant to the Interest Proceeds Priority of Payments on such Payment Date, together with any other amounts to be disbursed out of the Payment Account as Interest Proceeds on such Payment Date pursuant to Condition 3(i) (*Accounts*).

"**Interest Proceeds Priority of Payments**" means the priority of payments in respect of Interest Proceeds set out in Condition 3(c)(i) (*Application of Interest Proceeds*).

"**Interest Rate Hedge Agreement**" has the meaning given thereto in the definition of Interest Rate Hedge Transaction.

"**Interest Rate Hedge Counterparty**" means each financial institution with which the Issuer enters into an Interest Rate Hedge Transaction or any permitted assignee or successor thereto under the terms of the related Interest Rate Hedge Transaction and in each case which satisfies the applicable Rating Requirement (taking into account any guarantor thereof), and provided always such financial institution has the regulatory capacity, as a matter of Irish law, to enter into derivatives transactions with Irish residents.

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

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

"**Interest Rate Hedge Termination Payment**" means the amount payable to an Interest Rate Hedge Counterparty by the Issuer upon termination or modification of an Interest Rate Hedge Transaction pursuant to the relevant Interest Rate Hedge Agreement excluding, for purposes other than payment by the Issuer, any due and unpaid scheduled amounts payable thereunder.

"**Interest Rate Hedge Termination Receipt**" means the amount payable by an Interest Rate Hedge Counterparty to the Issuer upon termination of an Interest Rate Hedge Transaction pursuant to the relevant Interest Rate Hedge Agreement, excluding, for purposes other than payment to the applicable Account to which the Issuer shall credit such amounts, the portion thereof representing any due and unpaid scheduled amounts payable thereunder.

"**Interest Rate Hedge Transaction**" means each interest rate protection transaction, which may be an interest rate swap transaction, an interest rate cap, an interest rate floor transaction, or an asset specific interest rate swap, in each case, entered into under an 1992 ISDA Master Agreement (Multicurrency-Cross Border) or 2002 ISDA Master Agreement (or such other ISDA *pro forma* master agreement as may be published by ISDA from time to time) (together with the schedule relating thereto, the applicable confirmation including any guarantee thereof and any credit support annex entered into pursuant to the terms thereof, and each as amended or supplemented from time to time, an "**Interest Rate Hedge Agreement**"), which is entered into between the Issuer and an Interest Rate Hedge Counterparty for the sole purpose described within this definition.

"**Interest Smoothing Account**" means the account described as such in the name of the Issuer with the Account Bank to which the Issuer will procure amounts are deposited in accordance with Condition 3(j)(xiii) (*Interest Smoothing Account*).

"**Interest Smoothing Amount**" means, in respect of each Determination Date on or following the occurrence of a Frequency Switch Event, zero and, in respect of each other Determination Date and for so long as any Rated Notes are Outstanding, an amount equal to the product of:

(a) 0.5; multiplied by

(b) an amount equal to:

(i) the sum of all payments of interest received during the related Due Period in respect of each Semi-Annual Obligation; *minus*

(ii) the sum of all payments of interest scheduled to be received during the immediately following Due Period in respect of each Semi-Annual Obligation (excluding, for the avoidance of doubt, any of the amounts set out under limb (b) (i) to and including (b) (vii) of the Interest Coverage Amount definition),

provided that (x) such amount may not be less than zero and (y) following redemption in full of the Rated Notes or if the Aggregate Principal Balance of the Semi-Annual Obligations is less than or equal to 5 per cent. of the Collateral Principal Amount, such amount shall be deemed to be zero.

"**Intermediary Obligation**" means an interest in relation to a loan which is structured to be acquired indirectly by lenders therein at or prior to primary syndication thereof, including pursuant to a collateralised deposit or guarantee, a participation or other arrangement which has the same commercial effect and in each case, in

respect of any obligation of the lender to a "fronting bank" in respect of non-payment by the Obligor, is 100 per cent. collateralised by such lenders.

"**Investment Advisers Act**" means the United States Investment Advisers Act of 1940, as amended.

"**Investment Company Act**" means the United States Investment Company Act of 1940, as amended.

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

"**Investment Manager Advance**" has the meaning given to that term in Condition 3(l) (*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 management services or authority on behalf of such fund or account in respect of the Notes.

"**Irish Companies Act 2014**" means the Companies Act 2014, as amended, of Ireland.

"**Irish Excluded Assets**" means all assets, property or rights deriving from the Issuer Irish Account and the Corporate Services Agreement.

"**Irish Stock Exchange**" means The Irish Stock Exchange plc.

"**IRR**" means the internal rate of return calculated using the "**XIRR**" function in Microsoft Excel® or any equivalent function in another software package that would result in a net present value of zero, assuming:

(a) an issue price for the Subordinated Notes of 95 per cent. as the initial cash flow and additionally:

(i) the issue price of any Subordinated Notes issued after the Issue Date; and

(ii) all distributions to the Subordinated Notes on the current and each preceding Payment Date,

as subsequent cash flows (including the Redemption Date, if applicable);

(b) the initial date for the calculation as the Issue Date; and

(c) the number of days to each subsequent Payment Date from the Issue Date calculated on the basis of the actual number of days in an Accrual Period divided by 365.

"**IRS**" means the United States Internal Revenue Service or any successor thereto.

"**Issue Date**" means 14 December 2016 (or such other date as may shortly follow such date as may be agreed between the Issuer and the Initial Purchaser and is notified to the Noteholders in accordance with Condition 16 (*Notices*) and the Irish Stock Exchange).

"**Issue Date Collateral Debt Obligation**" means an obligation for which the Issuer (or the Investment Manager, acting on behalf of the Issuer) has either purchased or entered into a binding commitment to purchase on or prior to the Issue Date.

"**Issuer Irish Account**" means the account in the name of the Issuer established for the purposes of, *inter alia*, holding the proceeds of the issued share capital of the Issuer and 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 transaction.

"**Main Securities Market**" means the regulated market of the Irish Stock Exchange.

"**Maintenance Covenant**" means a covenant by any Obligor to comply with one or more financial covenants during each reporting period, whether or not such Obligor has taken any specified action.

"**Mandatory Redemption**" means a redemption of the Notes pursuant to and in accordance with Condition 7(c) (*Mandatory Redemption upon Breach of Coverage Tests*).

"**Market Value**" means in respect of any Collateral Debt Obligation, on any date of determination and as provided by the Investment Manager to the Collateral Administrator:

(a) the bid price determined by an independent recognised pricing service;

(b) if such independent recognised pricing service is not available, the mean of the bid prices (in the case of any High Yield Bond, Secured Senior Bond or PIK Security, excluding accrued interest) determined by three independent broker-dealers active in the trading of such Collateral Debt Obligations;

(c) if three such broker-dealer prices are not available, the lower of the bid side prices (in the case of any High Yield Bond, Secured Senior Bond or PIK Security, excluding accrued interest) determined by two such broker-dealers;

(d) if two such broker-dealer prices are not available, the bid side price (in the case of any High Yield Bond, Secured Senior Bond or PIK Security, excluding accrued interest) determined by one independent broker-dealer (unless, in each case, the fair market value thereof determined by the Investment Manager pursuant to paragraph (e) hereafter would be lower); or

(e) if the determinations of such broker-dealers or independent recognised pricing service are not available, then the lower of:

(i) the lower of:

(1) the Fitch Recovery Rate of such Collateral Debt Obligation; and

(2) the Moody's Recovery Rate of such Collateral Debt Obligation; and

(ii) the fair market value thereof determined by the Investment Manager on a best efforts basis in a manner consistent with reasonable and customary market practice, in each case, as notified to the Collateral Administrator on the date of determination thereof,

provided however that if the Investment Manager is not a registered investment adviser under the Investment Advisers Act, the Market Value of any such asset may only be determined in accordance with paragraph (e)(ii) for a maximum of thirty Business Days, following which time if the Market Value cannot be ascertained by a third party, then the Market Value shall be deemed to be zero, *provided further that* this proviso shall not apply where (x) the Investment Manager is duly qualified, authorised or licensed under the laws of a jurisdiction where EU Directive 2004/39/EC on Markets in Financial Instruments or substantially equivalent legislation applies; (y) such fair market value determined by the Investment Manager is in a manner consistent with any determination it applies with respect to any other obligation managed by the Investment Manager and (z) such fair market value shall be of the same value assigned by the Investment Manager to such Collateral Debt Obligation for all other purposes, in each case, as notified to the Collateral Administrator on the date of determination therefor,

and for the purposes of this definition:

(a) accrued interest shall be excluded; and

(b) "independent" shall mean that each pricing service and broker-dealer:

(i) from whom a bid price is sought is independent from each of the other pricing service and broker-dealers from whom a bid price is sought; and

(ii) is not an Affiliate of the Investment Manager.

"**Maturity Date**" means the Payment Date falling in January 2030.

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

"**Measurement Date**" means:

(a) the Effective Date;

(b) for the purposes of determining satisfaction of the Reinvestment Criteria, any Business Day after the Effective Date on which such criteria are required to be determined, which determination shall be made:

(i) firstly, by reference immediately prior to receipt of any Principal Proceeds which are to be reinvested without taking such Principal Proceeds into account; and

(ii) secondly, taking into account on a projected basis, the proposed sale of Collateral Debt Obligations and reinvestment of the Principal Proceeds thereof in Substitute Collateral Debt Obligations;

(c) the date of acquisition of any additional Collateral Debt Obligation following the Effective Date;

(d) each Determination Date;

(e) the date as at which any Report is prepared; and

(f) following the Effective Date, with reasonable (and not less than five Business Days') notice, any Business Day requested by any Rating Agency then rating any Class of Notes Outstanding.

"**Mezzanine Obligation**" means a mezzanine loan obligation or other comparable debt obligation, including any such loan obligation with attached warrants and any such obligation which is evidenced by an issue of notes (other than High Yield Bonds or Second Lien Loans), as determined by the Investment Manager (in accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement), or a Participation therein.

"**Minimum Denomination**" means:

(a) in the case of the Regulation S Notes of each Class, €100,000; and

(b) in the case of the Rule 144A Notes of each Class, €250,000.

"**Monthly Report**" means the monthly report defined as such in the Investment Management and Collateral Administration Agreement which is prepared by the Collateral Administrator (in consultation with the Investment Manager) on behalf of (and at the expense of) the Issuer on such dates as are set forth in the Investment Management and Collateral Administration Agreement and is made available by means of a secured website currently located at https://usbtrustgateway.usbank.com (or such other website as may be agreed between the Collateral Administrator and the Issuer) to the Issuer, the Trustee, the Investment Manager, the Initial Purchaser, the Placement Agent, any Hedge Counterparty, each Rating Agency and 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 Noteholder is a holder of a beneficial interest in any Notes), and which shall include information regarding the status of certain of the Collateral pursuant to the Investment Management and Collateral Administration Agreement.

"**Moody's**" means Moody's Investors Service Limited and any successor or successors thereto.

"**Moody's Additional Current Pay Criteria**" means criteria satisfied with respect to any Collateral Debt Obligation if such Collateral Debt Obligation has:

(a) a Market Value of at least 85 per cent. of its outstanding principal amount and a Moody's Rating of at least "Caa2"; or

(b) a Market Value of at least 80 per cent. of its outstanding principal amount and a Moody's Rating of at least "Caa1".

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

"**Moody's Collateral Value**" means:

(a) for each Defaulted Obligation and Deferring Security on or after the earlier to occur of (x) the date which falls ninety days after the Collateral Debt Obligation becomes a Defaulted Obligation or Deferring Security and (y) where a Determination Date falls in the ninety day period referred to in (x), the date which falls thirty days after the Collateral Debt Obligation becomes a Defaulted Obligation or Deferring Security, the lower of:

(i) its prevailing Market Value; and

(ii) the relevant Moody's Recovery Rate,

multiplied by its Principal Balance; or

(b) in the case of any other applicable Collateral Debt Obligation, the relevant Moody's Recovery Rate multiplied by its Principal Balance.

"**Moody's Derived Rating**" has the meaning given to it in the Investment Management and Collateral Administration Agreement.

"**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 Debt Obligation, the recovery rate determined in accordance with the Investment Management and Collateral Administration Agreement or as so advised by Moody's.

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

"**NFA**" means the United States National Futures Association.

"**Non-Call Period**" means the period from and including the Issue Date up to, but excluding, the Payment Date falling on 15 January 2019.

"**Non-Eligible Issue Date Collateral Debt Obligation**" has the meaning given thereto in the Investment Management and Collateral Administration Agreement.

"**Non-Emerging Market Country**" means any of Austria, Belgium, Canada, the Channel Islands, Denmark, Finland, France, Germany, Iceland, Republic of Ireland, Italy, Liechtenstein, Estonia, Lithuania, Malta, Slovenia, Luxembourg, The Netherlands, Norway, Poland, Portugal, Spain, Sweden, Switzerland, United Kingdom or United States and any other country, the foreign currency issuer credit rating of which is rated, at the time of acquisition of the relevant Collateral Debt Obligation, at least "BBB-" by Fitch and the foreign currency country issuer rating of which is rated, at the time of acquisition of the relevant Collateral Debt Obligation, at least "Baa3" by Moody's (provided that Rating Agency Confirmation is received in respect of any such other country which is not in the Euro zone) or any other country in respect of which, at the time of acquisition of the relevant Collateral Debt Obligation, Rating Agency Confirmation is received.

"**Non-Euro Obligation**" means any Collateral Debt Obligation, or part thereof, as applicable, denominated in a currency other than Euro.

"**Non-Permitted ERISA Holder**" has the meaning given thereto in Condition 2(j) (*Forced Transfer pursuant to ERISA*).

"**Non-Permitted Holder**" has the meaning given thereto in Condition 2(h) (*Forced Transfer of Rule 144A Notes*).

"**Noteholders**" means the several persons in whose name the Notes are registered from time to time in accordance with and subject to their terms and the terms of the Trust Deed, and "holder" (in respect of the Notes) shall be construed accordingly.

"**Note Payment Sequence**" means the application of Interest Proceeds or Principal Proceeds, as applicable, in accordance with the relevant Priority of Payments in the following order:

(a) firstly, to the redemption of the Class A Notes including any Interest Amounts due and payable (on a *pro-rata* and *pari passu* basis) at the applicable Redemption Price in whole or in part until the Class A Notes have been fully redeemed;

(b) secondly, to the redemption of the Class B Notes including any Interest Amounts due and payable (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 Interest Amounts due and payable and any Deferred Interest thereon (on a *pro-rata* basis) at the applicable Redemption Price in whole or in part until the Class C Notes have been fully redeemed;

(d) fourthly, to the redemption of the Class D Notes including any Interest Amounts due and payable and any Deferred Interest thereon (on a *pro-rata* basis) at the applicable Redemption Price in whole or in part until the Class D Notes have been fully redeemed;

(e) fifthly, to the redemption of the Class E Notes including any Interest Amounts due and payable and any Deferred Interest thereon (on a *pro-rata* basis) at the applicable Redemption Price in whole or in part until the Class E Notes have been fully redeemed; and

(f) sixthly, to the redemption of the Class F Notes including any Interest Amounts due and payable and any Deferred Interest thereon (on a *pro-rata* basis) at the applicable Redemption Price in whole or in part until the Class 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 statute, treaty, regulation, rule, ruling, practice, procedure or judicial decision or interpretation (whether proposed, temporary or final) in any jurisdiction which results in (or would on the next Payment Date result in) any payment of principal or interest on the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and/or the Subordinated Notes becoming subject to any withholding tax other than:

  (i) a payment in respect of Deferred Interest becoming properly subject to any withholding tax;

  (ii) withholding tax in respect of FATCA; or

  (iii) by reason of the failure by the relevant Noteholder to comply with any applicable procedures required to establish non-residence or other similar claim for exemption from such tax or to provide information concerning nationality, residency or connection with Ireland, the United States or any other relevant jurisdiction to any applicable tax authority; or

(b) United Kingdom or U.S. state, federal or governmental tax authorities impose net income, profits or similar tax upon the Issuer (or its representative).

"**Obligor**" means, in respect of a Collateral Debt Obligation, the borrower thereunder or issuer thereof or, in either case, the guarantor thereof (as determined by the Investment Manager on behalf of the Issuer).

"**Offer**" means, with respect to any Collateral Debt Obligation:

(a) any offer by the Obligor under such obligation or by any other Person made to all of the creditors of such Obligor in relation to such obligation to purchase or otherwise acquire such obligation (other than pursuant to any redemption in accordance with the terms of the related Underlying Instruments) or to convert or exchange such obligation into or for cash, securities or any other type of consideration; or

(b) any solicitation by the Obligor of such obligation or any other Person to amend, modify or waive any provision of such obligation or any related Underlying Instrument.

"**Ongoing Expense Excess Amount**" means, on any Payment Date, an amount equal to the excess, if any, of:

(a) the Senior Expenses Cap; over

(b) the sum of (without duplication):

(i) all amounts paid pursuant to paragraphs (B) and (C) of Condition 3(c)(i) (*Application of Interest Proceeds*) on such Payment Date; *plus*

(ii) all Trustee Fees and Expenses and Administrative Expenses paid during the related Due Period.

"**Ongoing Expense Reserve Amount**" means, in respect of any Payment Date, an amount equal to the lesser of:

(a) the Ongoing Expense Reserve Ceiling; and

(b) the Ongoing Expense Excess Amount, each as at such Payment Date.

"**Ongoing Expense Reserve Ceiling**" means, on any Payment Date, the excess, if any, of €300,000 over the amount then on deposit in the Expense Reserve Account without giving effect to any deposit thereto on such Payment Date pursuant to paragraph (D) of Condition 3(c)(i) (*Application of Interest Proceeds*).

"**Optional Redemption**" means a redemption pursuant to and in accordance with Condition 7(b) (*Optional Redemption*).

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

"**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, Class C Par Value Ratio, the Class D Par Value Ratio, the Class E Par Value Ratio or 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.

"**Participation**" means an interest in a Collateral Debt Obligation taken indirectly by the Issuer by way of participation from a Selling Institution which shall include, for the purposes of the Bivariate Risk Table set forth in the Investment Management and Collateral Administration Agreement, Intermediary Obligations.

"**Participation Agreement**" means an agreement between the Issuer and a Selling Institution in relation to the purchase by the Issuer of a Participation.

"**Paying Agent**" means the Principal Paying Agent and any additional or successor paying agents appointed pursuant to the terms of the Agency Agreement.

"**Payment Account**" means the non-interest bearing account described as such in the name of the Issuer held with the Account Bank to which amounts shall be transferred by the Account Bank 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) 15 January, 15 April, 15 July and 15 October at any time other than following the occurrence of a Frequency Switch Event; and

(b) 15 January and 15 July (where the Payment Date immediately following the occurrence of the relevant Frequency Switch Event falls in either January or July) or 15 April and 15 October (where the Payment Date immediately following the occurrence of the relevant Frequency Switch Event falls in either April or October), following the occurrence of a Frequency Switch Event,

in each case, in each year commencing on 17 July 2017 up to and including the Maturity Date (each a "**Scheduled Payment Date**"), any Redemption Date (other than a Redemption Date which is a Refinancing Redemption Date) and each 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 (and at the expense of) the Issuer and made available by means of a secured website currently located at https://usbtrustgateway.usbank.com (or such other website as may be agreed between the Collateral Administrator and the Issuer) to the Issuer, the Trustee, the Investment Manager, the Initial Purchaser, the Placement Agent, any Hedge Counterparty, each Rating Agency and 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 Noteholder is a holder of a beneficial interest in any Notes), by not later than the Business Day preceding the related Payment Date.

"**Permitted Use**" means, with respect to:

(a) any Contribution received into the Contribution Account;

(b) the proceeds from the issue of additional Subordinated Notes in accordance with Condition 17 (*Additional Issuances*); or

(c) any amount deposited in the Collateral Enhancement Account,

any of the following uses:

(a) the transfer of the applicable portion of such amount to the Interest Account for application as Interest Proceeds;

(b) the transfer of the applicable portion of such amount to the Principal Account for application as Principal Proceeds;

(c) the repurchase of Rated Notes of any Class through a tender offer, in the open market, or in privately negotiated transaction(s) in accordance with Condition 7(k) (*Purchase*) (in each case, subject to applicable law);

(d) subject to the limitations in the Transaction Documents with respect to Margin Stock, the purchase of one or more Collateral Enhancement Obligations, in each case subject to the limitations set forth in the Transaction Documents; or

(e) for deposit into the Expense Reserve Account to pay for the costs of a Refinancing.

"**Person**" means an individual, corporation (including a business trust), partnership, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated association or government or any agency or political subdivision thereof.

"**PIK Security**" means any Collateral Debt Obligation which is a security, the terms of which permit the deferral of the payment of interest thereon, including without limitation by way of capitalising interest thereon provided that, for the avoidance of doubt, Mezzanine Obligations shall not constitute PIK Securities.

"**Placement Agent**" means Morgan Stanley & Co. International plc.

"**Portfolio**" means the Collateral Debt Obligations, Collateral Enhancement Obligations, Exchanged Equity Securities, Eligible Investments and other similar obligations or securities held by or on behalf of the Issuer from time to time.

"**Portfolio Profile Tests**" means the Portfolio Profile Tests each as defined in the 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 open.

"**Primary Market**" means the market through which, in respect of a Collateral Debt Obligation, the Issuer (or the Investment Manager on the Issuer's behalf) entered into a binding commitment to purchase such Collateral Debt Obligation within six months of the date of issue of such Collateral Debt Obligation and in the case of a Collateral Debt 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 or the right to give directions or instructions attributable to the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, as applicable, and the applicable quorum at any meeting of the Noteholders pursuant to Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) and provided that solely:

(a) in connection with an IM Removal Resolution or an IM Replacement Resolution, no Notes held in the form of IM Non-Voting Exchangeable Notes or IM Non-Voting Notes shall (i) be entitled to vote in respect of such IM Removal Resolution or IM Replacement Resolution, or (ii) 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; and

(b) in connection with an IM Removal Resolution, no Notes held by or on behalf of the Investment Management or an Investment Manager Related Person shall (i) be entitled to vote in respect of such IM Removal Resolution, or (ii) be counted for the purposes of determining a quorum or the result of voting in respect of such IM Removal Resolution.

"**Principal Balance**" means, (i) with respect to any Collateral Enhancement Obligation or Exchanged Equity Security, zero, (ii) with respect to cash, the amount of such cash, provided that if such cash amount is in a currency other than Euro, it will be converted into Euro at the Applicable Exchange Rate (iii) so long as Fitch is rating any Notes, for the purposes of any Corporate Rescue Loan that has (x) no Fitch issuer default rating in respect thereof available or (y) no credit estimate assigned to it by Fitch, in each case, before the expiry of a period of three months following the Issuer entering into a binding commitment to acquire such Corporate Rescue Loan, the Principal Balance of such Corporate Rescue Loan shall be zero unless and until a Fitch issuer default rating or credit estimate is available or assigned by Fitch and (iv) with respect to any Collateral Debt Obligation or Eligible Investment, as of any date of determination, the outstanding principal amount thereof (excluding any interest capitalised pursuant to the terms of such instrument other than, with respect to a Mezzanine Obligation and a PIK Security, any such interest capitalised pursuant to the terms thereof which is paid for on the date of acquisition of such Mezzanine Obligation or PIK Security), provided however that:

(a) the Principal Balance of any Revolving Obligation and Delayed Drawdown Collateral Debt Obligation as of any date of determination, shall be the outstanding principal amount of such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, plus any undrawn commitments that have not been irrevocably cancelled with respect to such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation;

(b) the Principal Balance of:

(i) any Asset Swap Obligation shall be an amount equal to the Euro equivalent of the outstanding principal amount of the reference Asset Swap Obligation, converted into Euro at the Applicable Exchange Rate;

(ii) any Unhedged Collateral Debt Obligation shall be:

(A) prior to the settlement date thereof, 100 per cent. of its Unhedged Principal Balance;

(B) following the settlement date thereof, if such Unhedged Collateral Debt Obligation was purchased in the Primary Market, is denominated in a Qualifying Unhedged Obligation Currency and has been an Unhedged Collateral Debt Obligation for less than 180 calendar days since the settlement of the purchase by the Issuer of such Collateral Debt Obligation, 50 per cent. of the Unhedged Principal Balance of such Unhedged Collateral Debt Obligation; and

(C) in respect of any other Unhedged Collateral Debt Obligation, zero;

(c) for the purposes of the Portfolio Profile Tests and the Collateral Quality Tests, the Principal Balance of any Defaulted Obligations shall be zero; and

(d) for the purposes of the Collateral Quality Tests, the Coverage Tests, the Reinvestment Overcollateralisation Test and the Portfolio Profile Tests, the Principal Balance of a Restructured Obligation which is tendered at an amount which is less than its outstanding principal amount, shall be that tendered amount provided that such tender option is still available.

"**Principal Proceeds**" means all amounts paid or payable into the Principal Account from time to time and, with respect to any Payment Date, means Principal Proceeds received or receivable by the Issuer during the related Due Period and any other amounts to be disbursed as Principal Proceeds on such Payment Date pursuant to Condition 3(c)(ii) (*Application of Principal Proceeds*) or Condition 11(b) (*Enforcement*).

"**Principal Proceeds Priority of Payments**" means the priority of payments in respect of Principal Proceeds set out in Condition 3(c)(ii) (*Application of Principal Proceeds*).

"**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)(i) (*Optional Redemption in Whole—Subordinated Noteholders*);

(ii) in connection with a redemption in whole pursuant to Condition 7(g) (*Redemption following Note Tax Event*); or

(iii) following the delivery (whether actual or deemed) of an Acceleration Notice which has not subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*),

in the case of Interest Proceeds, the Interest Proceeds Priority of Payments and in the case of Principal Proceeds, the Principal Proceeds Priority of Payments; and

(b) if any optional redemption of the Notes in whole but not in part pursuant to Condition 7(b)(i) (*Optional Redemption in Whole—Subordinated Noteholders*) or Condition 7(g) (*Redemption following Note Tax Event*) occurs or following the delivery (whether actual or deemed) of an Acceleration Notice which has not subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*), the Post-Acceleration Priority of Payments.

"**Proceedings**" has the meaning given thereto in Condition 19(b) (*Jurisdiction*).

"**Prospectus**" means the prospectus of GLG Euro CLO II D.A.C. dated 12 December 2016.

"**Purchased Accrued Interest**" means, with respect to any Due Period, all payments of interest and proceeds of sale received during such Due Period in relation to any Collateral Debt Obligation, in each case, to the extent that such amounts represent accrued and/or capitalised interest in respect of such Collateral Debt Obligation (including, in respect of a Mezzanine Obligation, any accrued interest which, as at the time of purchase, had been capitalised and added to the principal amount of such Mezzanine Obligation in accordance with its terms), which was purchased at the time of the acquisition thereof with Principal Proceeds and/or amounts paid out of the Unused Proceeds Account.

"**QIB**" means a Person who is a "qualified institutional buyer" as defined in Rule 144A.

"**QIB/QP**" means a Person who is both a QIB and a QP.

"**Qualified Purchaser**" and "**QP**" mean a Person who is a qualified purchaser as defined in section 2(a)(51)(A) of the Investment Company Act.

"**Qualifying Country**" means each of Austria, Belgium, Bermuda, Canada, Denmark, Finland, France, Germany, Ireland, Italy, Liechtenstein, Luxembourg, The Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, the United States or the United Kingdom having a foreign currency issuer credit rating, at the time of acquisition of the relevant Eligible Investment, of at least "AA-" by Fitch and "Aa3" by Moody's or any other country which has been approved, at the time of acquisition of the relevant Eligible Investment, as a Qualifying Country by way of Rating Agency Confirmation.

"**Qualifying Currency**" means Sterling, U.S. Dollars, Czech Koruna, Danish Krone, Norwegian Krone, Swedish Krone, Canadian Dollars, Australian Dollars, New Zealand Dollars, Swiss Francs, Japanese Yen, Polish Zloty or any other currency in respect of which Rating Agency Confirmation has been received.

"**Qualifying Unhedged Obligation Currency**" means Swedish Krona, Norwegian Krone, Swiss Francs, Danish Krone, Sterling and U.S. Dollars.

"**Rated Notes**" means 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 (a "**Replacement Rating Agency**") and "**Rating Agency**" means any such rating agency. If at any time a Rating Agency is replaced by a Replacement Rating Agency, references to rating categories of the original Rating Agency in these Conditions, the Trust Deed and the 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, e-mail or other written communication) by each Rating Agency which has, as at the relevant date assigned ratings to any Class of the Rated Notes that are Outstanding (or, if applicable, the Rating Agency specified in respect of any such action or determination, provided that such Rating Agency has, as at the relevant date assigned ratings to any Class of the Rated Notes) that such specified action, determination or appointment will not result in the reduction or withdrawal of any of the ratings currently assigned to the Rated Notes by such Rating Agency. Notwithstanding anything to the contrary in any Transaction Document and these Conditions, no Rating Agency Confirmation shall be required from a Rating Agency in respect of any action or determination if such Rating Agency has declined a request from the Trustee, the Investment Manager or the Issuer to review the effect of such action, determination or appointment or if such Rating Agency announces (publicly or otherwise) or confirms 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.

"**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 Debt

Obligations and/or any other intended action which will cause confirmation of the Initial Ratings, as further described in the Investment Management and Collateral Administration Agreement.

"**Rating Requirement**" means:

(a) in the case of the Account Bank:

(i) a short-term senior unsecured debt rating of "P-1" by Moody's and a long-term senior unsecured issuer credit rating of at least "A2" by Moody's; and

(ii) a long-term issuer default rating of at least "A" or a short-term issuer default rating of at least "F1" by Fitch;

(b) in the case of the Custodian:

(i) a short-term senior unsecured debt rating of "P-1" by Moody's and a long-term senior unsecured issuer credit rating of at least "A2" by Moody's; and

(ii) a long-term issuer default rating of at least "A" or a short-term issuer default rating of at least "F1" by Fitch;

(c) in the case of the Principal Paying Agent a short-term senior unsecured debt rating of "P-3" by Moody's and a long-term senior unsecured issuer credit rating of at least "Baa3" by Moody's;

(d) in the case of any Hedge Counterparty, the ratings requirement(s) as set out in the relevant Hedge Agreement; and

(e) in the case of a Selling Institution, a counterparty which (i) satisfies the ratings set out in the Bivariate Risk Table, (ii) has a long-term issuer credit rating of at least "A" by Fitch and (iii) 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,

provided that in each case:

(a) if any of the requirements are not satisfied by any of the parties referred to herein, Rating Agency Confirmation from the relevant Rating Agency is received in respect of such party; and

(b) such other rating or ratings will be applicable as may be agreed by the relevant Rating Agency as would maintain the then-current rating of the Rated Notes.

"**Receiver**" means a receiver, administrative receiver, trustee, administrator, custodian, conservator, liquidator, curator, examiner or other similar official (whether appointed pursuant to the terms of the Trust Deed, pursuant to any statute, by a court or otherwise).

"**Record Date**" means the fifteenth day before the relevant due date for payment of principal and interest in respect of such Note.

"**Redemption Date**" means each date specified for a redemption of the Notes of a Class pursuant to Condition 7 (*Redemption and Purchase*) or, if such day is not a Business Day, the next following Business Day or the date on which the Notes of such Class are accelerated pursuant to Condition 10 (*Events of Default*).

"**Redemption Determination Date**" has the meaning given thereto in Condition 7(b)(ix) (*Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only*).

"**Redemption Notice**" means a redemption notice in the form set out in the Agency Agreement.

"**Redemption Price**" means, when used with respect to:

(a) any Subordinated Note, 100 per cent. of the Principal Amount Outstanding thereof, if any or, if greater, such Subordinated Note's *pro-rata* share (calculated in accordance with paragraph (DD) of Condition 3(c)(i) (*Application of Interest Proceeds*), paragraph (T) of Condition 3(c)(ii) (*Application of Principal Proceeds*) or paragraph (Z) of the Post-Acceleration Priority of Payments (as applicable)) of the aggregate proceeds of liquidation of the Collateral, or realisation of the security thereover in such

circumstances, remaining following application thereof in accordance with the Priorities of Payment; and

(b) any Rated Note (i) 100 per cent. of the Principal Amount Outstanding thereof (if any), (including, in respect of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, any Deferred Interest); and (ii) any accrued but unpaid interest thereon to the relevant date of redemption.

"**Redemption Threshold Amount**" means the aggregate of all amounts which would be due and payable on redemption of the Rated Notes on the scheduled Redemption Date (not taking into account for this purpose any reduction in the Issuer's payment obligations pursuant to the Conditions of the Notes or any other Transaction Documents as a result of any limited recourse provisions) pursuant to Condition 11(b) (*Enforcement*) which rank in priority to payments in respect of the Subordinated Notes (to the extent such amounts are ascertainable by the Collateral Administrator or have been provided to the Collateral Administrator by the relevant Secured Party) in accordance with the Priorities of Payment.

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

"**Refinancing**" has the meaning given to it in Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

"**Refinancing Costs**" means the fees, costs, charges and expenses (including any Trustee Fees and Expenses and Administrative Expenses) incurred by or on behalf of the Issuer in respect of a Refinancing (including any VAT thereon whether payable to the tax authority or any third party provided that with respect to fees, costs and expenses, such VAT to be limited to irrecoverable VAT), 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.

"**Refinancing Redemption Date**" means the redemption date of the Notes through a refinancing of the Notes in accordance with Condition 7(b)(ii) (*Optional Redemption in Part—Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*).

"**Refinancing Target Par Excess**" has the meaning given to it in Condition 3(j)(i) (*Principal Account*).

"**Register**" means the register of holders of the legal title to the Notes kept by the Registrar pursuant to the terms of the Agency Agreement.

"**Regulation S**" means Regulation S under the Securities Act.

"**Regulation S Notes**" means the Notes offered for sale to non-U.S. Persons outside of the United States in reliance on Regulation S.

"**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 which will be satisfied on such Measurement Date if the Class F Par Value Ratio is at least equal to 104.9 per cent.

"**Reinvestment Period**" means the period from and including the Issue Date up to and including the earliest of:

(a) the end of the Due Period preceding the Payment Date falling on 15 January 2021 or, if such day is not a Business Day, the immediately following Business Day;

(b) the date of the acceleration of the Notes pursuant to Condition 10(b) (*Acceleration*) (provided the related Acceleration Notice (actual or deemed) (if any) has not been rescinded or annulled in accordance with Condition 10(c) (*Curing of Default*)); and

(c) the date on which the Investment Manager reasonably believes and notifies the Issuer, the Rating Agencies and the Trustee that it can no longer reinvest in additional Collateral Debt Obligations in accordance with the Reinvestment Criteria.

"**Reinvestment Target Par Balance**" means as of any date of determination:

(a) the Target Par Amount; *minus*

(b) the amount of any reduction in the Principal Amount Outstanding of the Notes; *plus*

(c) the Principal Amount Outstanding of any additional Notes issued pursuant to Condition 17 (*Additional Issuance*), or, if greater, the aggregate amount of Principal Proceeds that result from the issuance of such additional Notes.

"**Replacement Asset Swap Transaction**" means any Asset Swap Transaction entered into by the Issuer, or the Investment Manager on its behalf, in accordance with the provisions of the Investment Management and Collateral Administration Agreement upon termination of an existing Asset Swap Transaction on substantially the same terms as such terminated Asset Swap Transaction, that preserves for the Issuer the economic effect of the terminated Asset Swap Transaction, subject to such amendments thereto as may be agreed by the Investment Manager, acting on behalf of the Issuer.

"**Replacement Interest Rate Hedge Transaction**" means any Interest Rate Hedge Transaction entered into by the Issuer, or the Investment Manager on its behalf, in accordance with the provisions of the Investment Management and Collateral Administration Agreement upon termination of an existing Interest Rate Hedge Transaction on substantially the same terms as such terminated Interest Rate Hedge Transaction, that preserves for the Issuer the economic effect of the terminated Interest Rate Hedge Transaction, subject to such amendments thereto as may be agreed by the Investment Manager, acting on behalf of the Issuer.

"**Report**" means each Monthly Report and each 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 to it in Condition 3(c)(i)(W) (*Application of Interest Proceeds*).

"**Resolution**" means any Ordinary Resolution or Extraordinary Resolution, as the context may require.

"**Restricted Trading Period**" means any period during which:

(a) the Class A Notes are Outstanding and (i) the Fitch rating of the Class A Notes is withdrawn (and not reinstated or upgraded) or is one or more sub-categories below its rating on the Issue Date or (ii) the Moody's rating of the Class A Notes is withdrawn (and not reinstated or upgraded) or is one or more sub-categories below its rating on the Issue Date; or

(b) the Class B Notes are Outstanding and (i) the Fitch rating of the Class B Notes is withdrawn (and not reinstated or upgraded) or is two or more sub-categories below its rating on the Issue Date or (ii) the Moody's rating of the Class B Notes is withdrawn (and not reinstated or upgraded) or is two or more sub-categories below its rating on the Issue Date,

provided that, in each case, (i) such period will not be a Restricted Trading Period if so determined by the Issuer with the consent of the Controlling Class acting by Ordinary Resolution; and (ii) no Restricted Trading Period shall restrict any sale of a Collateral Debt 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 Debt Obligation which has been restructured (whether effected by way of an amendment to the terms of such Collateral Debt Obligation (including but not limited to an extension of its maturity) or by way of substitution of new obligations and/or change of Obligor) and which satisfies the Restructured Obligation Criteria as at its applicable Restructuring Date.

"**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 Debt Obligation becomes binding on the holders thereof provided if an obligation satisfies the Restructured Obligation Criteria at a later date, such later date shall be deemed to be the Restructuring Date for the purposes of determining whether such obligation shall constitute a Restructured Obligation.

"**Retention Event**" means an event which occurs if at any time the Retention Holder or an Affiliate of the Retention Holder transfers the Retention Notes or otherwise sells, hedges or otherwise mitigates its credit risk under or associated with the Retention Notes or the underlying portfolio of Collateral Debt Obligations, except that no Retention Event shall occur in respect of a transfer:

(a) that is permitted under the Investment Management and Collateral Administration Agreement; and

(b) (i) that is permitted under the Retention Requirements; and

(ii) which would not cause the transaction to cease to be compliant with the Retention Requirements.

"**Retention Holder**" means GLG Partners LP in its capacity as retention holder in accordance with the Investment Management and Collateral Administration Agreement or any permitted transferee in accordance with the Investment Management and Collateral Administration Agreement and the other Transaction Documents.

"**Retention Notes**" means the Notes of each Class subscribed for by the Investment Manager on the Issue Date and comprising not less than 5 per cent. of the nominal value of each Class of Notes; provided that the Class A-1 Notes and the Class A-2 Notes shall together be deemed to constitute a single class for these purposes.

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

"**Revolving Obligation**" means any Collateral Debt Obligation (other than a Delayed Drawdown Collateral Debt Obligation or a Non-Euro Obligation) that is a loan (including, without limitation, revolving loans, funded and unfunded portions of revolving credit lines and letter of credit facilities, unfunded commitments under specific facilities and other similar loans and investments) that pursuant to the terms of its Underlying Instruments may require one or more future advances to be made to the borrower by the Issuer; but any such Collateral Debt Obligation will be a Revolving Obligation only until all commitments to make advances to the borrower expire or are terminated or reduced to zero.

"**Rule 144A**" means Rule 144A under the Securities Act.

"**Rule 144A Notes**" means Notes offered for sale within the United States or to U.S. Persons in reliance on Rule 144A.

"**Rule 17g-5**" means Rule 17g-5 under the Exchange Act.

"**Sale Proceeds**" means:

(a) all proceeds received upon the sale of any Collateral Debt Obligation (save for any Asset Swap 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;

(ii) any interest received in respect of any Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation other than Defaulted Mezzanine Excess Amounts;

(iii) proceeds that represent deferred interest accrued in respect of any PIK Security; or

(iv) proceeds representing accrued interest received in respect of any Defaulted Obligation,

unless and until:

(i) such amounts represent Defaulted Obligation Excess Amounts; and

(ii) any Purchased Accrued Interest in relation to such Defaulted Obligation has been paid, together with all proceeds received upon the sale of any Collateral Enhancement Obligation or Exchanged Equity Security;

(b) in the case of any Asset Swap Obligation, all amounts in Euro (or other currencies if applicable) payable to the Issuer by the applicable Asset Swap Counterparty in exchange for payment by the Issuer of the sale proceeds of any Collateral Debt Obligation as described in paragraph (a) above but amended to apply to such Asset Swap Obligation, under the related Asset Swap Transaction (after netting against any Asset Swap Termination Payment (determined without regard to the exclusions of unpaid amounts and Asset Swap Issuer Principal Exchange Amounts set forth in the definition thereof) payable by the Issuer in such circumstances); and

(c) in the case of any Collateral Enhancement Obligation, all proceeds and any fees received upon the sale of such Collateral Enhancement Obligation,

in each case net of any amounts expended by or payable by the Issuer or the Collateral Administrator (on behalf of the Issuer) in connection with sale, disposition or termination of such Collateral Debt Obligation.

"**Scheduled Periodic Asset Swap Counterparty Payment**" means, with respect to any Asset Swap Transaction, the periodic amounts in the nature of coupon (and not principal) scheduled to be paid to the Issuer by the applicable Asset Swap Counterparty pursuant to the terms of such Asset Swap Transaction, excluding any Asset Swap Termination Receipts, any Asset Swap Replacement Receipts and any Asset Swap Counterparty Principal Exchange Amounts.

"**Scheduled Periodic Asset Swap Issuer Payment**" means, with respect to any Asset Swap Transaction, the periodic amounts in the nature of coupon (and not principal) scheduled to be paid to the applicable Asset Swap Counterparty by the Issuer pursuant to the terms of such Asset Swap Transaction, excluding any Asset Swap Termination Payments, any Asset Swap Replacement Payments and any Asset Swap Issuer Principal Exchange Amounts.

"**Scheduled Periodic Interest Rate Hedge Counterparty Payment**" means, with respect to any Interest Rate Hedge Agreement, all amounts scheduled to be paid by the Interest Rate Hedge Counterparty to the Issuer pursuant to the terms of such Interest Rate Hedge Agreement, excluding any Interest Rate Hedge Termination Receipt.

"**Scheduled Periodic Interest Rate Hedge Issuer Payment**" means, with respect to any Interest Rate Hedge Agreement, all amounts scheduled to be paid by the Issuer to the applicable Interest Rate Hedge Counterparty pursuant to the terms of such Interest Rate Hedge Agreement, excluding any Interest Rate Hedge Termination Payment.

"**Scheduled Principal Proceeds**" means:

(a) in the case of any Collateral Debt Obligation (other than an Asset Swap Obligation), scheduled principal repayments received by the Issuer (including scheduled amortisation, instalment or sinking fund payments);

(b) in the case of an Asset Swap Obligation, the scheduled final and interim Asset Swap Counterparty Principal Exchange Amounts under the related Asset Swap Transaction; and

(c) in the case of any Hedge Agreements, any Hedge Replacement Receipts and Hedge Termination Payments transferred from the Hedge Termination Account into the Principal Account and any cash amounts transferred from a Counterparty Downgrade Collateral Account to the Principal Account (or where such Counterparty Downgrade Collateral is in the form of securities and is transferred to the Custody Account, all proceeds of the sale of such securities) in accordance with Condition 3(j)(v) (*Counterparty Downgrade Collateral Account*).

"**Second Lien Loan**" means (i) an 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; or (ii) a First-Lien Last-Out Loan.

"**Secured Obligations**" has the meaning given to it in the Trust Deed.

"**Secured Party**" means each of the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Subordinated Noteholders, the Initial Purchaser, the Placement Agent, the Investment Manager, the Trustee, any Appointee, any Receiver, the Agents, each Reporting Delegate, each Hedge Counterparty and the Corporate Services Provider and "**Secured Parties**" means any two or more of them as the context so requires.

"**Secured Senior Bond**" means a Collateral Debt Obligation that is a senior secured debt security in the form of, or represented by, a bond, note, certificated debt security or other debt security (that is not a Secured Senior Loan) as determined by the Investment Manager (in accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement), or a Participation therein, provided that:

(a) it is secured (such security being valid and perfected security):

(i) by assets of the Obligor thereof if and to the extent that the provision of security over assets is permissible under applicable law (save in the case of assets where the failure to take such security is consistent with reasonable secured lending practices); and otherwise

(ii) by at least 80 per cent. of the equity interests in the shares of an entity owning, either directly or indirectly, such assets; and

(b) no other obligation of the Obligor has any higher priority security interest in such assets or shares referred to in paragraph (a) above provided that a revolving loan of the Obligor that, pursuant to its terms, may require one or more future advances to be made to the borrower may have a higher priority security interest in such assets or shares if an enforcement in respect of such loan occurs, provided such loan represents no more than 15 per cent. of the Obligor's senior debt.

"**Secured Senior Loan**" means a Collateral Debt Obligation (which may be a Revolving Obligation or a Delayed Drawdown Collateral Debt Obligation) that is a secured senior loan obligation as determined by the Investment Manager (in accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement) or a Participation therein, provided that:

(a) it is secured (such security being valid and perfected security):

(i) by assets of the Obligor thereof if and to the extent that the provision of security over assets is permissible under applicable law (save in the case of assets where the failure to take such security is consistent with reasonable secured lending practices); and otherwise

(ii) by at least 80 per cent. of the equity interests in the shares of an entity owning, either directly or indirectly, such assets; and

(b) no other obligation of the Obligor has any higher priority security interest in such assets or shares referred to in paragraph (a) above provided that a revolving loan of the Obligor that, pursuant to its terms, may require one or more future advances to be made to the borrower may have a higher priority security interest in such assets or shares if an enforcement in respect of such loan occurs, provided such loan represents no more than 15 per cent. of the Obligor's senior debt.

"**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:

(a) a Participation is taken and satisfies the applicable Rating Requirement; or

(b) an Assignment is acquired.

"**Semi-Annual Obligations**" means Collateral Debt Obligations which, at the relevant date of measurement, pay interest less frequently than quarterly but which are not Annual Obligations.

"**Senior Expenses Cap**" means, in respect of each Payment Date the sum of:

(a) €300,000 *per annum* (pro-rated for the Due Period for the first Payment Date on the basis of a 360 day year and the actual number of days elapsed in such Due Period, and thereafter on the basis of a 360 day year comprised of twelve 30-day months, with each anniversary of the first Payment Date being the start of such 360 day year); and

(b) 0.02 per cent. *per annum* (pro-rated for the Due Period for the first Payment Date on the basis of a 360 day year and the actual number of days elapsed in such Due Period, and thereafter on the basis of a 360 day year and the actual number of days elapsed in such Due Period, with each anniversary of the first Payment Date being the start of such 360 day year) of the Aggregate Collateral Balance as at the Determination Date immediately preceding the Payment Date in respect of such Due Period,

provided however that if the amount of Trustee Fees and Expenses and Administrative Expenses paid on each of the three immediately preceding Payment Dates or, if a Frequency Switch Event has occurred, the immediately preceding Payment Date and during the related Due Period (including the Due Period relating to the current Payment Date) is less than the stated Senior Expenses Cap, the amount of such shortfall will be applied to the Senior Expenses Cap with respect to the then current Payment Date. For the avoidance of doubt, any such shortfall may not at any time result in an increase of the Senior Expenses Cap on a *per annum* basis and provided that the Senior Expenses Cap shall not apply to any amounts due or accrued with respect to actions taken on or in connection with the Issue Date with respect to the issuance of Notes and the entry into the Transaction Documents (as determined by the Investment Manager).

"**Senior Investment Management Fee**" means the fee payable to the Investment Manager in arrear on each Payment Date in accordance with the Priorities of Payment in respect of the immediately preceding Due Period pursuant to the Investment Management and Collateral Administration Agreement in an amount (exclusive of any applicable VAT thereon), as determined by the Collateral Administrator, equal to 0.15 per cent. *per annum* (calculated on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the Aggregate Collateral Balance as at the beginning of such Due Period.

"**Senior Loan**" means a collateral debt obligation that is a Secured Senior Loan, an Unsecured Senior Obligation that is a loan (and not a High Yield Bond) or a Second Lien Loan.

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

"**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 federal, state, local or non-U.S. law or regulation that is similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code.

"**Solvency II**" means Directive 2009/138/EC 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 regulations, 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 Positions) 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 to it in Condition 7(d) (*Special Redemption*).

"**Special Redemption Amount**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Special Redemption Date**" has the meaning given to it in Condition 7(d) (*Special Redemption*).

"**Spot Rate**" means with respect to any conversion of any currency into Euro or, as the case may be, of Euro into any other relevant currency, the relevant spot rate of exchange quoted by the Collateral Administrator on the date of calculation.

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

"**Step-Up Coupon Security**" means a security:

(a) which does not pay interest over a specified period of time ending prior to its maturity, but which does provide for the payment of interest after the expiration of such specified period; or

(b) the interest rate of which increases over a specified period of time other than due to the increase of the floating rate index applicable to such security.

"**Structured Finance Security**" means any debt security which is secured directly, or represents the ownership of, a pool of consumer receivables, auto loans, auto leases, equipment leases, home or commercial mortgages, corporate debt or sovereign debt obligations or similar assets, including, without limitation, collateralised bond obligations, collateralised loan obligations or any similar security.

"**STS Regulation**" means the proposed regulation of the European Union relating to an European framework for simple, transparent and standardised securitisation, including any implementing regulation, technical standards and official guidance related thereto.

"**Subordinated Investment Management Fee**" means the fee payable to the Investment Manager in arrear on each Payment Date in accordance with the Priorities of Payment in respect of the immediately preceding Due Period, pursuant to the Investment Management and Collateral Administration Agreement in an amount (exclusive of any applicable VAT thereon), as determined by the Collateral Administrator, equal to 0.35 per cent. *per annum* (calculated on the basis of a 360 day year and the actual number of days elapsed in such Due Period) of the Aggregate Collateral Balance as at the beginning of such Due Period.

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

"**Substitute Collateral Debt Obligation**" means a Collateral Debt Obligation purchased in substitution for a previously held Collateral Debt Obligation pursuant to the terms of the Investment Management and Collateral Administration Agreement and which satisfies both the Eligibility Criteria and the Reinvestment Criteria.

"**Swap Tax Credits**" means any credit, allowance, set-off or repayment received by the Issuer in respect of tax from the tax authorities of any jurisdiction relating to any deduction or withholding for or on account of tax in respect of which a gross-up payment has been made by a Hedge Counterparty to the Issuer under any Hedge Transaction, or relating to any deduction or withholding for or on account of any tax made by the Issuer from a payment under a Hedge Transaction to a Hedge Counterparty in respect of which no gross-up payment has been made.

"**Swapped Non-Discount Obligation**" means any Collateral Debt Obligation that would otherwise be considered a Discount Obligation, but that is purchased with the Sale Proceeds of a Collateral Debt Obligation that was not a Discount Obligation at the time of its purchase and will not be considered a Discount Obligation so long as such purchased Collateral Debt Obligation:

(a) is purchased or committed to be purchased within thirty calendar days of such sale;

(b) is purchased at a price (as a percentage of par) equal to or greater than the sale price of the sold Collateral Debt Obligation; and

(c) is purchased at a price not less than the lower of (i) 50 per cent. of the Principal Balance thereof and (ii) the average price of an Eligible Loan Index or Eligible Bond Index (as applicable),

provided that:

(a) to the extent the Aggregate Principal Balance of Swapped Non-Discount Obligations exceeds 5 per cent. of the Aggregate Collateral Balance, such excess will not constitute Swapped Non-Discount Obligations (and, for the avoidance of doubt, will instead constitute Discount Obligations);

(b) to the extent the cumulative Aggregate Principal Balance of Swapped Non-Discount Obligations acquired by the Issuer after the Issue Date exceeds 10 per cent. of the Target Par Amount, such excess will not constitute Swapped Non-Discount Obligations (and, for the avoidance of doubt, will instead constitute Discount Obligations); and

(c) such Collateral Debt Obligation will cease to be a Discount Obligation or a Swapped Non-Discount Obligation at such time as the Market Value (expressed as a percentage of par) for such Collateral Debt Obligation on each calendar day during any period of thirty consecutive calendar days since the acquisition of such Collateral Debt Obligation equals or exceeds:

(i) for a Floating Rate Collateral Debt Obligation, 90 per cent.; or

(ii) for all other Collateral Debt Obligations, 85 per cent.,

and provided further that, for the purpose of determining which Collateral Debt Obligations qualify as Swapped Non-Discount Obligations, if the Aggregate Principal Balance of Swapped Non-Discount Obligations exceeds such limits, the Collateral Debt Obligations (or any part thereof) constituting Swapped Non-Discount Obligations shall be in the order such assets were acquired by the Issuer (or the Investment Manager on its behalf).

"**TARGET2**" means the Trans-European Automated Real-time Gross Settlement Express Transfer system (or, if such system ceases to be operative, such other system (if any) determined by the Trustee to be a suitable replacement).

"**Target Par Amount**" means €350,000,000.

"**TCA**" means the Taxes Consolidation Act 1997, as amended, of Ireland.

"**Transaction Documents**" means the Trust Deed (including these Conditions), the Agency Agreement, the Subscription and Placement Agency Agreement, the Investment Management and Collateral Administration Agreement, any Hedge Agreements, the Collateral Acquisition Agreements, the Participation Agreements, the Corporate Services Agreement, any Reporting Delegation Agreement and any document supplemental thereto or issued in connection therewith.

"**Trust Collateral**" has the meaning given thereto in Condition 4(c) (*Limited Recourse and Non-Petition*).

"**Trustee Fees and Expenses**" means the fees, costs and expenses (including, without limitation, legal fees) and all other amounts payable to the Trustee (including amounts payable by way of indemnity) or any Receiver or other Appointee pursuant to the Trust Deed or any other Transaction Document from time to time plus any applicable VAT thereon (and to the extent such amounts relate to fees, costs and expenses, such VAT, to be limited to irrecoverable VAT) (whether paid to any tax authority or to the Trustee, any Receiver or other Appointee), 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.

"**Underlying Instrument**" means the agreements or instruments pursuant to which a Collateral Debt Obligation has been issued or created and each other agreement that governs the terms of, or secures the obligations represented by, such Collateral Debt Obligation or under which the holders or creditors under such Collateral Debt Obligation are the beneficiaries.

"**Unfunded Amount**" means, with respect to any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, the excess, if any, of:

(a) the Commitment Amount under such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, as the case may be, at such time; over

(b) the Funded Amount thereof at such time.

"**Unfunded Revolver Reserve Account**" means the account of the Issuer established and maintained with the Account Bank pursuant to the Agency Agreement, amounts standing to the credit of which, subject to certain conditions, may be used to fund in full the amount of any unfunded commitments or unfunded liabilities from time to time, in relation to Delayed Drawdown Collateral Debt Obligations and Revolving Obligations.

"**Unhedged Collateral Debt 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 an Asset Swap Transaction.

"**Unhedged Principal Balance**" means the principal amount, converted into Euro at the Spot Rate, of each Unhedged Collateral Debt Obligation.

"**Unscheduled Payment Date**" has the meaning given to it in Condition 3(k) (*Unscheduled Payment Dates*).

"**Unscheduled Principal Proceeds**" means:

(a) with respect to any Collateral Debt Obligation (other than an Asset Swap Obligation), principal proceeds received by the Issuer prior to the Stated Maturity thereof as a result of optional redemptions, prepayments (including any acceleration) or Offers (excluding any premiums or make whole amounts in excess of the principal amount of such Collateral Debt Obligation); and

(b) in the case of any Asset Swap Obligation, the Asset Swap Counterparty Principal Exchange Amount payable in respect of the amounts referred to in paragraph (a) above pursuant to the related Asset Swap Transaction, together with:

  (i) any related Asset Swap Termination Receipts but less any related Asset Swap Termination Payments (to the extent any are payable and in each case determined without regard to the exclusions of unpaid amounts and Asset Swap Counterparty Principal Exchange Amounts or (as applicable) Asset Swap Issuer Principal Exchange Amounts set forth in the definitions thereof) and only to the extent not required for application towards the cost of entry into a Replacement Asset Swap Transaction; and

  (ii) any related Asset Swap Replacement Receipts but only to the extent not required for application towards any related Asset Swap Termination Payments.

"**Unsecured Senior Obligation**" means a Collateral Debt Obligation that:

(a) is an obligation senior to any unsecured, subordinated obligation of the Obligor as determined by the Investment Manager (in accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement); and

(b) is not secured by:

  (i) assets of the Obligor or guarantor thereof if and to the extent that the granting of security over assets is permissible under applicable law; or

  (ii) 100 per cent. of the equity interests in the shares of an entity owning such fixed assets.

"**Unused Proceeds Account**" means an account in the name of the Issuer with the Account Bank into which the Issuer will procure amounts are deposited in accordance with Condition 3(j)(iii) (*Unused Proceeds Account*).

"**U.S. Person**" means a U.S. person as such term is defined under Regulation S.

"**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 Consolidation Act 2010 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.

"**Warehouse Arrangements**" means the warehouse financing and related arrangements entered into by the Issuer prior to the Issue Date to, *inter alia*, finance the acquisition of Collateral Debt Obligations prior to the Issue Date.

"**Weighted Average Life**" 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.

"**Zero Coupon Security**" means an obligation or a security (other than a Step-Up Coupon Security) that, at the time of determination, does not provide for periodic payments of interest.

2. **Form and Denomination, Title, Transfer and Exchange**

(a) Form and Denomination

The Notes of each Class will be issued in definitive, certificated, fully registered form, without interest coupons, talons and principal receipts attached, in the applicable Minimum Denomination and integral multiples of any Authorised Integral Amount in excess thereof. A Definitive Certificate will be issued to each Noteholder in respect of its registered holding of Notes. Each Definitive Certificate will be numbered serially with an identifying number which will be recorded in the Register which the Issuer shall procure to be kept by the Registrar.

(b) Title to the Registered Notes

Title to the Notes passes upon registration of transfers in the Register in accordance with the provisions of the Agency Agreement and the Trust Deed. Notes will be transferable only on the books of the Issuer and its agents. The registered holder of any Note will (except as otherwise required by law) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest in it, any writing on it, or its theft or loss) and no person will be liable for so treating the holder.

(c) Transfer

One or more Notes may be transferred in whole or in part in nominal amounts of the applicable Authorised Denomination only upon the surrender, at the specified office of the Registrar or any Transfer Agent, of the Definitive Certificate representing such Note(s) to be transferred, with the form of transfer endorsed on such Definitive Certificate duly completed and executed and together with such other evidence as the Registrar or Transfer Agent may reasonably require. In the case of a transfer of part only of a holding of Notes represented by one Definitive Certificate, a new Definitive Certificate will be issued to the transferee in respect of the part transferred and a further new Definitive Certificate in respect of the balance of the holding not transferred will be issued to the transferor. The Issuer shall procure that at all times the Register is kept and maintained outside the United Kingdom, and that no counterpart of the Register is created, kept or maintained within the United Kingdom.

(d) Delivery of New Certificates

Each new Definitive Certificate to be issued pursuant to Condition 2(c) (*Transfer*) will be available for delivery within five Business Days of receipt of such form of transfer or of surrender of an existing certificate upon partial redemption. Delivery of new Definitive Certificate(s) shall be made at the specified office of the Transfer Agent or of the Registrar, as the case may be, to whom delivery or surrender shall have been made or, at the option of the holder making such delivery or surrender as aforesaid and as specified in the form of transfer or otherwise in writing, shall be sent by pre-paid first class post, at the risk of the holder entitled to the new Definitive Certificate, to such address as may be so specified. In this Condition 2(d) (*Delivery of New Certificates*), "**Business Day**" means a day, other than a Saturday or Sunday, on which banks are open for business in the place of the specified offices of the Transfer Agent and the Registrar.

(e) Transfer Free of Charge

Transfer of Notes and Definitive Certificates representing such Notes in accordance with these Conditions on registration or transfer will be effected without charge to the Noteholder by or on behalf of the Issuer, the Registrar or the Transfer Agent, but upon payment (or the giving of such indemnity as the Registrar or the relevant Transfer Agent may require in respect thereof) of any tax or other governmental charges which may be imposed in relation to it.

(f) Closed Periods

No Noteholder may require the transfer of a Note to be registered:

(i) during the period of fifteen calendar days ending on the due date for redemption (in full) of that Note; or

(ii) during the period of seven calendar days ending on (and including) any Record Date.

(g) Regulations Concerning Transfer and Registration

All transfers of Notes and entries on the Register will be made subject to the detailed regulations concerning the transfer of Notes scheduled to the Trust Deed, including without limitation, that a transfer of Notes in breach of certain of such regulations will result in such transfer being void ab initio. The regulations may be changed by the Issuer in any manner which is reasonably required by the Issuer (after consultation with the Trustee) to reflect changes in legal or regulatory requirements or in any other manner which, in the opinion of the Issuer (after consultation with the Trustee and subject to not less than sixty calendar days' notice of any such change having been given to the Noteholders in accordance with Condition 16 (*Notices*)), is not prejudicial to the interests of the holders of the relevant Class of Notes. A copy of the current regulations may be inspected at the offices of any Transfer Agent during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for the term of the Notes and will be sent by the Registrar to any Noteholder who so requests.

(h) Forced Transfer of Rule 144A Notes

If the Issuer determines at any time that any holder of an interest in a Rule 144A Note (1) is a U.S. Person and (2) is not a QIB/QP (any such person, a "**Non-Permitted Holder**"), the Issuer shall promptly after determination that such person is a Non-Permitted Holder by the Issuer, send notice to such Non-Permitted Holder demanding that such Non-Permitted Holder transfer its Notes outside the United States to a non-U.S. Person or within the United States to a U.S. Person that is a QIB/QP within 30 calendar days of the date of such notice. If such Non-Permitted Holder fails to effect the transfer of its Rule 144A Notes within such 30 calendar day period, (a) the Issuer shall cause such Rule 144A Notes to be transferred in a sale to a person or entity that certifies to the Issuer and the Transfer Agent, in connection with such transfer, that such person or entity either is not a U.S. Person or is a QIB/QP and (b) pending such transfer, no further payments will be made in respect of such beneficial interest. The Issuer may select the purchaser by soliciting one or more bids from one or more brokers or

other market professionals that regularly deal in securities similar to the Rule 144A Notes and selling such Rule 144A Notes to the highest such bidder. However, the Issuer may select a purchaser by any other means determined by it in its sole discretion. Each Noteholder and each other person in the chain of title to the Non-Permitted Holder by its acceptance of an interest in the Rule 144A Notes agrees to cooperate with the Issuer to effect such transfers. The proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to the selling Noteholder. The terms and conditions of any sale hereunder shall be determined in the sole discretion of the Issuer, subject to the transfer restrictions set out herein, and none of the Issuer, the Trustee or the Registrar shall be liable to any person having an interest in the Notes sold as a result of any such sale or the exercise of such discretion. The Issuer reserves the right to require any holder of Notes to submit a written certification substantiating that it is a QIB/QP or a non-U.S. Person. If such holder fails to submit any such requested written certification on a timely basis, the Issuer has the right to assume that the holder of the Notes from whom such a certification is requested is not a QIB/QP or a non-U.S. Person. Furthermore, the Issuer reserves the right to refuse to honour a transfer of beneficial interests in a Rule 144A Note to any Person who is not either a non-U.S. Person or a U.S. Person that is a QIB/QP.

(i) Forced sale pursuant to FATCA

Each Noteholder (which, for the purposes of this Condition 2(i) (*Forced sale pursuant to FATCA*) may include a nominee or beneficial owner of a Note) will agree to provide the Issuer and its agents with any correct, complete and accurate forms or certifications 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 forms or certifications, or to the extent that its ownership of the Notes would otherwise cause the Issuer to be subject to tax under FATCA, (A) the Issuer and its agents are authorised to withhold amounts otherwise distributable to the Noteholder as compensation for any taxes to which the Issuer is subject under FATCA as a result of such failure or the Noteholder's ownership of Notes, and (B) (other than with respect to the 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, 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.

(j) Forced Transfer pursuant to ERISA

If any Noteholder is determined by the Issuer to be a Noteholder who has made or is deemed to have made a prohibited transaction, Benefit Plan Investor, Controlling Person Other Plan Law or Similar Law representation that is subsequently shown to be false or misleading, or whose beneficial ownership otherwise causes a violation of the 25 per cent. limitation set out in Title I of ERISA and the related U.S. Department of Labor regulations (any such Noteholder a "**Non-Permitted ERISA Holder**"), the Non-Permitted ERISA Holder shall be required by the Issuer to sell or otherwise transfer its Notes to an eligible purchaser at a price to be agreed between the Issuer and such eligible purchaser at the time of sale, subject to the transfer restrictions set out in the Trust Deed. Each Noteholder and each other Person in the chain of title from the Noteholder, by its acceptance of an interest in such Notes, agrees to cooperate with the Issuer, to the extent required to effect such transfers. None of the Issuer, the Trustee and the Registrar shall be liable to any Noteholder having an interest in the Notes sold or otherwise transferred as a result of any such sale or transfer. The Issuer shall be entitled to deduct from the sale or transfer price an amount equal to all the expenses and costs incurred and any loss suffered by the Issuer as a result of such forced transfer. The Non-Permitted ERISA Holder will receive the balance, if any.

(k) Forced Transfer Mechanics and Registrar Authorisation

In order to effect the forced transfer provisions set out in Conditions 2(h) (*Forced Transfer of Rule 144A Notes*), 2(i) (*Forced sale pursuant to FATCA*) and 2(j) (*Forced Transfer pursuant to ERISA*), the Issuer may repay any affected Notes at par value and issue replacement Notes and the Issuer, the Trustee, the Agents and the Registrar (each at the expense of the Issuer) shall work with the Clearing Systems to take such action as may be necessary to effect such repayment and issue of replacement Notes. The Noteholders hereby authorise the Registrar and the Clearing Systems to take such actions as are necessary in order to effect the forced transfer provisions set out in Conditions 2(h) (*Forced Transfer of Rule 144A Notes*), 2(i) (*Forced Transfer pursuant to FATCA*) and 2(j) (*Forced Transfer pursuant to ERISA*) above without the need for any further express instruction from any affected Noteholder. The Noteholders shall be bound by any actions taken by the Registrar, the Clearing Systems or any other party taken pursuant to the above-named Conditions. For the avoidance of doubt, none of the Issuer, the Trustee and the Registrar shall be liable to any Noteholder having an interest in the Notes sold or otherwise transferred as a result of any such sale or transfer.

(l) Contributions

At any time during or after the Reinvestment Period, any Noteholder may make a contribution of cash (a "**Contribution**" and each such Noteholder, a "**Contributor**"). The Investment Manager, on behalf of the Issuer, may accept or reject any Contribution in its absolute discretion and will notify the Collateral Administrator of any such acceptance. If a Contribution is accepted, it will be received into the Contribution Account and applied towards a Permitted Use by the Investment Manager on behalf of the Issuer as directed by the Contributor at the time such Contribution is made (or, if no direction is given by the Contributor, at the Investment Manager's reasonable discretion) in accordance with Condition 3(j)(xi) (*Contribution Account*). No Contribution or portion thereof will be returned to the Contributor at any time. The acceptance of Contributions shall be subject to the following conditions:

(i) Contributions from Contributors may be made on a maximum of three Business Days and on each occasion shall be a minimum of €1,000,000 in aggregate; and

(ii) the Reinvestment Overcollateralisation Test will be satisfied immediately after a Contribution has been received.

(m) IM Voting Notes and IM Non-Voting Notes

Each Class A Note, Class B Note, Class C Note and Class D Note may be in the form of an IM Voting Note, an IM Non-Voting Exchangeable 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. IM Non-Voting Exchangeable 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 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 Non-Voting Exchangeable Notes or IM Non-Voting Notes. IM Non-Voting Exchangeable Notes shall be exchangeable (a) upon request by the relevant Holder at any time into IM Non-Voting Notes or (b) into IM Voting Notes only in connection with the transfer of such Rated Notes to an entity that is not an Affiliate of the transferor upon request of the relevant transferee or transferor and in no other circumstance. IM Non-Voting Notes shall not be exchangeable at any time into IM Voting Notes or IM Non-Voting Exchangeable Notes.

Any such right to exchange a Class A Note, Class B Note, Class C Note and Class D Note, as described and subject to the limitations set out in the immediately prior paragraph, may be

exercised by a Noteholder holding a Definitive Certificate or a beneficial interest in a Global Certificate delivering to the Registrar or a Transfer Agent a duly completed exchange request substantially in the form provided in the Trust Deed.

3. **Status**

(a) Status

The Notes of each Class constitute direct, general, secured, unconditional obligations of the Issuer, recourse in respect of which is limited in the manner described in Condition 4(c) (*Limited Recourse and Non-Petition*). The Notes of each Class are secured in the manner described in Condition 4(a) (*Security*) and, within each Class, shall at all times rank *pari passu* and without any preference amongst themselves.

(b) Relationship Among the Classes

The Notes of each Class are constituted by the Trust Deed and are secured on the Collateral as further described in the Trust Deed. Payments of interest on the Class A Notes will rank senior to payments of interest on each Payment Date in respect of each other Class; payment of interest on the Class B Notes will be subordinated in right of payment to payments of interest in respect of the Class A Notes, but senior in right of payment to payments of interest in respect of the Class C Notes, the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes; payment of interest on the Class C Notes will be subordinated in right of payment to payments of interest in respect of the Class A Notes and the Class B Notes, but senior in right of payment to payments of interest on the Class D Notes, the Class E Notes, the Class F Notes and the Subordinated Notes; payment of interest on the Class D Notes will be subordinated in right of payment to payments of interest in respect of the Class A Notes, the Class B Notes and the Class C Notes, but senior in right of payment to payments of interest on the Class E Notes, the Class F Notes and the Subordinated Notes; payment of interest on the Class E Notes will be subordinated in right of payment to payments of interest in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes, but senior in right of payment to payments of interest on the Class F Notes and the Subordinated Notes; payment of interest on the Class F Notes will be subordinated in right of payment to payments of interest in respect of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes and the Class E Notes, but senior in right of payment to payments of interest on the Subordinated Notes. Payment of interest on the Subordinated Notes will be subordinated in right of payment to payment of interest in respect of the Rated Notes. Interest on the Subordinated Notes shall be paid *pari passu* and without any preference amongst themselves.

No amount of principal in respect of the Class B Notes shall become due and payable until redemption and payment in full of the Class A Notes. No amount of principal in respect of the Class C Notes shall become due and payable until redemption and payment in full of the Class A Notes and the Class B Notes. No amount of principal in respect of the Class D Notes shall become due and payable until redemption and payment in full of the Class A Notes, the Class B Notes and the Class C Notes. No amount of principal in respect of the Class E Notes shall become due and payable until redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes. No amount of principal in respect of the Class F Notes shall become due and payable until redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes. Subject to the applicability of the Post-Acceleration Priority of Payments, the Subordinated Notes will be entitled to receive, out of Principal Proceeds, the amounts described under the Principal Proceeds Priority of Payments. Payments on the Subordinated Notes are subordinated to payments on the Rated Notes and other amounts described in the Priorities of Payment and no payments out of Principal Proceeds will be made on the Subordinated Notes until the Rated Notes and other payments ranking prior to the Subordinated Notes in accordance with the Priorities of Payment are paid in full.

(c) Priorities of Payment

The Collateral Administrator shall (on the basis of the Payment Date Report prepared by the Collateral Administrator in consultation with the Investment Manager pursuant to the terms of

the Investment Management and Collateral Administration Agreement as of each Determination Date), on behalf of the Issuer (i) on each Payment Date prior to the delivery (actual or deemed) of an Acceleration Notice in accordance with Condition 10(b) (*Acceleration*); (ii) following delivery (actual or deemed) of an Acceleration Notice which has subsequently been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*); 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), cause the Account Bank to disburse Interest Proceeds and Principal Proceeds transferred to the Payment Account, in each case, in accordance with the following Priorities of Payment:

(i) Application of Interest Proceeds

Subject as further provided below, Interest Proceeds in respect of a Due Period shall be paid on the Payment Date immediately following such Due Period in the following order of priority:

(A) to the payment of:

(1) firstly, taxes owing by the Issuer accrued in respect of the related Due Period (other than Irish corporate income tax in relation to the amounts equal to the minimum profit referred to in (2) 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 amount payable to any person in accordance with the following paragraphs which arise as a result of the payment of that amount to the relevant person); and

(2) secondly, the Issuer Profit Amount to be retained by the Issuer, for deposit into the Issuer Irish Account from time to time;

(B) to the payment of accrued and unpaid Trustee Fees and Expenses, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period, provided that upon the occurrence of an Event of Default, the Senior Expenses Cap shall not apply to any Trustee Fees and Expenses incurred while such Event of Default is continuing;

(C) to the payment of Administrative Expenses in the order of priority stated in the definition thereof, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period less any amounts paid pursuant to paragraph (B) above;

(D) to the Expense Reserve Account, at the Investment Manager's discretion, of an amount equal to the Ongoing Expense Reserve Amount;

(E) to the payment:

(1) firstly, to the Investment Manager of the Senior Investment 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 tax authority) (save for any Deferred Senior Investment Management Amounts and Deferred Subordinated Investment Management Amounts) provided however that the Investment Manager may, in its sole discretion, elect to (x) irrevocably waive, (y) designate for reinvestment in Collateral Debt Obligations or the purchase of Rated Notes pursuant to Condition 7(k) (*Purchase*) 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 (y) or (z), being "**Deferred Senior Investment Management Amounts**") on any Payment Date, provided that any such amount in the case of (y) shall (a)(i) be used to purchase additional Collateral Debt Obligations or Rated Notes pursuant to Condition 7(k) (*Purchase*) or (ii) be deposited in the Principal Account pending reinvestment in additional Collateral Debt Obligations; and (b) not be treated as unpaid for the purposes of this paragraph (E) or paragraph (Z) below or in the case of (x) or (z), shall be applied to the payment of amounts in accordance with paragraphs (F) to (Y) and (AA) to (DD) below, subject, in each case, 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 of any previously due and unpaid Senior Investment Management Fees (other than Deferred Senior Investment Management Amounts) and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant tax authority);

(F) to the payment on a *pro-rata* basis of any Scheduled Periodic Interest Rate Hedge Issuer Payments (to the extent not paid out of the Interest Account) or Scheduled Periodic Asset Swap Issuer Payments due and payable to any applicable Hedge Counterparty (to the extent not paid from funds available in the applicable Asset Swap Account) and Hedge Termination Payments (other than Defaulted Hedge Termination Payments (to the extent not paid out of the Hedge Termination Account or the Counterparty Downgrade Collateral Account));

(G) to the payment on a *pro-rata* and *pari passu* basis of all Interest Amounts due and payable on the Class A Notes (where the Class A-1 Notes and the Class A-2 Notes shall be treated as a single Class) in respect of the Accrual Period ending on such Payment Date and all other Interest Amounts due and payable on the Class 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 the Class B Notes;

(I) if (i) the Class A/B Par Value Test is not satisfied on any Determination Date commencing from the Effective Date, or (ii) the Class A/B Interest Coverage Test is not satisfied on any Determination Date commencing from the Determination Date immediately preceding the second Payment Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class A/B Coverage Test to be satisfied if recalculated following such redemption;

(J) to the payment on a *pro-rata* 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* and *pari passu* basis of any Deferred Interest on the Class C Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(L) if (i) the Class C Par Value Test is not satisfied on any Determination Date commencing from the Effective Date, or (ii) the Class C Interest Coverage

Test is not satisfied on any Determination Date commencing from the Determination Date immediately preceding the second Payment Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class C Coverage Test to be satisfied if recalculated following such redemption;

(M) to the payment on a *pro-rata* and *pari passu* 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* and *pari passu* basis of any Deferred Interest on the Class D Notes which is due and payable pursuant to Condition 6(c) (*Deferral of Interest*);

(O) if (i) the Class D Par Value Test is not satisfied on any Determination Date commencing from the Effective Date, or (ii) the Class D Interest Coverage Test is not satisfied on any Determination Date commencing from the Determination Date immediately preceding the second Payment Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause each Class D Coverage Test to be satisfied if recalculated following such redemption;

(P) to the payment on a *pro-rata* and *pari passu* basis of the Interest Amounts due and payable on the Class E Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(Q) to the payment on a *pro-rata* and *pari passu* 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 (i) the Class E Par Value Test is not satisfied on any Determination Date commencing from the Effective Date, or (ii) the Class E Interest Coverage Test is not satisfied on any Determination Date commencing from the Determination Date immediately preceding the second Payment Date, 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 satisfied if recalculated following such redemption;

(S) to the payment on a *pro-rata* and *pari passu* basis of the Interest Amounts due and payable on the Class F Notes in respect of the Accrual Period ending on such Payment Date (excluding any Deferred Interest but including interest on Deferred Interest in respect of the relevant Accrual Period);

(T) to the payment on a *pro-rata* and *pari passu* 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 commencing from the Effective Date, to the redemption of the Notes in accordance with the Note Payment Sequence to the extent necessary to cause the Class F Par Value Test to be satisfied if recalculated following such redemption;

(V) on the Payment Date next following the Effective Date (and on each Payment Date thereafter to the extent required), in the event of the occurrence of an Effective Date Rating Event which is continuing on the

Business Day prior to such Payment Date, to redeem the Rated Notes in full in accordance with the Note Payment Sequence or, if earlier, until an Effective Date Rating Event is no longer continuing;

(W) if, on any Determination Date during the Reinvestment Period, after giving effect to the payment of all amounts payable in respect of paragraphs (A) to (V) (inclusive) above, the Reinvestment Overcollateralisation Test has not been met, to the payment to the Principal Account as Principal Proceeds, for the acquisition of additional Collateral Debt Obligations in an amount (such amount, the "**Required Diversion Amount**") equal to the lesser of:

(1) 50 per cent. of all remaining Interest Proceeds available for payment; and

(2) the amount which, after giving effect to the payment of all amounts payable in respect of paragraphs (A) to (V) (inclusive) above, would be sufficient to cause the Reinvestment Overcollateralisation Test to be met;

(X) in payment of Trustee Fees and Expenses (if any) not paid by reason of the Senior Expenses Cap;

(Y) in payment of Administrative Expenses (if any) in the order of priority stated in the definition thereof not paid by reason of the Senior Expenses Cap.

(Z) to the payment:

(1) firstly, to the Investment Manager of the Subordinated Investment 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 tax authority) (save for any Deferred Subordinated Investment Management Amount) 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 Debt Obligations or the purchase of Rated Notes pursuant to Condition 7(k) (*Purchase*) or (z) defer payment of some or all of the amounts that would have been payable to the Investment Manager under this paragraph (Z) (any such amounts pursuant to (y) or (z), being "**Deferred Subordinated Investment Management Amounts**") on any Payment Date, provided that any such amount shall either:

(a) in the case of (y), be used to purchase additional Collateral Debt Obligations or the Rated Notes pursuant to Condition 7(k) (*Purchase*);

(b) in the case of (y), be deposited in the Principal Account pending reinvestment in additional Collateral Debt Obligations; or

(c) in the case of (x) and (z), be applied to the payment of amounts in accordance with paragraphs (AA) to (DD) (inclusive) 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 provided that any deferral of the Subordinated Investment Management Fee under this paragraph (Z) shall not be treated as

non-payment for the purposes of making further payments pursuant to the Interest Proceeds Priority of Payments; and

(2) secondly, to the Investment Manager of any previously due and unpaid Subordinated Investment 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); and

(3) thirdly, at the election of the Investment Manager (at its sole discretion) to the Investment Manager in payment of any previously 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);

(AA) to the payment on a *pro-rata* and *pari passu* basis of any Defaulted Hedge Termination Payments due to any Hedge Counterparty not paid in accordance with paragraph (F) above;

(BB) to the repayment of any Investment Manager Advances and any interest thereon;

(CC) during the Reinvestment Period at the direction and in the discretion of the Investment Manager, to transfer to the Collateral Enhancement Account, any Collateral Enhancement Amount; and

(DD) (1) if the Incentive Investment Management Fee IRR Threshold has not been reached, any remaining Interest Proceeds to the payment of interest on the Subordinated Notes on a *pro-rata* and *pari passu* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption), until the Incentive Investment Management Fee IRR Threshold is reached; and

(2) if, after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date including pursuant to sub-paragraph (1) above, and paragraph (T) of the Principal Proceeds Priority of Payments, the Incentive Investment Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

(a) 20 per cent. of any remaining Interest Proceeds, to the payment to the Investment Manager as the Incentive Investment Management Fee except that the Investment Manager may, in its sole discretion elect to (x) irrevocably waive or (y) designate for reinvestment in Collateral Debt Obligations or the purchase of Rated Notes pursuant to Condition 7(k) (*Purchase*) and apply such amount to, in the case of (y), (i) be used to purchase additional Collateral Debt Obligations and/or (ii) be deposited in the Principal Account pending reinvestment in additional Collateral Debt Obligations or, in the case of (x), be applied to the payment of amounts in accordance with paragraph (c) below, subject in each case 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;

(b) to the payment of any VAT in respect of the Incentive Investment Management Fee under paragraph (a) above (whether payable to the Investment Manager or directly to the relevant taxing authority); and

(c) any remaining Interest Proceeds after the payment of the Incentive Investment Management Fee pursuant to paragraphs (a) and (b) above, to the payment of interest on the Subordinated Notes on a *pro-rata* and *pari passu* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption).

(ii) Application of Principal Proceeds

Principal Proceeds in respect of a Due Period shall be paid on the Payment Date immediately following such Due Period in the following order of priority:

(A) to the payment, on a sequential basis, of the amounts referred to in paragraphs (A) to (H) (inclusive) of the Interest Proceeds Priority of Payments, but only to the extent not paid in full thereunder;

(B) to the payment of the amounts referred to in paragraph (I) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class A/B Coverage Tests that are applicable on such Payment Date with respect to the Class A Notes and the Class B Notes to be satisfied if recalculated following such redemption;

(C) to the payment of the amounts referred to in paragraph (J) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only if the Class C Notes are the Controlling Class;

(D) to the payment of the amounts referred to in paragraph (K) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only if the Class C Notes are the Controlling Class;

(E) to the payment of the amounts referred to in paragraph (L) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class C Coverage Tests that are applicable on such Payment Date with respect to the Class C Notes to be satisfied if recalculated following such redemption;

(F) to the payment of the amounts referred to in paragraph (M) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only if the Class D Notes are the Controlling Class;

(G) to the payment of the amounts referred to in paragraph (N) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only if the Class D Notes are the Controlling Class;

(H) to the payment of the amounts referred to in paragraph (O) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class D Coverage Tests that are applicable on such Payment Date with respect to the Class D Notes to be satisfied if recalculated following such redemption;

(I) to the payment of the amounts referred to in paragraph (P) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only if the Class E Notes are the Controlling Class;

(J) to the payment of the amounts referred to in paragraph (Q) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only if the Class E Notes are the Controlling Class;

(K) to the payment of the amounts referred to in paragraph (R) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class E Coverage Tests that are applicable on such Payment Date with respect to the Class E Notes to be satisfied if recalculated following such redemption;

(L) to the payment of the amounts referred to in paragraph (S) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only if the Class F Notes are the Controlling Class;

(M) to the payment of the amounts referred to in paragraph (T) of the Interest Proceeds Priority of Payments, but only to the extent not paid in full thereunder and only if the Class F Notes are the Controlling Class;

(N) to the payment of the amounts referred to in paragraph (U) of the Interest Proceeds Priority of Payments but only to the extent not paid in full thereunder and only to the extent necessary to cause the Class F Par Value Test that is applicable on such Payment Date with respect to the Class F Notes to be satisfied if recalculated following such redemption;

(O) to the payment of the amounts referred to in paragraph (V) of the Interest Proceeds Priority of Payments, but only to the extent not paid in full thereunder;

(P) to the payment of an amount equal to the Special Redemption Amount (if any) applicable to such Payment Date in accordance with the Note Payment Sequence if it is a Special Redemption Date falling during the Reinvestment Period;

(Q) (1) during the Reinvestment Period, at the discretion of the Investment Manager, either to purchase Substitute Collateral Debt Obligations or to credit the Principal Account pending reinvestment in Substitute Collateral Debt Obligations at a later date in each case in accordance with the Investment Management and Collateral Administration Agreement; and

(2) after the Reinvestment Period in the case of Principal Proceeds representing Unscheduled Principal Proceeds, Sale Proceeds from the sale of Credit Impaired Obligations and Sale Proceeds from the sale of Credit Improved Obligations at the discretion of the Investment Manager, either to purchase Substitute Collateral Debt Obligations or to credit the Principal Account pending reinvestment in Substitute Collateral Debt Obligations at a later date in each case in accordance with the Investment Management and Collateral Administration Agreement;

(R) after the Reinvestment Period, to redeem the Notes in accordance with the Note Payment Sequence;

(S) to the payment on a sequential basis of the amounts referred to in paragraphs (X) to (AA) (inclusive) of the Interest Proceeds Priority of Payments, but only to the extent not paid in full thereunder; and

(T) (1) if the Incentive Investment Management Fee IRR Threshold has not been reached, any remaining Principal Proceeds to the payment of principal on the Subordinated Notes on a *pro-rata* and *pari passu* basis and thereafter to the payment of interest on the Subordinated Notes on a *pro rata* and *pari passu* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption), until the Incentive Investment Management Fee IRR Threshold is reached; and

(2) if, after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date including pursuant to paragraph (1) above and, paragraph (DD) of the Interest Proceeds Priority of Payments the Incentive Investment Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

(a) 20 per cent. of any remaining Principal Proceeds, to the payment to the Investment Manager as the Incentive Investment Management Fee except that the Investment Manager may, in its sole discretion elect to (x) irrevocably waive or (y) designate for reinvestment in Collateral Debt Obligations or the purchase of Rated Notes pursuant to Condition 7(k) (*Purchase*) and apply such amount to, in the case of (y), (i) be used to purchase additional Collateral Debt Obligations and/or (ii) be deposited in the Principal Account pending reinvestment in additional Collateral Debt Obligations or, in the case of (x), be applied to the payment of amounts in accordance with paragraph (c) below, subject in each case 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;

(b) to the payment of any VAT in respect of the Incentive Investment Management Fee under paragraph (a) above (whether payable to the Investment Manager or directly to the relevant taxing authority); and

(c) any remaining Principal Proceeds after the payment of the Incentive Investment Management Fee pursuant to paragraphs (a) and (b) above, to the payment of principal on the Subordinated Notes on a *pro-rata* and *pari passu* basis and thereafter to the payment of interest on the Subordinated Notes on a *pro-rata* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption).

(iii) Taxes

Where the payment of any amount in accordance with the Priorities of Payment set out above is subject to any deduction or withholding for or on account of any tax or any other tax is payable by or on behalf of the Issuer in respect of any such amount, payment of the amount so deducted or withheld or of the tax so due shall be made to

the relevant taxing authority *pari passu* with and, so far as possible, at the same time as the payment of the amount in respect of which the relevant deduction or withholding or other liability to tax has arisen.

If any items which are payable by the Issuer referred to in the Priorities of Payment set out above are subject to VAT, the Issuer shall (as applicable) make payment of the amount in respect of VAT either: (A) to the relevant person as provided for in the relevant arrangements pursuant to which payment is due; or (B) to the relevant tax authority, in each case *pro rata* and *pari passu* with such items (other than in respect of paragraphs (E)(1) and (2), (Z)(1), (2) and (3) and (DD)(2)(b) of the Interest Proceeds Priority of Payments and paragraph (T)(2)(b) of the Principal Proceeds Priority of Payments).

(d) Non-payment of Amounts

Failure on the part of the Issuer to pay the Interest Amounts due and payable on the Class A Notes or the Class B Notes pursuant to Condition 6 (*Interest*) and the Interest Proceeds Priority of Payments by reason solely that there are insufficient funds standing to the credit of the Payment Account shall not be an Event of Default unless and until such failure continues for a period of at least five continuous Business Days (or seven continuous Business Days in the case of such failure being due to an administrative error or omission by the Investment Manager, the Collateral Administrator or any Paying Agent), save in each case as the result of any deduction therefrom or the imposition of withholding thereon as set forth in Condition 9 (*Taxation*). Failure on the part of the Issuer to pay Interest Amounts on the Class C Notes, the Class D Notes, the Class E Notes, 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 not at any time constitute an Event of Default.

Subject always, in the case of Interest Amounts payable in respect of the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes to Condition 6(c) (*Deferral of Interest*) and save as otherwise provided in respect of any unpaid Investment Management Fees (and VAT payable in respect thereof), if non-payment of any amounts referred to in the Interest Proceeds Priority of Payments or the Principal Proceeds Priority of Payments occurs on any Payment Date, such amounts shall remain due and shall be payable on each subsequent Payment Date in the orders of priority provided for in this Condition 3 (*Status*). References to the amounts referred to in the Interest Proceeds Priority of Payments and the Principal Proceeds Priority of Payments of this Condition 3 (*Status*) shall include any amounts thereof not paid when due in accordance with this Condition 3 (*Status*) on any preceding Payment Date.

(e) Determination and Payment of Amounts

The Collateral Administrator on behalf of the Issuer, will, in consultation with the Investment Manager, as of each Determination Date, calculate the amounts payable on the applicable Payment Date pursuant to the Priorities of Payment and will notify the Issuer and the Trustee of such amounts. The Account Bank (acting in accordance with the Payment Date Report compiled by the Collateral Administrator on behalf of the Issuer) shall, on behalf of the Issuer not later than 12.00 noon (London time) on the Business Day preceding each Payment Date, cause the amounts standing to the credit of the Principal Account, the Unused Proceeds Account and if applicable the Interest Account and the Collateral Enhancement Account (together with, to the extent applicable, amounts standing to the credit of any other Account) to the extent required to pay the amounts referred to in the Interest Proceeds Priority of Payments, the Principal Proceeds Priority of Payments and the Post-Acceleration Priority of Payments which are payable on such Payment Date, to be transferred to the Payment Account in accordance with Condition 3(j) (*Payments to and from the Accounts*).

(f) *De Minimis* Amounts

The Collateral Administrator 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 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 from time to time pursuant to the Priorities of Payment so that the amount to be so applied in respect of each Class A Note, Class B Note, Class C Note, Class D Note, Class E Note, Class F Note and the Subordinated Notes is a whole amount, not involving any fraction of a 0.01 Euro or, at the discretion of the Collateral Administrator, part of a Euro.

(g) Publication of Amounts

The Collateral Administrator, on behalf of the Issuer, will cause details of the amounts of interest and principal to be paid, and any amounts of interest payable but not paid, on each Payment Date in respect of the Notes to be notified at the expense of the Issuer to the Issuer, the Trustee, the Principal Paying Agent, the Registrar and the Irish Stock Exchange by no later than 12.00 noon (London time) on the Business Day preceding the applicable Payment Date by way of the Payment Date Report.

(h) Notifications to be Final

All notifications, opinions, determinations, certificates, quotations and decisions given, expressed, made or obtained or discretions exercised for the purposes of the provisions of this Condition 3 (*Status*) will (in the absence of manifest error) be binding on the Issuer, the Collateral Administrator, the Investment Manager, the Trustee, the Registrar, the Principal Paying Agent, the Transfer Agent and all Noteholders and no liability (absent any fraud, gross negligence or wilful default on the part of the Collateral Administrator) to the Issuer or the Noteholders shall attach to the Collateral Administrator in connection with the exercise or non-exercise or delay to 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:

- the Principal Account;
- the Interest Account;
- the Unused Proceeds Account;
- the Payment Account;
- the Collateral Enhancement Account;
- the Expense Reserve Account;
- the Unfunded Revolver Reserve Account;
- the Contribution Account;
- the Counterparty Downgrade Collateral Account(s);
- the Hedge Termination Account(s);
- the Asset Swap Account(s);
- the Custody Account;
- the First Period Reserve Account;
- the Interest Smoothing Account; and

- the Collection Account.

The Account Bank and the Custodian shall at all times be a financial institution satisfying the Rating Requirement applicable thereto, which is not resident or which is acting through an office which is not situated, in Ireland. If the Account Bank or the Custodian at any time fails to satisfy the Rating Requirement, the Issuer shall use reasonable endeavours to procure that a replacement Account Bank or Custodian (as applicable) acceptable to the Trustee, which satisfies the Rating Requirement is appointed in accordance with the provisions of the Agency Agreement.

Amounts standing to the credit of the Accounts (other than the Unfunded Revolver Reserve Account, the Counterparty Downgrade Collateral Account, the Payment Account and the Collection Account) from time to time may be invested by the Investment Manager on behalf of the Issuer in Eligible Investments.

All interest accrued (if any) on any of the Accounts (other than the Counterparty Downgrade Collateral Accounts) from time to time shall be paid into the Interest Account, save to the extent that the Issuer is contractually bound to pay such amounts to a third party. All principal amounts received in respect of Eligible Investments standing to the credit of any Account from time to time shall be credited to that Account upon maturity, save to the extent that the Issuer is contractually bound to pay such amounts to a third party. All interest accrued on such Eligible Investments (including capitalised interest received upon the sale, maturity or termination of any such investment) shall be paid to the Interest Account as, and to the extent provided, above.

To the extent that any amounts required to be paid into any Account (other than the Counterparty Downgrade Collateral 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 convert such amounts into the currency of the Account at the Spot Rate as determined by the Collateral Administrator at the direction of the Investment Manager.

Notwithstanding any other provisions of this Condition 3(i) (*Accounts*), all amounts standing to the credit of each of the Accounts (other than (i) the Interest Account, (ii) the Payment Account, (iii) the Expense Reserve Account, (iv) the Collateral Enhancement Account and (v) all interest accrued on the Accounts and (vi) the Counterparty Downgrade Collateral Account) shall be transferred to the Payment Account and shall constitute Principal Proceeds on the Business Day prior to any redemption of the Notes in full, and all amounts standing to the credit of each of the Interest Account, the Expense Reserve Account, the Collateral Enhancement Account, the Interest Smoothing Account and, to the extent not required to be repaid to any Hedge Counterparty, the Counterparty Downgrade Collateral Account shall be transferred to the Payment Account as Interest Proceeds on the Business Day prior to any redemption of the Notes in full.

Application of amounts in respect of Swap Tax Credits received by the Issuer shall be paid out of the Interest Account to the relevant Hedge Counterparty in accordance with the terms of the relevant Hedge Agreement, without regard to the Priorities of Payment.

(j) Payments to and from the Accounts

(i) Principal Account

The Issuer will procure that the following Principal Proceeds (save for those in respect of any Asset Swap Obligations) are paid into the Principal Account promptly, upon receipt; but in each case, if applicable:

(A) all principal payments received in respect of any Collateral Debt Obligation including, without limitation:

(1) Scheduled Principal Proceeds, other than any Interest Rate Hedge Replacement Receipts or Interest Rate Hedge Termination Receipts;

(2) amounts received in respect of any maturity, scheduled amortisation, mandatory prepayment or mandatory sinking fund payment on a Collateral Debt Obligation;

(3) Unscheduled Principal Proceeds; and

(4) any other principal payments with respect to Collateral Debt Obligations or Eligible Investments (to the extent not included in the Sale Proceeds),

but excluding (i) any such payments received in respect of any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, to the extent required to be paid into the Unfunded Revolver Reserve Account, (ii) principal proceeds on any Non-Euro Obligation to the extent required to be paid into an Asset Swap Account; and (iii) any such payments received to the extent required to be paid into the Hedge Termination Account;

(B) any Asset Swap Counterparty Principal Exchange Amount (other than any payments from an Asset Swap Counterparty in respect of initial principal exchange amounts pursuant to an Asset Swap Transaction, which shall be paid into the relevant Asset Swap Account) received by the Issuer under any Asset Swap Transactions;

(C) the Balance standing to the credit of the relevant Hedge Termination Account in the circumstances described under Condition 3(j)(viii) (*Hedge Termination Account*) below;

(D) amounts received in respect of any Asset Swap Obligation which are not required to be paid to the applicable Asset Swap Counterparty pursuant to the related Asset Swap Transaction but which are required, pursuant to the Investment Management and Collateral Administration Agreement, to be paid into the Principal Account following conversion thereof into Euro at the Applicable Exchange Rate;

(E) all interest and other amounts received in respect of any Defaulted Obligation or any Mezzanine Obligation for so long as it is a Defaulted Obligation or a Defaulted Deferring Mezzanine Obligation (as applicable) (save for Defaulted Obligation Excess Amounts and Defaulted Mezzanine Excess Amounts) and amounts representing the element of deferred interest in any payments received in respect of any PIK Security;

(F) all premiums (including prepayment premiums) receivable upon redemption of any Collateral Debt Obligation at maturity or otherwise or upon exercise of any put or call option in respect thereof which is above the outstanding principal amount of any Collateral Debt Obligation;

(G) all fees and commissions received in connection with the purchase or sale of any Collateral Debt Obligations or Eligible Investments (other than any steering committee fees, which the Investment Manager shall be entitled to retain provided that any fees received in connection with the extension of the maturity of a Defaulted Obligation or a reduction in the outstanding principal balance of a Defaulted Obligation shall be deposited into the Principal Account) as determined by the Investment Manager (in accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement);

(H) all Sale Proceeds received in respect of a Collateral Debt Obligation (save for any Asset Swap Obligation);

(I) all Distributions and Sale Proceeds received in respect of Exchanged Equity Securities;

(J) all Collateral Enhancement Obligation Proceeds;

(K) all Purchased Accrued Interest;

(L) amounts transferred to the Principal Account from any other Account as required below;

(M) all proceeds received from any additional issuance of the Notes that are not invested in Collateral Debt Obligations or required to be paid into the Interest Account;

(N) any other amounts received in respect of the Collateral which are not required to be paid into another Account;

(O) all cash amounts transferred to the Issuer from the Counterparty Downgrade Collateral Account to the Principal Account (or where such Counterparty Downgrade Collateral is in the form of securities and is transferred to the Custody Account, all proceeds of the sale of such securities) in accordance with Condition 3(j)(v) (*Counterparty Downgrade Collateral Account*);

(P) all amounts transferred from the Collateral Enhancement Account;

(Q) all amounts transferred from the Expense Reserve Account or Unused Proceeds Account;

(R) all amounts payable into the Principal Account pursuant to paragraph (W) of the Interest Proceeds Priority of Payments upon the failure to meet the Reinvestment Overcollateralisation Test during the Reinvestment Period;

(S) all principal and interest payments including Sale Proceeds received in respect of any Non-Eligible Issue Date Collateral Debt Obligation or any other asset which did not satisfy the Eligibility Criteria on the date it was required to do so and which have not been sold by the Investment Manager in accordance with Investment Management and Collateral Administration Agreement, other than any Purchased Accrued Interest, together with all amounts received by the Issuer by way of gross up in respect of such interest and in respect of a claim under any applicable double taxation treaty in accordance with the Investment Management and Collateral Administration Agreement;

(T) all amounts transferred to the Principal Account in accordance with Priorities of Payment;

(U) all amounts transferred from the First Period Reserve Account; and

(V) any other amounts which are not required to be paid into any other Account in accordance with this Condition 3(j) (*Payments to and from the Accounts*).

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Principal Account:

(1) on the Business Day prior to each Payment Date, all Principal Proceeds standing to the credit of the Principal Account to the Payment Account to the extent required for disbursement pursuant to the Principal Proceeds Priority of Payments, save for:

(a) amounts deposited after the end of the related Due Period; and

(b) any Principal Proceeds deposited prior to the end of the related Due Period to the extent such Principal Proceeds are permitted to be and have been designated for reinvestment by the Investment Manager (on behalf of the Issuer) pursuant to the Investment Management and Collateral Administration Agreement (including any payments to an Asset Swap Counterparty in respect of initial principal exchange amounts pursuant to an Asset Swap Transaction) for a period beyond such Payment Date, provided in each case, such amounts are not required to be used to pay any amounts due and payable in accordance with the Principal Proceeds Priority of Payments or to settle any acquisitions for which the Issuer (or the Investment Manager acting on its behalf) has entered into binding commitments to purchase but which have not yet settled.

If the Coverage Tests are not satisfied, Principal Proceeds from Defaulted Obligations may not be designated for reinvestment by the Investment Manager (on behalf of the Issuer) until after the following Payment Date. No such payment to the Payment Account shall be made to the extent that such amounts are not required to be distributed pursuant to the Principal Proceeds Priority of Payments on such Payment Date;

(2) at any time at the discretion of the 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 Debt Obligations including amounts equal to the Unfunded Amounts of any Revolving Obligations or Delayed Drawdown Collateral Debt Obligations which are required to be deposited in the Unfunded Revolver Reserve Account and initial Asset Swap Issuer Principal Exchange Amounts denominated in Euro in relation to an Asset Swap Obligation;

(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(k) (*Purchase*); and

(4) in respect of a refinancing of the Notes in accordance with Condition 7(b)(vi) (*Redemption in relation to a Redemption in Whole*) if on a Refinancing Redemption Date, Adjusted Collateral Principal Amount is greater than the Reinvestment Target Par Balance, the excess (if any) of the Aggregate Collateral Balance and the Target Par Amount (such amount a "**Refinancing Target Par Excess**") shall be transferred from the Principal Account to the Interest Account.

(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 Debt Obligations (save for any Asset Swap Obligation) other than any Purchased Accrued Interest, together with all amounts received by the Issuer by way of gross up in respect of such interest and in respect of a claim under any applicable double taxation treaty but excluding any interest received in respect of any Defaulted Obligations and Mezzanine Obligation for so long as it is a Defaulted Obligation or Defaulted Deferring Mezzanine Obligation (as applicable) other than Defaulted Obligation Excess Amounts and Defaulted Mezzanine Excess Amounts (as applicable);

(B) all interest accrued on the Balance standing to the credit of the Interest Account from time to time and all interest accrued in respect of the Balances standing to the credit of the other Accounts (other than the Counterparty Downgrade Collateral Account) (including interest on any Eligible Investments standing to the credit thereof);

(C) all amendment and waiver fees, all late payment fees, all commitment fees, delayed compensation and all other fees and commissions received in connection with any Collateral Debt Obligations and Eligible Investments as determined by the Investment Manager (in accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement), other than:

(1) fees and commissions received in connection with the purchase or sale of any Collateral Debt Obligations or Eligible Investments which fees and commissions shall be payable into the Principal Account and shall constitute Principal Proceeds;

(2) steering committee fees, which the Investment Manager shall be entitled to retain provided that any fees received in connection with the extension of the maturity of a Defaulted Obligation or a reduction in the outstanding principal balance of a Defaulted Obligation shall be deposited into the Principal Account; or

(3) fees and commissions received in connection with the restructuring of any Defaulted Obligation;

(D) all Scheduled Periodic Asset Swap Counterparty Payments received by the Issuer under an Asset Swap Transaction and all Scheduled Periodic Interest Rate Hedge Counterparty Payments received by the Issuer under an Interest Rate Hedge Transaction;

(E) all accrued interest included in the proceeds of sale of any other Collateral Debt Obligation that are designated by the 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:

(1) any Purchased Accrued Interest;

(2) any interest received in respect of any Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation other than Defaulted Mezzanine Excess Amounts; or

(3) a Defaulted Obligation save for Defaulted Obligation Excess Amounts;

(F) all proceeds received during the related Due Period from any additional issuance of Subordinated Notes that are not reinvested or retained for reinvestment in Collateral Debt Obligations;

(G) all amounts representing the element of deferred interest in any payments received in respect of any Mezzanine Obligation which is not a Defaulted Deferring Mezzanine Obligation which by its contractual terms provides for the deferral of interest;

(H) amounts transferred to the Interest Account from the Unused Proceeds Account in the circumstances described under Condition 3(j)(iii) (*Unused Proceeds Account*) below;

(I) all scheduled commitment fees received by the Issuer in respect of any Revolving Obligations or Delayed Drawdown Collateral Debt Obligations;

(J) all amounts received by the Issuer in respect of interest paid in respect of any collateral deposited by the Issuer with a third party as security for any reimbursement or indemnification obligations to any other lender under a Revolving Obligation or a Delayed Drawdown Collateral Debt Obligation in an account established pursuant to an ancillary facility;

(K) all amounts transferred from the Collateral Enhancement Account;

(L) all amounts transferred from the Expense Reserve Account;

(M) all amounts transferred from the First Period Reserve Account;

(N) any Swap Tax Credit received by the Issuer;

(O) any Interest Smoothing Amounts which are required to be transferred from the Interest Smoothing Account; and

(P) any Refinancing Target Par Excess.

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Interest Account:

(1) on the Business Day prior to each Payment Date, all Interest Proceeds (except for Swap Tax Credit) standing to the credit of the Interest Account shall be transferred to the Payment Account to the extent required for disbursement pursuant to the Interest Proceeds Priority of Payments save for amounts deposited after the end of the related Due Period;

(2) at any time, all delayed compensation fees and all other fees and commissions payable in connection with any Collateral Debt Obligation or Eligible Investment, as determined by the Investment Manager in its reasonable discretion;

(3) at any time, funds may be transferred to the relevant Asset Swap Account up to an amount equal to any shortfall in the Balance standing to the credit of such Account with respect to any payment obligation by the Issuer pursuant to paragraph (B) of Condition 3(j)(ix) (*Asset Swap Account*) at such time;

(4) at any time, any amounts payable by the Issuer under any Interest Rate Hedge Transaction save for any Interest Rate Hedge Termination Payments that are Defaulted Hedge Termination Payments;

(5) 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 Debt

Obligations to the extent that any such acquisition costs represent accrued interest;

(6) at any time, any Swap Tax Credit shall be paid to the relevant Hedge Counterparty in accordance with the terms of the relevant Hedge Agreement; and

(7) on the Business Day following each Determination Date save for (i) the first Determination Date following the Issue Date; (ii) a Determination Date following the occurrence of an Event of Default which is continuing; (iii) the Determination Date immediately prior to any redemption of the Notes in full; and (iv) any Determination Date on or following the occurrence of a Frequency Switch Event, the Interest Smoothing Amount, if any, applicable to the related Determination Date to the Interest Smoothing Account.

(iii) Unused Proceeds Account

The Issuer will procure that the following amounts are credited to the Unused Proceeds Account, as applicable:

(A) an amount transferred from the Collection Account equal to the net proceeds of issue of the Notes remaining after:

(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 payable into the First Period Reserve Account; and

(B) all proceeds received during the Initial Investment Period from any additional issuance of Notes that are not invested in Collateral Debt Obligations or paid into the Interest Account.

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the applicable sub-ledger of the Unused Proceeds Account:

(1) on or about the Issue Date, such amounts equal to the aggregate of:

(a) the purchase price for certain Collateral Debt Obligations on or prior to the Issue Date, if any; and

(b) amounts required for repayment of any amounts borrowed by the Issuer (together with interest thereon) in order to finance the acquisition of certain Collateral Debt 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 Debt Obligations including any initial Asset Swap Issuer Principal Exchange Amounts denominated in Euro in relation to an Asset Swap Obligation;

(3) if an Effective Date Rating Event occurs, the Balance standing to the credit of the Unused Proceeds Account, on the Business Day prior to the Payment Date falling immediately after the Effective

Date, to the extent required, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of Payment, in redemption of the Notes in accordance with the Note Payment Sequence or, if earlier, until an Effective Date Rating Event is no longer continuing; and

(4) on or after the Effective Date, 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:

(a) the Issuer has acquired or entered into binding commitments to acquire Collateral Debt Obligations, the Aggregate Principal Balance of which equals or exceeds the Target Par Amount (provided that, for the purposes of determining the Aggregate Principal Balance as provided above, any repayments or prepayments of any Collateral Debt Obligations subsequent to the Issue Date shall be disregarded and the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its Moody's Collateral Value and its Fitch Collateral Value); and

(b) no more than 1 per cent. of the Target Par Amount may be transferred to the Interest Account on a cumulative basis, provided that any such transfers shall have been completed on or before the first Payment Date.

(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 Account

The Issuer will procure that all Counterparty Downgrade Collateral transferred pursuant to a Hedge Agreement shall be deposited in a separate account in respect of each Hedge Counterparty. All Counterparty Downgrade Collateral deposited from time to time in any Counterparty Downgrade Collateral Account shall be held and released pursuant to the terms set out below.

The funds or securities credited to the Counterparty Downgrade Collateral Account and any interest or distributions thereon or liquidation proceeds thereof are held separate from and do not form part of Principal Proceeds or of the Interest Proceeds (other than in the circumstances set out below) and accordingly, are not available to fund general distributions of the Issuer. With regards only to the books and records of the Custodian, such funds and securities shall be segregated from the funds and securities of any other party.

Amounts standing to the credit of each Counterparty Downgrade Collateral Account will not be available for the Issuer to make payments to the Noteholders nor any other creditor of the Issuer. The Issuer will procure the payment of the following

amounts (and shall ensure that no other payments are made, save to the extent required hereunder):

(A) prior to the occurrence or designation of an "Early Termination Date" (as defined in the applicable Hedge Agreement) in respect of all "Transactions" entered into under the relevant Hedge Agreement pursuant to which all "Transactions" under the Hedge Agreement are terminated early, solely in or towards payment or transfer of:

(1) any "Return Amounts" (as defined in the applicable Hedge Agreement);

(2) any "Interest Amounts" and "Distributions" (each as defined in the applicable Hedge Agreement); and

(3) any 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 in respect of all "Transactions" thereunder),

directly to the Hedge Counterparty, in each case, in accordance with the terms of such Hedge Agreement (including, if applicable the credit support annex of such Hedge Agreement);

(B) following the designation of an "Early Termination Date" in respect of all "Transactions" under a Hedge Agreement pursuant to which all "Transactions" under the Hedge Agreement are terminated early where (A) an "Event of Default" (as defined in the applicable Hedge Agreement) in respect of the Hedge Counterparty and (B) the Issuer enters into a replacement Hedge Agreement or any novation of the 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 Payment in respect of Replacement Hedge Transactions relating to such terminated "Transactions" (to the extent not funded from the Hedge Termination Account);

(2) second, in or towards payment of any Hedge Termination Payment relating to such terminated "Transactions" (to the extent not funded from the Hedge Termination Account); and

(3) third, the surplus cash remaining (if any) (the "**Counterparty Downgrade Collateral Account Surplus**") be transferred to the Principal Account (or where such Counterparty Downgrade Collateral Account Surplus is in the form of securities, to the Custody Account);

(C) following the designation of an "Early Termination Date" (as defined in the applicable Hedge Agreement) in respect of all "Transactions" (as defined in the applicable Hedge Agreement) under a Hedge Agreement pursuant to which all "Transactions" under the Hedge Agreement are terminated early (A) other than in respect of an "Event of Default" (as defined in the applicable Hedge Agreement) in respect of the Hedge Counterparty and (B) the Issuer enters into a replacement Hedge Agreement or any novation of the Hedge Counterparty's obligations to a replacement Hedge Counterparty, in the following order of priority:

(1) first, in or towards payment of any Hedge Termination Payment relating to such terminated "Transactions" (to the extent not funded from the Hedge Termination Account);

(2) second, in or towards payment of any Hedge Replacement Payment in respect of Replacement Hedge Transactions relating to such terminated "Transactions" (to the extent not funded from the Hedge Termination Account); and

(3) third, the Counterparty Downgrade Collateral Account Surplus be transferred to the Principal Account (or where such Counterparty Downgrade Collateral Account Surplus is in the form of securities, to the Custody Account); and

(D) following the designation of an "Early Termination Date" (as defined in the applicable Hedge Agreement) in respect of all "Transactions" (as defined in the applicable Hedge Agreement) under a Hedge Agreement pursuant to which all "Transactions" (as defined in the applicable Hedge Agreement) under the Hedge Agreement are terminated early, if for any reason the Issuer is unable to or elects not to enter into a replacement Hedge Agreement or any novation of the Hedge Counterparty's obligations to a replacement Hedge Counterparty, in the following order of priority:

(1) first, in or towards payment of any Hedge Termination Payment relating to such terminated "Transactions" (to the extent not funded from the Hedge Termination Account); and

(2) second, the Counterparty Downgrade Collateral Account Surplus be transferred to the Principal Account (or where such Counterparty Downgrade Collateral Account Surplus is in the form of securities, to the Custody Account).

(vi) Collateral Enhancement Account

The Issuer will procure that, (i) on each Payment Date, any Collateral Enhancement Amount applied in payment into the Collateral Enhancement Account pursuant to paragraph (CC) of the Interest Proceeds Priority of Payments and (ii) any Investment Manager Advance, is credited to the Collateral Enhancement Account.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Collateral Enhancement Account:

(A) at any time, to the Principal Account for either:

(1) during the Reinvestment Period to reinvest in Substitute Collateral Debt Obligations; or

(2) otherwise for distribution on the next following Payment Date in accordance with the Priorities of Payment;

(B) at any time, at the direction of the Issuer (or the Investment Manager acting on its behalf), to the Interest Account for distribution in accordance with the Priorities of Payment or for a Permitted Use;

(C) at any time, in the acquisition of, or in respect of any exercise of any option or warrant comprised in, Collateral Enhancement Obligations, in accordance with the terms of the Investment Management and Collateral Administration Agreement;

(D) at any time, at the direction of the Issuer (or the Investment Manager acting on its behalf), to purchase any Rated Notes in accordance with Condition 7(k) (*Purchase*);

(E) on the occurrence of an Effective Date Rating Event, on the Business Day prior to the Payment Date falling immediately after the Effective Date, to the extent required, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of Payment, in redemption of the Notes in accordance with the Note Payment Sequence or, if earlier until an Effective Date Rating Event is no longer continuing; and

(F) the Balance standing to the credit of the Collateral Enhancement Account to the Payment Account for distribution on such Payment Date in accordance with the Principal Proceeds Priority of Payments or the Post-Acceleration Priority of Payments (as applicable):

(1) at the direction of the Investment Manager at any time prior to an Event of Default; or

(2) automatically upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*).

(vii) The Unfunded Revolver Reserve Account

The Issuer shall procure the following amounts are paid into the Unfunded Revolver Reserve Account:

(A) upon the acquisition by or on behalf of the Issuer of any Revolving Obligation, Delayed Drawdown Collateral Debt 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 Debt Obligations (which Unfunded Amounts will be treated as part of the purchase price for the related Revolving Obligation or Delayed Drawdown Collateral Debt Obligation) less amounts posted thereafter as collateral (which do not constitute Funded Amounts), in each case, pursuant to paragraph (2) below;

(B) all principal payments received by the Issuer in respect of any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, if and to the extent that the amount of such principal payments may be re-borrowed under such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation or otherwise by the Investment Manager, acting on behalf of the Issuer; and

(C) all repayments of collateral to the Issuer originally paid by the Issuer pursuant to (1) below.

The Issuer shall procure payment of the following amounts (and shall ensure that no other amounts are paid) out of the Unfunded Revolver Reserve Account:

(1) all amounts required to fund any drawings under any Delayed Drawdown Collateral Debt Obligation or Revolving Obligation;

(2) in respect of Delayed Drawdown Collateral Debt Obligations or Revolving Obligations, all amounts required to be deposited in the Issuer's name with any third party which satisfies the Rating Requirement applicable to an Account Bank (or if the third party does not satisfy the Rating Requirement applicable to an Account

Bank, subject to receipt of Rating Agency Confirmation) as collateral for any reimbursement or indemnification obligations of the Issuer owed to any other lender under such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation (subject to such security documentation as may be agreed between such lender, the Investment Manager acting on behalf of the Issuer and the Trustee);

(3) (a) at any time at the direction of the Investment Manager (acting on behalf of the Issuer); or

(b) upon the sale (in whole or in part) of a Revolving Obligation or the reduction, cancellation or expiry of any commitment of the Issuer to make future advances or otherwise extend credit thereunder, any excess of (x) the amount standing to the credit of the Unfunded Revolver Reserve Account over (y) the sum of the Unfunded Amounts of all Revolving Obligations and Delayed Drawdown Collateral Debt Obligations after taking into account such sale or such reduction, cancellation or expiry of such commitment or notional amount to the Principal Account; and

(4) all interest accrued on the Balance standing to the credit of the Unfunded Revolver Reserve Account from time to time (including capitalised interest received upon the sale, maturity or termination of any Eligible Investment) to the Interest Account.

(viii) Hedge Termination Account

The Issuer will procure that all Hedge Termination Receipts and Hedge Replacement Receipts are paid into the relevant Hedge Termination Account promptly upon receipt thereof.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made save to the extent otherwise permitted) out of the relevant Hedge Termination Account in payment as provided below:

(A) at any time, in the case of any Hedge Replacement Receipts paid into the relevant Hedge Termination Account, in payment of any Hedge Termination Payment due and payable to a Hedge Counterparty under the Hedge Transaction being replaced or to the extent not required to make such payment, in payment of such amount to the Principal Account;

(B) at any time, in the case of any Hedge Termination Receipts paid into the relevant Hedge Termination Account, in payment of any Hedge Replacement Payment and any other amounts payable by the Issuer upon entry into a Replacement Interest Rate Hedge Transaction or a Replacement Asset Swap Transaction, as applicable in accordance with the Investment Management and Collateral Administration Agreement; and

(C) in the case of any Hedge Termination Receipts paid into the relevant Hedge Termination Account, if:

(1) the termination of the Hedge Transaction under which such Hedge Termination Receipts are payable occurs on a Redemption Date; or

(2) to the extent that such Hedge Termination Receipts are not required for application towards costs of entry into a Replacement Interest Rate Hedge Transaction or a Replacement Asset Swap Transaction, as applicable,

in payment of such amounts (save for accrued interest thereon) to the Principal Account.

(ix) Asset Swap Account

The Issuer will procure that all amounts due to the Issuer in respect of each Asset Swap Obligation (including, any payments from an Asset Swap Counterparty in respect of initial Asset Swap Counterparty Principal Exchange Amounts pursuant to an Asset Swap Transaction) shall, on receipt, be deposited in the Asset Swap Account maintained in the currency of such Asset Swap Obligation. Additional amounts may also be transferred to the relevant Asset Swap Account from the Interest Account at any time to the extent of any shortfall in the Balance standing to the credit of the relevant Asset Swap Account in respect of any payment required to be made by the Issuer pursuant to paragraph (B) below at such time.

The Issuer will procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the relevant Asset Swap Account:

(A) at any time, to the extent of any initial Asset Swap Counterparty Principal Exchange Amounts deposited into the relevant Asset Swap Account in accordance with the terms of and to the extent permitted under the Investment Management and Collateral Administration Agreement, in the acquisition of Asset Swap Obligations;

(B) Scheduled Periodic Asset Swap Issuer Payments due to each Asset Swap Counterparty pursuant to each Asset Swap Transaction;

(C) Asset Swap Issuer Principal Exchange Amounts (other than any initial Asset Swap Issuer Principal Exchange Amounts pursuant to an Asset Swap Transaction, which shall be paid from the Principal Account or Unused Proceeds Account) due to each Asset Swap Counterparty pursuant to each Asset Swap Transaction; and

(D) cash amounts (representing any excess standing to the credit of the relevant Asset Swap Account after provisioning for any amounts to be paid to any Asset Swap Counterparty pursuant to any Asset Swap Transaction) to the Principal Account after conversion thereof into Euro at the then Applicable Exchange Rate.

(x) Expense Reserve Account

The Issuer shall procure that the following amounts are paid into the Expense Reserve Account:

(A) on the Issue Date, an amount determined on the Issue Date for the payment of amounts due or accrued in connection with the issue of the Notes, in accordance with paragraph (1) below; and

(B) any Ongoing Expense Reserve Amount applied in payment into the Expense Reserve Account pursuant to paragraph (D) of the Interest Proceeds Priority of Payments.

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 the Notes and the entry into the Transaction Documents;

(2) amounts standing to the credit of the Expense Reserve Account on the Determination Date immediately preceding the first Payment

Date may be transferred to the Principal Account and/or the Interest Account in the sole discretion of the Issuer (or the Investment Manager acting on its behalf and on each Determination Date thereafter, amounts standing to the credit of the Expense Reserve Account may be transferred to the Interest Account in the sole discretion of the Issuer (or the Investment Manager acting on its behalf); and

(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, shall not cause the balance of the Expense Reserve Account to fall below zero.

(xi) Contribution Account

At any time during or after the Reinvestment Period, any Contributor may make a Contribution to the Issuer. The Investment Manager, on behalf of the Issuer, may accept or reject any Contribution in its absolute discretion and will notify the Trustee of any such acceptance. Each accepted Contribution will be credited to the Contribution Account.

The Issuer will procure payment of Contributions standing to the credit of the Contribution Account (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Contribution Account for a Permitted Use as directed by the Contributor at the time the relevant Contribution is made or, if no direction is given by the Contributor, at the Investment Manager's reasonable discretion, as follows:

(A) at any time, in the acquisition of, or in respect of any exercise of any option or warrant comprised in, Collateral Enhancement Obligations, in accordance with the terms of the Investment Management and Collateral Administration Agreement;

(B) at any time, at the direction of the Issuer (or the Investment Manager acting on its behalf), for a Permitted Use;

(C) on the occurrence of an Effective Date Rating Event, on the Business Day prior to the Payment Date falling immediately after the Effective Date, to the extent required, to the Payment Account for application as Principal Proceeds in accordance with the Priorities of Payment, in redemption of the Notes in accordance with the Note Payment Sequence or, if earlier until an Effective Date Rating Event is no longer continuing, or to the purchase of additional Collateral Debt Obligations until an Effective Date Rating Event is no longer continuing; and

(D) the Balance standing to the credit of the Contribution Account to the Payment Account for distribution on such Payment Date in accordance with the Principal Proceeds Priority of Payments or the Post-Acceleration Priority of Payments (as applicable) (1) at the direction of the Investment Manager at any time prior to an Event of Default or (2) automatically upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*).

No Contribution or portion thereof accepted by the Investment Manager acting on behalf of the Issuer will be returned to the Contributor at any time. All interest accrued on amounts standing to the credit of the Contribution Account will be transferred to the Interest Account for application as Interest Proceeds.

(xii) First Period Reserve Account

The Issuer shall direct the Account Bank to deposit €1,500,000 to the First Period Reserve Account on the Issue Date. At any time during the Initial Investment Period, the Investment Manager, in its sole discretion, (acting on behalf of the Issuer) may direct some or all amounts standing to the credit of the First Period Reserve Account to be used for (A) the acquisition of Collateral Debt Obligations or (B) to the Principal Account pending such acquisition.

The Issuer shall procure that on the Business Day prior to the first Payment Date, all amounts standing to the credit of the First Period Reserve Account (including all interest accrued thereon) shall be transferred to the Payment Account for disbursement pursuant to the Interest Proceeds Priority of Payments.

(xiii) Interest Smoothing Account

On the Business Day following each Determination Date save for:

(A) the first Determination Date following the Issue Date;

(B) a Determination Date following the occurrence of an Event of Default which is continuing;

(C) the Determination Date immediately prior to any redemption of the Notes in full; and

(D) any Determination Date on or following the occurrence of a Frequency Switch Event,

the applicable Interest Smoothing Amount (if any) shall be credited to the Interest Smoothing Account from the Interest Account.

The Issuer shall procure, on the Business Day falling after the Payment Date following the Determination Date on which any Interest Smoothing Amount was transferred to the Interest Smoothing Account, such Interest Smoothing Amount to be transferred to the Interest Account.

(xiv) Collection Account

The Issuer will procure that the following amounts are credited to the Collection Account:

(A) on the Issue Date, the net proceeds of issue of the Notes; and

(B) all amounts received in respect of any Collateral (other than as otherwise provided in Condition 3(j)(v) (*Counterparty Downgrade Collateral Account*)).

The Issuer shall procure payment of the following amounts (and shall ensure that payment of no other amount is made, save to the extent otherwise permitted above) out of the Collection Account:

(1) on or about the Issue Date:

(a) 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 termination of the Warehouse Arrangements;

(b) amounts payable into the Expense Reserve Account;

(c) to repay the relevant lender under the Warehouse Arrangements in respect of the funding provided by it to finance the purchase of Collateral Debt Obligations prior to the Issue Date;

(d) to pay all other amounts due under the Warehouse Arrangements;

(e) amounts payable into the First Period Reserve Account; and

(f) any remaining amounts to the Unused Proceeds Account; and

(2) subject to the prior payment of all amounts in paragraph (1) above, in transfer to the other Accounts as required in accordance with Condition 3(i) (*Accounts*) and the other provisions of this Condition 3(j) (*Payments to and from the Accounts*) on a daily basis, such that the balance standing to the credit of the Collection Account at the end of each Business Day is zero.

(k) Unscheduled Payment Dates

The Issuer or the Investment Manager on its behalf may (and shall, in either case, if so directed by the Subordinated Noteholders acting by Ordinary Resolution) designate a date (other than a Scheduled Payment Date and a Redemption Date) as a Payment Date (each an "**Unscheduled Payment Date**") if the following conditions are met:

(i) such Unscheduled Payment Date is a Business Day falling after the date upon which the Rated Notes have been repaid or redeemed in full;

(ii) such Unscheduled Payment Date falls no less than five Business Days after the Investment Manager (on behalf of the Issuer) has notified the Trustee, the Collateral Administrator, the Principal Paying Agent and the Subordinated Noteholders (in accordance with Condition 16 (*Notices*)) of such designation in writing;

(iii) such Unscheduled Payment Date falls more than five Business Days prior to the next following Scheduled Payment Date; and

(iv) such Unscheduled Payment Date falls no less than five Business Days after the immediately preceding Scheduled Payment Date and no less than five Business Days after any prior Unscheduled Payment Date.

(l) Investment Manager Advances

To the extent that there are insufficient sums standing to the credit of the Collateral Enhancement Account from time to time to purchase or exercise rights under Collateral Enhancement Obligations which the 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, an "**Investment Manager Advance**") to such account pursuant to the terms of the Investment Management and Collateral Administration Agreement. Each Investment Manager Advance shall bear interest at a rate of EURIBOR plus 2 per cent. per annum. All such Investment Manager Advances shall be repaid out of Interest Proceeds and Principal Proceeds on each Payment Date subject to and in accordance with the Priorities of Payment.

4. **Security**

(a) Security

Pursuant to the Trust Deed, the obligations of the Issuer under the Notes of each Class, the Trust Deed, the Agency Agreement and the Investment Management and Collateral

Administration Agreement and the Subscription and Placement Agency Agreement (together with the obligations owed by the Issuer to the other Secured Parties) are secured in favour of the Trustee for the benefit of itself and the other Secured Parties by:

(i) an assignment by way of security of all the Issuer's present and future rights, title and interest (and all entitlements or other benefits relating thereto) in respect of all Collateral Debt Obligations, Exchanged Equity Securities, Collateral Enhancement Obligations and Eligible Investments standing to the credit of each of the Accounts (other than the Counterparty Downgrade Collateral Accounts) and any other investments (other than Counterparty Downgrade Collateral), in each case held by the Issuer from time to time (where such rights are contractual rights (other than contractual rights the assignment of which would require the consent of a third party or the entry by the Trustee into an intercreditor agreement or deed) and where such contractual rights arise other than under securities), including, without limitation, all monies received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof;

(ii) a first fixed charge and first priority security interest granted over all the Issuer's present and future rights, title and interest (and all entitlements or other benefits relating thereto) in respect of all Collateral Debt Obligations, Exchanged Equity Securities, Collateral Enhancement Obligations and Eligible Investments standing to the credit of each of the Accounts (other than the Counterparty Downgrade Collateral Accounts) and any other investments (other than Counterparty Downgrade Collateral), in each case held by the Issuer (where such assets are securities or contractual rights not assigned by way of security pursuant to paragraph (i) above and which are capable of being the subject of a first fixed charge and first priority security interest), including, without limitation, all monies received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof;

(iii) a first fixed charge over all present and future rights of the Issuer in respect of each of the Accounts and all monies from time to time standing to the credit of such Accounts and the debts represented thereby and including, without limitation, all interest accrued and other monies received in respect thereof, subject to, in the case of each Counterparty Downgrade Collateral Account and any Swap Tax Credits standing to the credit of the Interest Account, the rights of a Hedge Counterparty pursuant to the terms of the applicable Hedge Agreement (or any security interest entered into by the Issuer in relation thereto);

(iv) a first fixed charge and first priority security interest (where the applicable assets are securities) over, or an assignment by way of security (where the applicable rights are contractual obligations) of, all present and future rights of the Issuer in respect of any Counterparty Downgrade Collateral standing to the credit of each Counterparty Downgrade Collateral Account; including, without limitation, all monies received in respect thereof, all dividends and distributions paid or payable thereon, all property paid, distributed, accruing or offered at any time on, to or in respect of or in substitution therefor and the proceeds of sale, repayment and redemption thereof and over each Counterparty Downgrade Collateral Account, and all monies from time to time standing to the credit of each Counterparty Downgrade Collateral Account and the debts represented thereby, subject to the rights of any Hedge Counterparty to Counterparty Downgrade Collateral pursuant to the terms of the relevant Hedge Agreement and any security interest entered into by the Issuer in relation thereto;

(v) an assignment by way of security of all the Issuer's present and future rights against the Custodian under the Agency Agreement (to the extent it relates to the Custody Account) and a first fixed charge over all of the Issuer's right, title and interest in and to the Custody Account (including each cash account relating to the Custody Account) and any cash held therein and the debts represented thereby;

(vi) an assignment by way of security of all the Issuer's present and future rights under each Hedge Agreement and each Hedge Transaction entered into thereunder (including the Issuer's rights under any guarantee or credit support annex entered into pursuant to any Hedge Agreement, provided that such assignment by way of security without prejudice to and after giving effect to any contractual netting or set-off provision contained in the relevant Hedge Agreement and shall not in any way restrict the release of collateral granted thereunder in whole or in part at any time pursuant to the terms thereof);

(vii) an assignment by way of security of all the Issuer's present and future rights under the Investment Management and Collateral Administration Agreement and all sums derived therefrom;

(viii) a first fixed charge over all monies held from time to time by the Principal Paying Agent and any other Agent for payment of principal, interest or other amounts on the Notes (if any);

(ix) an assignment by way of security of all the Issuer's present and future rights under the Collateral Acquisition Agreements and all sums derived therefrom;

(x) an assignment by way of security of all of the Issuer's present and future rights under any other Transaction Document and all sums derived therefrom; and

(xi) a floating charge over the whole of the Issuer's undertaking and assets to the extent that such undertaking and assets are not subject to any other security created pursuant to the Trust Deed,

excluding for the purposes of (i) to (xi) (inclusive) above, the Irish Excluded Assets.

The security created pursuant to paragraphs (i) to (xi) (inclusive) above is granted to the Trustee for itself and as trustee for the other Secured Parties as continuing security for the payment of the Secured Obligations provided that the security granted by the Issuer over any collateral provided to the Issuer pursuant to a Hedge Agreement will only be available to the Secured Parties (other than with respect to the collateral provided to the relevant Hedge Counterparty pursuant to such Hedge Agreement and Condition 3(j)(v) (*Counterparty Downgrade Collateral Account*) when such collateral or amounts, as applicable, are expressed to be available to the Issuer and (if a title transfer arrangement) to the extent that no equivalent amount is owed to the Hedge Counterparty pursuant to the relevant Hedge Agreement and/or Condition 3(j)(v) (*Counterparty Downgrade Collateral Account*). The security will extend to the ultimate balance of all sums payable by the Issuer in respect of the above, regardless of any intermediate payment or discharge in whole or in part.

If, for any reason, the purported assignment by way of security of, and/or the grant of first fixed charge over, the property, assets, rights and/or benefits described above is found to be ineffective in respect of any such property, assets, rights and/or benefits (together, the "**Affected Collateral**"), the Issuer shall hold to the fullest extent permitted under Irish mandatory law the benefit of the Affected Collateral and any sums received in respect thereof or any security interest, guarantee or indemnity or undertaking of whatever nature given to secure such Affected Collateral (together, the "**Trust Collateral**") on trust for the Trustee for the benefit of the Secured Parties and shall:

(i) account to the Trustee for or otherwise apply all sums received in respect of such Trust Collateral as the Trustee may direct (provided that, subject to these Conditions and the terms of the 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:

(i) by way of a first priority security interest to a Hedge Counterparty over a Counterparty Downgrade Collateral Account and any Counterparty Downgrade Collateral deposited by such Hedge Counterparty in the relevant Counterparty Downgrade Collateral Account as security for the Issuer's obligations to repay or redeem such Counterparty Downgrade Collateral pursuant to the terms of the applicable Hedge Agreement and these Conditions (subject to such security documentation as may be agreed between such third party, the Investment Manager acting on behalf of the Issuer and the Trustee). For the avoidance of doubt, the Issuer may grant such security interest directly to the Hedge Counterparty; and/or

(ii) by way of first priority security interest over amounts representing all or part of the Unfunded Amount of any Revolving Obligation or Delayed Drawdown Collateral Debt Obligation and deposited in its name with a third party as security for any payment obligations of the Issuer in respect of such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation including but not limited to reimbursement or indemnification obligation of the Issuer owed to any other lender under such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation, subject to the terms of Condition 3(j)(vii) (*The Unfunded Revolver Reserve Account*) (*including Rating Agency Confirmation*),

excluding for the purposes of paragraphs (i) and (ii) (inclusive) 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. If the ratings of the Custodian are downgraded to below the Rating Requirement or withdrawn, the Issuer shall use reasonable endeavours to procure that a replacement Custodian with the Rating Requirement and who is appointed in accordance with and on substantially the same terms as the Agency Agreement.

Pursuant to the terms of the Trust Deed, the Trustee is exempted from any liability in respect of any loss or theft or reduction in value of the Collateral, from any obligation to insure or monitor the insurance arrangements in respect of 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, Account Bank or Principal Paying Agent satisfies the Rating Requirement applicable to it or, if it fails to satisfy such Rating Requirement, to procure the appointment of a replacement custodian, account bank or principal paying agent. 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 absolutely on the certificates or notices of any relevant party without further enquiry or liability. The Trust Deed also provides that the Trustee shall accept without investigation, requisition or objection such right, benefit, title and interest, if any, as the Issuer may have in and to any of the Collateral and is not bound to make any investigation into the same or into the Collateral in any respect.

(b) Application of Proceeds upon Enforcement

The Trust Deed provides that the net proceeds of realisation of, or enforcement with respect to the security over, the Collateral constituted by the Trust Deed, shall be applied in accordance with the priorities of payment set out in Condition 11 (*Enforcement*).

(c) Limited Recourse and Non-Petition

The obligations of the Issuer to pay amounts due and payable in respect of the Notes and to the other Secured Parties at any time shall be limited to the proceeds available at such time to make such payments in accordance with the Priorities of Payment. Notwithstanding anything to the contrary in these Conditions or any Transaction Documents, if the net proceeds of realisation of the security constituted by the Trust Deed, upon enforcement thereof in accordance with Condition 11 (*Enforcement*) and the provisions of the Trust Deed are less than the aggregate amount payable in such circumstances by the Issuer in respect of the Notes and to the other Secured Parties (such negative amount being referred to herein as a "**shortfall**"), the obligations of the Issuer in respect of the Notes of each Class and its obligations to the other Secured Parties in such circumstances will be limited to such net proceeds, which shall be applied in accordance with the Priorities of Payment. In such circumstances, the other assets (including the Irish Excluded Assets) of the Issuer will not be available for payment of such shortfall which shall be borne by the Class A Noteholders, the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders, the Subordinated Noteholders and the other Secured Parties in accordance with the Priorities of Payment (applied in reverse order). The rights of the Secured Parties (including the Noteholders) to receive any further amounts in respect of such obligations shall be extinguished and none of the Noteholders of each Class or the other Secured Parties may take any further action to recover such amounts. None of the Noteholders of any Class, the Trustee or the other Secured Parties (nor any other person acting on behalf of any of them) shall be entitled at any time to institute against the Issuer, or join in any institution against the Issuer of, any bankruptcy, reorganisation, arrangement, insolvency, examinership, winding up or liquidation proceedings or other proceedings under any applicable bankruptcy or similar law in connection with any obligations of the Issuer relating to the Notes of any Class, the Trust Deed or otherwise owed to the Secured Parties, save for lodging a claim in the liquidation of the Issuer which is initiated by another non-Affiliated party or taking proceedings to obtain a declaration as to the obligations of the Issuer and without limitation to the Trustee's right to enforce and/or realise the security constituted by the Trust Deed (including by appointing a receiver or an administrative receiver).

In addition, none of the Noteholders or any of the other Secured Parties shall have any recourse against any director, shareholder or officer of the Issuer in respect of any obligations, covenants or agreement entered into or made by the Issuer pursuant to the terms of the Conditions 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 Initial Purchaser, the Placement Agent, the Investment Manager and any Agent has any obligation to any Noteholder of any Class for payment of any amount by the Issuer in respect of the Notes of any Class.

(d) Acquisition and Sale of Portfolio

The Investment Manager is required to manage the Portfolio and to act in specific circumstances in relation to the Portfolio on behalf of the Issuer pursuant to the terms of, and subject to the parameters set out in, the Investment Management and Collateral Administration Agreement and subject to the overall supervision and control of the Issuer. The duties of the Investment Manager with respect to the Portfolio include (amongst others) the use of reasonable endeavours to:

(i) purchase Collateral Debt Obligations on or prior to the Issue Date and during the Initial Investment Period;

(ii) invest the amounts standing to the credit of the Accounts (other than the Counterparty Downgrade Collateral Account, the Unfunded Revolver Reserve Account, the relevant Hedge Termination Account, the relevant Asset Swap Account, the Payment Account and any Swap Tax Credits standing to the credit of the Interest Account) in Eligible Investments; and

(iii) sell certain of the Collateral Debt Obligations and reinvest the Principal Proceeds received in Substitute Collateral Debt Obligations in accordance with the criteria set out in the Investment Management and Collateral Administration Agreement.

The Investment Manager is required to monitor the Collateral Debt Obligations with a view to seeking to determine whether any Collateral Debt Obligation has converted into, or been exchanged for, an Exchanged Equity Security or Defaulted Obligation, provided that, if it fails to do so, it will not have any liability to the Issuer except by reason of acts constituting fraud, wilful misconduct or gross negligence in the performance of its obligations. No Noteholder shall have any recourse against any of the Issuer, the Investment Manager, the Initial Purchaser, the Placement Agent, the Collateral Administrator, the Custodian, the Principal Paying Agent, the Registrar or the Trustee for any loss suffered as a result of such failure.

Under the Investment Management and Collateral Administration Agreement, the Retention Holder, the holders of the Subordinated Notes and the Controlling Class have certain rights in respect of the removal of the Investment Manager and appointment of a replacement Investment Manager.

(e) 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.

(f) Information Regarding the Collateral

The Issuer shall procure that a copy of each Monthly Report and any Payment Date Report is made available upon publication, to each Noteholder of each Class, to the Trustee, the Investment Manager and each Rating Agency via the Collateral Administrator's website currently located at https://usbtrustgateway.usbank.com. It is not intended that such Reports will be made available in any other format, save in limited circumstances with the Collateral Administrator's agreement. The Collateral Administrator's website does not form part of the information provided for the purposes of the Prospectus and disclaimers may be posted with respect to the information posted thereon. Registration may be required for access to such website and persons wishing to access such website may be required to certify that they are Noteholders or otherwise entitled to access such website.

5. **Covenants of and Restrictions on the Issuer**

(a) Covenants of the Issuer

Unless otherwise provided in the Transaction Documents, the Issuer covenants to the Trustee on behalf of the holders of the Notes that, for so long as any Note remains Outstanding, the Issuer will:

(i) take such steps as are reasonable to enforce all its rights:

(A) under the Trust Deed;

(B) in respect of the Collateral;

(C) under the Agency Agreement;

(D) under the Investment Management and Collateral Administration Agreement;

(E) under the Corporate Services Agreement;

(F) under the Collateral Acquisition Agreements; and

(G) under any Hedge Agreements;

(ii) comply with its obligations under the Notes, the Trust Deed, these Conditions, the Agency Agreement, the Investment Management and Collateral Administration Agreement and each other Transaction Document to which it is a party;

(iii) keep proper books and records at its registered office (and maintain the same separate from those of any other Person or entity);

(iv) at all times maintain its Accounts and its financial statements separate from the accounts and financial statements of any other Person or entity;

(v) at all times maintain an arm's-length relationship with its Affiliates (if any);

(vi) at all times maintain its tax residence outside the United Kingdom for the purposes of United Kingdom taxation and outside the United States for the purposes of United States taxation and, in addition, shall not establish a branch, agency (other than the appointment of the Investment Manager and the Collateral Administrator 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 and shall not do or permit anything within its control to be done which might result in its residence being considered to be outside Ireland for tax purposes;

(vii) conduct its business and affairs in accordance with its constitution from within Ireland such that, at all times:

(A) it shall maintain its registered office in Ireland;

(B) it shall maintain its central management and control and its place of effective management only in Ireland and in particular shall not be treated as being resident in any other jurisdiction under any double taxation treaties entered into by Ireland or otherwise nor shall the Issuer have a permanent establishment, branch or agency in any jurisdiction other than Ireland under the laws or guidelines of any jurisdiction (other than Ireland);

(C) it shall conduct its business and affairs in accordance with its constitution from within Ireland and shall ensure that all of its Directors are and shall remain resident in Ireland for tax purposes, that they will exercise their control over the business of the Issuer independently and that all meetings of the Directors shall be held in Ireland and all the Directors (acting independently) shall exercise their authority only from and within Ireland by taking all major strategic decisions relating to the Issuer in Ireland pursuant to and in accordance with the Transaction Documents; and

(D) it shall not open any office or branch or place of business outside of 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 Main Securities Market of the Irish Stock Exchange of the outstanding Notes of each Class. If, however, it is unable to do so, having used such best endeavours, or if the maintenance of such listings is 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 shall instead use all reasonable endeavours promptly to obtain and thereafter to maintain a listing for such Notes on such other stock exchange or exchanges or securities market or markets as the Issuer may (with the prior written approval of the Trustee) decide provided that such exchange or market is a "recognised stock exchange" for the purposes of Section 64 of the TCA;

(xi) supply such information to the Rating Agencies as they may reasonably request;

(xii) ensure that its "centre of main interests" (as that term is referred to in article 3(1) of Council Regulation (EC) No. 1346/2000 on Insolvency Proceedings) and its tax residence is and remains at all times in Ireland;

(xiii) ensure an agent is appointed and maintained to assist in creating and maintaining the Issuer's website to enable the Rating Agencies to comply with Rule 17g-5;

(xiv) have its own stationery;

(xv) have at least one Independent Director; and

(xvi) 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

For so long as any of the Notes remain Outstanding, save as contemplated in the Transaction Documents, the Issuer covenants to the holders of such Outstanding Notes that (to the extent applicable) it will not, without the prior written consent of the Trustee:

(i) sell, factor, discount, transfer, assign, lend or otherwise dispose of any of its right, title or interest in or to the Collateral, other than in accordance with the 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, the Conditions of the Notes or the Transaction Documents;

(ii) sell, factor, discount, transfer, assign, lend or otherwise dispose of, nor create or permit to be outstanding any mortgage, pledge, lien, charge, encumbrance or other security interest over, any of its other property or assets or any part thereof or interest therein other than in accordance with the Trust Deed, a Hedge Agreement, the Conditions of the Notes or the Transaction Documents;

(iii) engage in any business other than the holding or managing or both the holding and managing, in each case in Ireland, of "qualifying assets" within the meaning of Section 110 of the TCA and in connection therewith shall not engage in any business other than:

(A) acquiring and holding any property, assets or rights that are capable of being effectively secured in favour of the Trustee or that are capable of being held on trust by the Issuer in favour of the Trustee under the Trust Deed;

(B) issuing and performing its obligations under the Notes;

(C) entering into, exercising its rights and performing its obligations under or enforcing its rights under the Trust Deed, the Agency Agreement, the Investment Management and Collateral Administration Agreement and each other Transaction Document to which it is a party, as applicable; or

(D) performing any act incidental to or necessary in connection with any of the above;

(iv) agree to any amendment to any term or Condition of the Notes of any Class (save in accordance with these Conditions and the Trust Deed);

(v) agree to any amendment to any provision of, or grant any waiver or consent under the Trust Deed, the Agency Agreement, the Investment Management and Collateral Administration Agreement, the Corporate Services Agreement or any other Transaction Document to which it is a party;

(vi) guarantee or incur any indebtedness for borrowed money, other than in respect of:

(A) the Notes (including the issuance of additional Notes pursuant to Condition 17 (*Additional Issuances*)) or any document entered into in connection with the Notes or the sale thereof or any additional Notes or the sale thereof;

(B) any Refinancing; or

(C) as otherwise contemplated or permitted pursuant to the Trust Deed 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 Council Regulation (EC) No. 1346/2000 on Insolvency Proceedings) outside of Ireland;

(ix) have any employees (for the avoidance of doubt the Directors do not constitute employees);

(x) enter into any reconstruction, amalgamation, merger or consolidation;

(xi) convey or transfer all or a substantial part of its properties or assets (in one or a series of transactions) to any person, otherwise than as contemplated in these Conditions;

(xii) issue any shares (other than such share as is in issue as at the Issue Date) nor redeem or purchase any of its issued share capital;

(xiii) enter into any material agreement or contract with any Person (other than an agreement on customary market terms which for the avoidance of doubt will include agreements to buy and sell obligations and documentation relating to restructurings (including steering committee indemnity letters), which terms do not contain the provisions below) unless such contract or agreement contains "limited recourse" and "non-petition" provisions and such Person agrees that, prior to the date that is 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 Agreement, the Investment Manager or the Collateral Administrator or the Information Agent under the Investment Management and Collateral Administration Agreement (including, in each case, any transactions entered into thereunder) or any obligor from its duties and obligations under any agreement entered into in connection with any of the Portfolio or, in each case, from any executory obligation thereunder;

(xv) enter into any lease in respect of, or own, premises;

(xvi) act as an entity that issues notes to investors and uses the proceeds to grant new loans on its own account, but rather purchases loans from another lender;

(xvii) make any election within the meaning of Section 110(6) of the TCA;

(xviii) 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; or

(xix) acquire any Collateral Debt Obligations of its partners or shareholders.

6. **Interest**

(a) Payment Dates

(i) Rated Notes

The Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes each bear interest from (and including) the Issue Date and such interest will be payable:

(A) in the case of interest accrued during the initial Accrual Period, for the period from (and including) the Issue Date to (but excluding) the Payment Date falling on 17 July 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 in arrear on such Payment Date.

(ii) Subordinated Notes

Interest shall be payable on the Subordinated Notes to the extent funds are available in accordance with paragraph (DD) of the Interest Proceeds Priority of Payments, paragraph (T) of the Principal Proceeds Priority of Payments and paragraph (Z) of the Post-Acceleration Priority of Payments on each Payment Date and shall continue to be payable in accordance with this Condition 6 (*Interest*) notwithstanding redemption in full of any Subordinated Note at its applicable Redemption Price.

Notwithstanding any other provision of these Conditions or the Trust Deed, all references herein and therein to the Subordinated Notes 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 such Class of Notes remains Outstanding at all times and any amounts which are to be applied in redemption of 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 such Class of Notes shall be redeemed in full on the date on which all of the Collateral securing the Notes has been realised and is to be finally distributed to the Noteholders.

If the aggregate of income and gains earned by the Issuer during an accounting period exceeds the costs and expenses accrued for that period, such excess shall accrue as additional interest on the Subordinated Notes but shall only be payable on any Payment Date following payment in full of amounts payable pursuant to the Priorities of Payment on such Payment Date.

(b) Interest Accrual

(i) Rated Notes

Each Rated Note (or, as the case may be, the relevant part thereof due to be redeemed) will cease to bear interest from the due date for redemption unless, upon due presentation, payment of principal is improperly withheld or refused. In such event, it shall continue to bear interest in accordance with this Condition 6 (*Interest*) (both before and after judgment) until whichever is the earlier of:

(A) the day on which all sums due in respect of such Note up to that day are received by or on behalf of the relevant Noteholder; and

(B) the day following seven calendar days after the Trustee or the Principal Paying Agent has notified the Noteholders of such Class of Notes in accordance with Condition 16 (*Notices*) of receipt of all sums due in respect of all the Notes of such Class up to that seventh day (except to the extent that there is failure in the subsequent payment to the relevant holders under these Conditions).

(ii) Subordinated Notes

Payments on the Subordinated Notes will cease to be payable in respect of each Subordinated Note upon the date that all of the Collateral has been realised and no Interest Proceeds or Principal Proceeds or, where applicable, other net proceeds of enforcement of the security over the Collateral remain available for distribution in accordance with the Priorities of Payment.

(c) Deferral of Interest

(i) Deferred Interest

For so long as any of the Class A Notes or the Class B Notes remain Outstanding, the Issuer shall, and shall only be obliged to, pay any Interest Amount payable in respect of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes in full on any Payment Date, in each case to the extent that there are Interest Proceeds or Principal Proceeds available for payment thereof in accordance with the Priorities of Payment.

In the case of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, for so long as any of the Class A Notes or the Class B Notes remain Outstanding, an amount of interest equal to any shortfall in payment of the Interest Amount which would, but for the first paragraph of this Condition 6(c)(i) (*Deferred Interest*) otherwise be due and payable in respect of such Class of Notes on any Payment Date (each such amount being referred to as "**Deferred Interest**") will not be payable on such Payment Date, but will be added to the principal amount of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, as applicable, and thereafter will accrue interest at the rate of interest applicable to that Class of Notes, and the failure to pay such Deferred Interest to the holders of the Class C Notes, the Class D Notes, the Class E Notes or the Class F Notes, as applicable, will not be an Event of Default until the Maturity Date or any earlier date on which the Notes are to be repaid or redeemed in full. Interest will cease to accrue on each Note, or in the case of a partial repayment, on such part, from the date of repayment or the Maturity Date or early redemption date unless payment of principal is improperly withheld or unless default is otherwise made with respect to such payment of principal.

(ii) Non-payment of Interest

Non-payment of interest on the Class A Notes or the Class B Notes shall, subject to Condition 10(a)(i) (*Non-payment of interest*) constitute an Event of Default following the expiry of the five Business Day (or seven Business Day (due to an administrative error or omission in accordance with Condition 10 (*Events of Default*)) grace period.

(d) Payment of Deferred Interest

Deferred Interest in respect of any Class C Note, Class D Note, Class E Note or Class F Note shall only become payable by the Issuer in accordance with respectively, paragraphs (K), (N), (Q) and (T) of the Interest Proceeds Priority of Payments, paragraphs (D), (G), (J) and (M) of the Principal Proceeds Priority of Payments and paragraphs (K), (N), (Q) and (T) of the Post-Acceleration Priority of Payments and under the Note Payment Sequence in each place specified in the Priorities of Payment, to the extent that Interest Proceeds or Principal

Proceeds, as applicable, are available to make such payment in accordance with the Priorities of Payment (and, if applicable, the Note Payment Sequence). For the avoidance of doubt, for so long as any Class A Notes and Class B Notes remain Outstanding, 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 Class C Notes, the Class D Notes, the Class E Notes and/or Class F Notes as applicable. An amount equal to any such Deferred Interest so paid shall be subtracted from the principal amount of the Class C Notes, the Class D Notes, the Class E Notes and/or the Class F Notes as applicable.

(e) Interest on the Floating Rate Notes

(i) Floating Rate of Interest

The rate of interest from time to time in respect of the Class A-1 Notes (the "**Class A-1 Floating Rate of Interest**"), in respect of the Class B Notes (the "**Class B Floating Rate of Interest**"), in respect of the Class C Notes (the "**Class C Floating Rate of Interest**"), in respect of the Class D Notes (the "**Class D Floating Rate of Interest**"), in respect of the Class E Notes (the "**Class E Floating Rate of Interest**"), in respect of the Class F Notes (the "**Class F Floating Rate of Interest**") (and each a "**Floating Rate of Interest**") will be determined by the Calculation Agent on the following basis:

(A) On each Interest Determination Date:

(1) in the case of the initial Accrual Period, the Calculation Agent will determine a straight line interpolation of the offered rate for six month EURIBOR and nine month EURIBOR;

(2) in the case of each Interest Determination Date, other than the initial Interest Determination Date and prior to the occurrence of a Frequency Switch Event, the Calculation Agent will determine (i) the offered rate for six month EURIBOR; and (ii) the offered rate for three month EURIBOR; and

(3) (i) in the case of each Interest Determination following the occurrence of a Frequency Switch Event, the Calculation Agent will determine the offered rate for six month EURIBOR or, (ii) in the case of the Accrual Period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date, if such first mentioned Payment Date falls in October 2029, the Calculation Agent will determine the offered rate for three month EURIBOR,

in each case, as at 11.00 am (Brussels time) on the Interest Determination Date in question. Such offered rate will be that which appears on the display designated on the Bloomberg Screen "BTMM EU" Page (or such other page or service as may replace it for the purpose of displaying EURIBOR rates). The Class A-1 Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest for such Accrual Period shall be the aggregate of the Applicable Margin (as defined below) in respect of (i) the initial Accrual Period, the rate referred to in paragraph (1) above; and (ii) each six month Accrual Period, the rate referred to in paragraph (2)(i) or paragraph (3)(i)) above (as applicable); and (iii) each three month Accrual Period, the rate referred to in paragraph (2)(ii) or (3)(ii), above, in each case as determined by the Calculation Agent.

(B) If the offered rate so appearing is replaced by the corresponding rates of more than one bank then paragraph (A) shall be applied, with any necessary consequential changes, to the arithmetic mean (rounded, if necessary, to the

nearest one hundred thousandth of a percentage point (with 0.000005 being rounded upwards)) of the rates (being at least two) which so appear, as determined by the Calculation Agent. If for any other reason such offered rate does not so appear, or if the relevant page is unavailable, the Calculation Agent will request each of four major banks in the Euro zone interbank market acting in each case through its principal Euro zone office (the "**Reference Banks**") to provide the Calculation Agent with its offered quotation to leading banks for Euro deposits in the Euro zone interbank market:

(a) in the case of the initial Accrual Period, a straight line interpolation of the offered rate for six month EURIBOR and nine month EURIBOR;

(b) in respect of each Interest Determination Date, other than the initial Interest Determination Date and prior to the occurrence of a Frequency Switch Event, for a period of (i) six months; and (ii) three months; and

(c) (i) in respect of each Interest Determination Date following the occurrence of a Frequency Switch Event, for a period of six months or, (ii) in the case of the Accrual Period from, and including, the final Payment Date before the Maturity Date to, but excluding, the Maturity Date, if such first mentioned Payment Date falls in October 2029, for a period of three months,

in each case as at 11.00 a.m. (Brussels time) on the Interest Determination Date in question. The Class A-1 Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest for such Accrual Period, shall be the aggregate of the Applicable Margin (if any) and the arithmetic mean, in each case, (rounded, if necessary, to the nearest one hundred thousandth of a percentage point (with 0.000005 being rounded upwards)) of, in respect of (i) the initial Accrual Period; the quotations referred to in paragraph (a) above; and (ii) each six month Accrual Period, the quotations referred to in paragraph (b)(i) or paragraph (c)(i) above (as applicable); and (iii) each three month Accrual Period, the quotations referred to in paragraph (b)(ii) or (c)(ii) above (or of such quotations, being at least two, as are so provided), all as determined by the Calculation Agent.

(C) If on any Interest Determination Date one only or none of the Reference Banks provides such quotation, the Class A-1 Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest, respectively, for the next Accrual Period shall be the Class A-1 Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest, in each case in effect as at the immediately preceding Accrual Period provided that in respect of any Accrual Period during which a Frequency Switch Event occurs, the Class A-1 Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest shall be calculated using the offered rate for six month Euro deposits using the rate available as at the previous Interest Determination Date.

(D) Where:

"**Applicable Margin**" means:

(1) in the case of the Class A-1 Notes: 1.03 per cent. per annum;

(2) in the case of the Class B Notes: 1.70 per cent. per annum;

(3) in the case of the Class C Notes: 2.50 per cent. per annum;

(4) in the case of the Class D Notes: 3.80 per cent. per annum;

(5) in the case of the Class E Notes: 6.55 per cent. per annum; and

(6) in the case of the Class F Notes: 8.75 per cent. per annum.

(E) Notwithstanding paragraphs (A), (B) and (C) above, if, in relation to any Interest Determination Date, EURIBOR in respect of any Floating Rate Notes as determined in accordance with paragraphs (A), (B) and (C) above would yield a rate less than zero, such rate shall be deemed to be zero for the purposes of determining the Rate of Interest pursuant to this Condition 6(e)(i) (*Floating Rate of Interest*).

(ii) Determination of Floating Rate of Interest and Calculation of Interest Amount

The Calculation Agent will, as soon as practicable after 11.00 a.m. (Brussels time) on each Interest Determination Date, (and in any event (i) for each Accrual Period following the occurrence of a Frequency Switch Event, not later than the Business Day following the relevant Interest Determination Date; and (ii) for each Accrual Period prior to the occurrence of a Frequency Switch Event and for any Accrual Period during which a Frequency Switch Event occurs, not later than the Determination Date immediately preceding the relevant Payment Date) determine the Class A-1 Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest and calculate the interest amount payable in respect of original principal amounts of the Class A-1 Notes, Class B Notes, Class C Notes, Class D Notes, Class E Notes and the Class F Notes equal to the Authorised Integral Amount applicable thereto for the relevant Accrual Period. The amount of interest (the "**Interest Amount**") payable in respect of each Authorised Integral Amount applicable to any such Notes shall be calculated by applying the Class A-1 Floating Rate of Interest in the case of the Class A-1 Notes, the Class B Floating Rate of Interest in the case of the Class B Notes, the Class C Floating Rate of Interest in the case of the Class C Notes, the Class D Floating Rate of Interest in the case of the Class D Notes, the Class E Floating Rate of Interest in the case of the Class E Notes and the Class F Floating Rate of Interest in the case of Class F Notes, respectively, to an amount equal to the Principal Amount Outstanding in respect of such Authorised Integral Amount, multiplying the product by the actual number of days in the Accrual Period concerned, divided by 360 and rounding the resultant figure to the nearest €0.01 (€0.005 being rounded upwards).

Where paragraph (B) of Condition 6(e)(i) (*Floating Rate of Interest*) applies, any test or calculation required to be made in accordance with the Trust Deed, the Investment Management and Collateral Administration Agreement or any other Transaction Document: (i) where such test or calculation requires a determination of a Floating Rate of Interest, and (ii) the date of such test or calculation falls in between two Interest Determination Dates, the applicable offered rate shall be the offered rate which was applicable as of the previous Interest Determination Date.

(iii) Reference Banks and Calculation Agent

The Issuer will procure that, so long as any Class A-1 Note, Class B Note, Class C Note, Class D Note, Class E Note or Class F Note remains Outstanding:

(A) a Calculation Agent shall be appointed and maintained for the purposes of determining the interest rate and interest amount payable in respect of the Notes; and

(B) if the Class A-1 Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest are to be calculated by Reference Banks pursuant to paragraph (B) of Condition 6(e)(i) (*Rate of Interest*), that the number of Reference Banks required pursuant to such paragraph (B) are requested to provide a quotation.

If the Calculation Agent is unable or unwilling to continue to act as the Calculation Agent for the purpose of calculating interest hereunder or fails duly to establish any Floating Rate of Interest for any Accrual Period, or to calculate the Interest Amount on any Class of Rated Notes, the Issuer shall (with the prior approval of the Trustee) appoint some other leading bank to act as such in its place. The Calculation Agent may not resign its duties without a successor having been so appointed.

(f) Interest on the Fixed Rate Notes

The Class A-2 Notes bear interest at the rate of 1.15 per cent. per annum (the "**Class A-2 Fixed Rate of Interest**"). The amount of interest payable in respect of each Authorised Integral Amount applicable to the Class A-2 Notes shall be calculated by applying the Class A-2 Fixed 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 (the number of days to be calculated on the basis of a year of 360 days with 12 months of 30 days each) divided by 360 and rounding the resultant figure to the nearest €0.01 (€0.005 being rounded upwards).

(g) Proceeds in respect of Subordinated Notes

Solely in respect of Subordinated Notes, the Collateral Administrator will on each Determination Date calculate the Interest Proceeds and/or Principal Proceeds payable to the extent of available funds in respect of an original principal amount of Subordinated Notes equal to the Authorised Integral Amount applicable thereto for the relevant Accrual Period. The Interest Proceeds and/or Principal Proceeds payable on each Payment Date in respect of an original principal amount of Subordinated Notes equal to the Authorised Integral Amount applicable thereto shall be calculated by multiplying the amount of Interest Proceeds and/or Principal Proceeds to be applied on the Subordinated Notes on the applicable Payment Date pursuant to the relevant Priorities of Payment by fractions equal to the amount of such Authorised Integral Amount, as applicable, divided by the aggregate original principal amount of the Subordinated Notes.

(h) Publication of Floating Rates of Interest, Interest Amounts and Deferred Interest

The Calculation Agent will, at the expense of the Issuer, cause the Class A-1 Floating Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest and the Class F Floating Rate of Interest and 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 Collateral Administrator, the Registrar, the Principal Paying Agent, the Transfer Agent, the Trustee and the Investment Manager, for so long as the Notes are listed on the Main Securities Market of the Irish Stock Exchange, the Irish Stock Exchange as soon as possible after their determination but in no event later than the fourth Business Day thereafter, and the Principal Paying Agent shall cause each such rate, amount and date to be notified to the Noteholders of each Class in accordance with Condition 16 (*Notices*) as soon as possible following notification to the Principal Paying Agent but in no event later than the third Business Day after such notification. The Interest Amounts in respect of the Class A-1 Notes,

the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes or the Payment Date in respect of any Class of Notes so published may subsequently be amended (or appropriate alternative arrangements made with the consent of the Trustee by way of adjustment) without notice if an extension or shortening of the Accrual Period occurs. If the Notes become due and payable under Condition 10 (*Events of Default*), interest shall nevertheless continue to be calculated as previously by the Calculation Agent in accordance with this Condition 6 (*Interest*) but no publication of the applicable Interest Amounts shall be made unless the Trustee so determines.

(i) Determination or Calculation by Trustee

If the Calculation Agent does not at any time for any reason so calculate the Class A-1 Floating Rate of Interest, the Class A-2 Fixed Rate of Interest, the Class B Floating Rate of Interest, the Class C Floating Rate of Interest, the Class D Floating Rate of Interest, the Class E Floating Rate of Interest or the Class F Floating Rate of Interest for an Accrual Period, the Trustee (or a person appointed by it for the purpose) 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 may do so in such manner as it shall deem fair and reasonable in all the circumstances and reliance on such persons as it has appointed for such purpose. The Trustee shall have no liability to any person in connection with any determination or calculation (including with regard to the timelines thereof) it is required to make pursuant to this Condition 6(i) (*Determination or Calculation by Trustee*).

(j) 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 (in the absence of manifest error) be binding on the Issuer, the Reference Banks, the Calculation Agent, the Trustee, the Registrar, the Principal Paying Agent, the Transfer Agent and all Noteholders and (in the absence as referred to above) no liability (absent any fraud, gross negligence or wilful default on the part of the Reference Banks, the Calculation Agent or the Trustee, as applicable) 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 or delay to exercise by them of their powers, duties and discretions under this Condition 6(j) (*Notifications, etc. to be Final*).

7. **Redemption and Purchase**

(a) Final Redemption

Save to the extent previously redeemed in full and cancelled, the Notes of each Class will be redeemed on the Maturity Date of such Notes. In the case of a redemption pursuant to this Condition 7(a) (*Final Redemption*), the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes will be redeemed at their Redemption Price in accordance with the Note Payment Sequence and the Subordinated Notes will be redeemed at the amount equal to their share of the amounts of Principal Proceeds to be applied towards such redemption pursuant to paragraph (R) of the Principal Proceeds Priority of Payments. Notes may not be redeemed other than in accordance with this Condition 7 (*Redemption and Purchase*).

(b) Optional Redemption

(i) Optional Redemption in Whole—Subordinated Noteholders

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*), Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) and Condition 7(b)(ix) (*Optional Redemption in whole of all*

Classes of Notes effected through Liquidation only), the Rated Notes may be redeemed in whole but not in part by the Issuer at the applicable Redemption Prices, from Sale Proceeds or any Refinancing Proceeds (or a combination thereof):

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

(B) upon the occurrence of a Collateral Tax Event, on any Business Day falling after such occurrence at the direction of the Subordinated Noteholders acting by Ordinary Resolution (with duly completed Redemption Notices).

(ii) Optional Redemption in Part—Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) and Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*), the Rated Notes of any Class may be redeemed by the Issuer at the applicable Redemption Prices, solely from Refinancing Proceeds (in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) below) on any Business Day falling on or after expiry of the Non-Call Period at the direction of the Subordinated Noteholders acting by Ordinary Resolution (with duly completed Redemption Notices).

No such Optional Redemption may occur unless any Class of Rated Notes to be redeemed represents the entire Class of such Rated Notes.

(iii) Optional Redemption in Whole—Investment Manager Clean-up Call

Subject to the provisions of Condition 7(b)(iv) (*Terms and Conditions of an Optional Redemption*) and Condition 7(b)(ix) (*Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only*), the Rated Notes may be redeemed in whole but not in part by the Issuer, at the applicable Redemption Prices, from Sale Proceeds on any Business Day falling on or after expiry of the Non-Call Period if, upon or at any time following the expiry of the Non-Call Period, the Aggregate Collateral Balance is less than 15 per cent. of the Target Par Amount and if directed in writing by the Investment Manager (on behalf of the Issuer).

(iv) Terms and Conditions of an Optional Redemption

In connection with any Optional Redemption:

(A) the Issuer shall procure that at least thirty calendar days' prior written notice of such Optional Redemption (which notice shall state that any Optional Redemption is subject to satisfaction of the conditions in this Condition 7(a) (*Optional Redemption*)), including the applicable Redemption Date, and the relevant Redemption Price therefor, is given to the Trustee and the Noteholders in accordance with Condition 16 (*Notices*);

(B) the Rated Notes to be redeemed shall be redeemed at their applicable Redemption Prices (subject, in the case of an Optional Redemption of the Rated Notes in whole, to the right of holders of 100 per cent. of the aggregate Principal Amount Outstanding of any Class of Rated Notes to elect to receive less than 100 per cent. of the Redemption Price that would otherwise be payable to the holders of such Class of Rated Notes). Such right shall be exercised by delivery by each holder of the relevant Class of Rated Notes of a written direction confirming such holder's election to receive less than 100 per cent. of the Redemption Price that would otherwise be payable to it, together with evidence of their holding to the Issuer and the Investment Manager no later than thirty days (or such shorter period of time as may be agreed between the Investment Manager, acting reasonably and

the Issuer (and no consent for such shorter period shall be required from the Trustee) prior to the relevant Redemption Date;

(C) the Investment Manager shall have no right or other ability to prevent an Optional Redemption directed by the Subordinated Noteholders in accordance with this Condition 7(b) (*Optional Redemption*);

(D) any such redemption must comply with the procedures set out in Condition 7(b)(x) (*Mechanics of Redemption*); and

(E) any redemption in part of the Notes pursuant to Condition 7(b)(ii) (*Optional Redemption in Part—Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*) may be effected solely from Refinancing Proceeds in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) below.

(v) Optional Redemption effected in whole or in part through Refinancing

Following receipt by the Issuer of a direction in writing from the requisite percentage of Subordinated Noteholders (with duly completed Redemption Notices) 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—Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*), the Issuer may:

(A) in the case of a redemption in whole of all Classes of Rated Notes in accordance with Condition 7(b)(i) (*Optional Redemption in Whole—Subordinated Noteholders*):

(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 of an entire Class or Classes of Rated Notes (but not of all Classes of Rated Notes) in accordance with Condition 7(b)(ii) (*Optional Redemption in Part—Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*) issue replacement notes,

(each, a "**Refinancing Obligation**"), whose terms in each case will be negotiated by the Investment Manager on behalf of the Issuer (any such refinancing, a "**Refinancing**"). The terms of any Refinancing are subject to the prior written consent of the Investment Manager (on behalf of the Issuer) and the Subordinated Noteholders (acting by Ordinary Resolution) and each Refinancing is required to satisfy the conditions described in this Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*).

Refinancing Proceeds may be applied in addition to (or in place of) Sale Proceeds in the redemption of the Rated Notes in whole pursuant to Condition 7(b)(i) (*Optional Redemption in Whole—Subordinated Noteholders*). In addition, Refinancing Proceeds must be applied in the redemption of the Rated Notes in part by Class pursuant to Condition 7(b)(ii) (*Optional Redemption in Part—Refinancing of a Class or Classes of Notes in whole by Subordinated Noteholders*).

(vi) Refinancing in relation to a Redemption in Whole

In the case of a Refinancing in relation to the redemption of all of the Rated Notes in whole but not in part pursuant to Condition 7(b)(i) (*Optional Redemption in Whole—Subordinated Noteholders*) as described above, such Refinancing will be effective only if:

(1) the Issuer provides prior written notice thereof to the Rating Agencies and each Hedge Counterparty;

(2) all Refinancing Proceeds, all Sale Proceeds, if any, from the sale of Collateral Debt Obligations and Eligible Investments and all other available funds will be at least sufficient to pay any Refinancing Costs and all amounts due and payable in respect of all Classes of Notes save for the Subordinated Notes (including without limitation Deferred Interest on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes) and all amounts payable in priority thereto pursuant to the Priorities of Payment (subject to any election of the holders of 100 per cent. of the aggregate Principal Amount Outstanding of any Class of Rated Notes to elect to receive less than 100 per cent. of Redemption Price of such Class of Rated Notes) on such Redemption Date when applied in accordance with the Post-Acceleration Priority of Payments;

(3) all Principal Proceeds, Refinancing Proceeds, Sale Proceeds, if any, and other available funds are used (to the extent necessary) to make such redemption;

(4) each agreement entered into by the Issuer in respect of such Refinancing contains limited recourse and non-petition provisions substantially the same as those contained in the Trust Deed; and

(5) all Refinancing Proceeds and all Sale Proceeds, if any, from the sale of Collateral Debt Obligations and Eligible Investments, are received by (or on behalf of) the Issuer prior to the applicable Redemption Date,

in each case, as certified to the Issuer and the Trustee by the Investment Manager (upon which certification the Trustee shall rely absolutely without any liability and without further enquiry).

(vii) Refinancing in relation to a Redemption in Part

In the case of a Refinancing in relation to a redemption of the Rated Notes in part by Class pursuant to Condition 7(b)(ii) (*Optional Redemption in Part—Refinancing of a Class or Classes of Rated Notes in whole by Subordinated Noteholders*), such Refinancing will be effective only if:

(1) the Issuer provides prior written notice thereof to the Rating Agencies 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 Refinancing Proceeds are used (to the extent necessary) to make such redemption;

(5) each agreement entered into by the Issuer in respect of such Refinancing contains limited recourse and non-petition provisions substantially the same as those contained in the Trust Deed;

(6) the aggregate principal amount of the Refinancing Obligations in respect of each Class of Notes being redeemed is equal to the aggregate Principal Amount Outstanding of the relevant Class or Classes of Notes being redeemed with the Refinancing Proceeds;

(7) 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;

(8) the interest rate of any Refinancing Obligations will be equal to or less than the interest rate of the relevant Class of Rated Notes subject to such Optional Redemption;

(9) 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;

(10) the voting rights, consent rights, redemption rights and all other rights of the Refinancing Obligations are the same as the rights of the corresponding Class of Rated Notes being redeemed; and

(11) all Refinancing Proceeds are received by (or on behalf of) the Issuer on or prior to the applicable Redemption Date,

in each case, as certified to the Issuer and the Trustee by the Investment Manager (upon which certification the Trustee shall rely absolutely without any liability and without further enquiry).

If, in relation to a proposed optional redemption of the Notes (whether in whole or in part, as applicable), any of the relevant conditions specified in this Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*) are not satisfied, the Issuer shall cancel the relevant redemption of the Notes and shall give notice of such cancellation to the Trustee, the Investment Manager and the Noteholders in accordance with Condition 16 (*Notices*).

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.

(viii) Consequential Amendments

Following a Refinancing, the Trustee shall agree to the modification of the Trust Deed (including these Conditions) 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 be entitled to rely absolutely and without further enquiry or any liability) to the Trustee is necessary to reflect the terms of the Refinancing. No further consent for such amendments shall be required from the holders of Notes.

Notwithstanding the paragraph above, the Trustee will not be obliged to enter into any modification that, in its sole opinion, would have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the protections, rights, powers, authorisations or indemnities of the Trustee in respect of the Transaction Documents, and the Trustee will be entitled to conclusively rely upon an officer's certificate and/or opinion of counsel as to matters of law (which may be supported as to factual (including financial and capital markets) matters by any relevant certificates and other documents necessary or advisable in the judgement of counsel delivering such opinion of counsel) provided by the Issuer or any other party to any Transaction Document to the effect that such amendment meets the requirements specified above and is permitted under the Trust Deed (including these Conditions) without the consent of the holders of the Notes (except that such officer or counsel will have no obligation to certify or opine as to the sufficiency of the Refinancing Proceeds).

(ix) Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only

Following receipt of notice from the Issuer or, as the case may be, of confirmation from the Transfer Agent or the Registrar of:

(1) a direction in writing from the requisite percentage of Subordinated Noteholders (in the case of Condition 7(b)(i) (*Optional Redemption in Whole—Subordinated Noteholders*) or Condition 7(g) (*Redemption following Note Tax Event*)) (in each case, with duly completed Redemption Notices);

(2) a direction in writing from the requisite percentage of the Controlling Class (with duly completed Redemption Notices) (in the case of Condition 7(g) (*Redemption following Note Tax Event*)); or

(3) a direction in writing from the Investment Manager (in the case of a Condition 7(b)(iii) (*Optional Redemption in Whole—Investment Manager Clean-up Call*)),

as the case may be, to exercise any right of optional redemption pursuant to this Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*) to be effected solely through the liquidation or realisation of the Collateral and, in each case, subject to the establishment of a reasonable reserve as determined by the Trustee following consultation with the Investment Manager, the Issuer and the Collateral Administrator for all administrative and other fees and expenses payable in such circumstances under the Priorities of Payment prior to the payment of principal on the Notes of each Class (provided that the Trustee shall have no liability to any person in connection with the establishment of any reserve made by it pursuant to this Condition 7(b)(ix) (*Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only*)), the Collateral Administrator shall, as soon as practicable, and in any event not later than seventeen Business Days prior to the scheduled Redemption Date (the "**Redemption Determination Date**"), provided that the Collateral Administrator has received such notice or confirmation at least twenty Business Days prior to the scheduled Redemption Date, calculate the Redemption Threshold Amount in consultation with the Investment Manager.

The Notes shall not be optionally redeemed on the Redemption Date 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 period as agreed between the Investment Manager and the Issuer and no consent for such shorter period shall be required from the Trustee) the Investment Manager shall have furnished to the Trustee a certificate to the Trustee (upon which certification the Trustee shall rely absolutely without any liability and without further enquiry) 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:

(1) either:

(a) has a long-term issuer credit rating of at least "A" by Fitch and, if it has a long-term issuer credit rating of at least "A" by Fitch, a short-term issuer credit rating of at least "F1" by Fitch or, if it does not have an Fitch long-term issuer credit rating, a short-term issuer credit rating of at least "F1" by Fitch; or

(b) in respect of which a Rating Agency Confirmation from Fitch has been obtained; and

(2) either:

(a) has a long-term issuer credit rating of at least "A1" by Moody's;

(b) has a long-term issuer credit rating of at least "A2" and a short-term issuer credit rating of at least "P-1", in each case by Moody's; or

(c) in respect of which Rating Agency Confirmation from Moody's has been obtained,

to purchase (directly or by participation or other arrangement) from the Issuer, not later than the Business Day immediately preceding the scheduled Redemption Date in immediately available funds, all or part of the Portfolio at a purchase price at least sufficient, together with the Eligible Investments maturing, redeemable or put-able to the issuer thereof at par on or prior to the scheduled Redemption Date, to meet the Redemption Threshold Amount.

(B) (1) Prior to selling any Collateral Debt Obligations and/or Eligible Investments, the Investment Manager certifies to the Trustee that, in its judgment, the aggregate sum of:

(a) expected proceeds from the sale of Eligible Investments; and

(b) for each Collateral Debt Obligation, the product of its Principal Balance and its Market Value, shall be at least sufficient to meet the Redemption Threshold Amount; and

(2) at least five Business Days before the scheduled Redemption Date, the Issuer shall have received proceeds of disposition of all or part of the Portfolio at least sufficient to meet the Redemption Threshold Amount.

(C) At least three Business Days prior to the scheduled Redemption Date, the Collateral Administrator shall give notice to the Trustee in writing of the amount of all expenses of which it has been notified that have been or will be incurred by the Issuer up to and including the scheduled Redemption Date in effecting such liquidation.

(D) Any certification delivered by the Investment Manager pursuant to this section must include:

(1) the prices of, and expected proceeds from, the sale (directly or by participation or other arrangement) of any Collateral Debt Obligations and/or Eligible Investments; and

(2) 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 of the Investment Manager's Affiliates shall have the right, subject to the same terms and conditions afforded to other bidders, to bid for Collateral Debt Obligations to be sold as part of an Optional Redemption pursuant to this Condition 7(b)(ix) (*Optional Redemption in whole of all Classes of Rated Notes Effected through Liquidation only*).

The Trustee shall rely conclusively and without any liability on any confirmation or certificate of the Investment Manager furnished by it pursuant to or in connection with this Condition 7(b)(ix) (*Optional Redemption in whole of all Classes of Rated Notes effected through Liquidation only*).

If either of the conditions (A) or (B) 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 Collateral Administrator and the Noteholders in accordance with Condition 16 (*Notices*). Such cancellation shall not constitute an Event of Default.

(x) Mechanics of Redemption

Following calculation by the Collateral Administrator (with the assistance of the Investment Manager) of the relevant Redemption Threshold Amount, if applicable, the Collateral Administrator (with the assistance of the Investment Manager) 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 Registrar, whereupon the Registrar shall notify the Noteholders (in accordance with Condition 16 (*Notices*)) of such amounts.

Any exercise of a right of Optional Redemption by the Subordinated Noteholders pursuant to this Condition 7(b) (*Optional Redemption*) or the Controlling Class pursuant to Condition 7(g) (*Redemption following Note Tax Event*) shall be effected by delivery to a Transfer Agent, by the requisite amount of Subordinated Noteholders or the requisite amount of Notes comprising the Controlling Class (as applicable) held thereby together with duly completed Redemption Notices not less than thirty calendar days (or such shorter period as agreed between the Investment Manager and the Issuer and no consent for such shorter period shall be required from the Trustee), prior to the proposed Redemption Date prior to the applicable Redemption Date. No Ordinary Resolution, Extraordinary Resolution, Redemption Notice, Subordinated Note or Notes comprising the Controlling Class so delivered or any direction given by the Investment Manager may be withdrawn without the prior consent of the Issuer. The Registrar shall copy each Redemption Notice or any direction given by the Investment Manager received to each of the Issuer, the Trustee, the Collateral Administrator, any Hedge Counterparty and, if applicable, the Investment Manager. Notwithstanding anything else in this Condition 7 (*Redemption and Purchase*), where a right of Optional Redemption is to be exercised by way of an Ordinary Resolution or an Extraordinary Resolution of a meeting of the Subordinated Noteholders or the Controlling Class (as applicable), no Redemption Notices shall be required to be issued in connection therewith.

The Investment Manager shall notify the Issuer, the Trustee, the Collateral Administrator, each Hedge Counterparty and the Principal Paying Agent in writing upon satisfaction of all of the conditions set out in this Condition 7(b) (*Optional Redemption*) and shall arrange for liquidation and/or realisation of the Portfolio in whole or in part as necessary, on behalf of the Issuer in accordance with the 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*) in the Payment Account on or before the Business Day prior to the applicable Redemption Date. Principal Proceeds and Interest Proceeds received in connection with a redemption in whole of all the Rated Notes shall be payable in accordance with the Post-Acceleration Priority of Payments. Any redemption in whole of a Class of Rated Notes (other than a redemption in whole of all Classes of Rated Notes) shall be paid to the holders of such Class of Notes in accordance with the Priorities of Payment.

(xi) Optional Redemption of Subordinated Notes

The Subordinated Notes may be redeemed in whole or in part in aggregate at their Redemption Price on any day or days on or after the redemption or repayment in full of the Rated Notes, at the direction of:

(A) the Subordinated Noteholders (acting by Ordinary Resolution and with duly completed Redemption Notices); or

(B) the Investment Manager.

(c) Mandatory Redemption upon Breach of Coverage Tests

(i) Class A Notes and Class B Notes

If the Class A/B Par Value Test is not met on any Determination Date on and after the Effective Date or if the Class A/B Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date or any Determination Date thereafter, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes and the Class B Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payment (including payment of all prior ranking amounts) until each such Class A/B Coverage Test is satisfied if recalculated following such redemption.

(ii) Class C Notes

If the Class C Par Value Test is not met on any Determination Date on or after the Effective Date or if the Class C Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date and any Determination Date thereafter, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes, the Class B Notes and the Class C Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payment (including payment of all prior ranking amounts) until each such Class C Coverage Test is satisfied if recalculated following such redemption.

(iii) Class D Notes

If the Class D Par Value Test is not met on any Determination Date on or after the Effective Date or if the Class D Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date and any Determination Date thereafter, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes in accordance with the Note Payment Sequence, on the related Payment Date in accordance with and subject to the Priorities of Payment (including payment of all prior ranking amounts) until each such Class D Coverage Test is satisfied if recalculated following such redemption.

(iv) Class E Notes

If the Class E Par Value Test is not met on any Determination Date on or after the Effective Date or if the Class E Interest Coverage Test is not met on the Determination Date immediately preceding the second Payment Date and any Determination Date thereafter, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes, the Class B Notes, the Class C Notes, 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 Class E 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 or after the Effective Date, Interest Proceeds and thereafter Principal Proceeds will be applied in redemption of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, 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 Proceeds Priority of Payments at the sole and absolute discretion of the Investment Manager (acting on behalf of the Issuer) if, at any time during the Reinvestment Period, the Investment Manager (acting on behalf of the Issuer) certifies to (upon which certification the Trustee may rely absolutely without further enquiry or any liability) the Trustee that using reasonable endeavours it has been unable, for a period of twenty consecutive Business Days, to identify additional Collateral Debt Obligations or Substitute Collateral Debt Obligations that are deemed appropriate by the Investment Manager (acting on behalf of the Issuer) in its discretion which meet the Eligibility Criteria or, to the extent applicable, the Reinvestment Criteria, in sufficient amounts to permit the investment or reinvestment of all or a portion of the funds then in the Principal Account that are to be invested in additional Collateral Debt Obligations or Substitute Collateral Debt Obligations (a "**Special Redemption**"). On the first Payment Date following the Due Period in which such certification is given (a "**Special Redemption Date**"), the funds in the Principal Account representing Principal Proceeds which, using reasonable endeavours, cannot be reinvested in additional Collateral Debt Obligations or Substitute Collateral Debt Obligations (the "**Special Redemption Amount**") will be applied in accordance with paragraph (P) of the Principal Proceeds Priority of Payments. Notice of payments pursuant to this Condition 7(d) (*Special Redemption*) shall be given by the Issuer in accordance with Condition 16 (*Notices*) not less than three Business Days prior to the applicable Special Redemption Date to each Noteholder and to each Rating Agency. For the avoidance of doubt, the exercise of a Special Redemption shall be at the sole and absolute discretion of the 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

If as at the Business Day prior to the Payment Date following the Effective Date, an Effective Date Rating Event has occurred and is continuing, the Rated Notes shall be redeemed in accordance with the Note Payment Sequence on such Payment Date and thereafter on each Payment Date (to the extent required) out of Interest Proceeds and thereafter out of Principal Proceeds subject to the Priorities of Payment, in each case, until redeemed in full or, if earlier, until an Effective Date Rating Event is no longer continuing.

(f) Redemption Following Expiry of the Reinvestment Period

Following expiry of the Reinvestment Period, the Issuer shall, on each Payment Date occurring thereafter, apply Principal Proceeds transferred to the Payment Account immediately prior to the related Payment Date in redemption of the Notes at their applicable Redemption Prices in accordance with the Priorities of Payment.

(g) Redemption following Note Tax Event

If a Note Tax Event occurs, the Issuer shall, subject to and in accordance with the terms of the Trust Deed, use all reasonable efforts to cure that Note Tax Event to the extent it would not impose other material burdens upon it (which may include changing the territory in which it is resident for tax purposes to another jurisdiction). Upon the earlier of:

(i) the date upon which the Issuer certifies (upon which certification the Trustee may rely absolutely without further enquiry or any liability) to the Trustee and the Noteholders that it is not able to cure such Note Tax Event; and

(ii) the date which is ninety calendar days from the date upon which the Issuer first becomes aware of such Note Tax Event (provided that such ninety calendar day period shall be extended by a further ninety calendar days if during the former period the Issuer has notified (or procured the notification of) the Trustee and the Noteholders that, based on advice received by it, it expects that it shall have cured such Note Tax Event by the end of the latter ninety calendar day period),

the Controlling Class or the Subordinated Noteholders, in each case acting by way of Extraordinary Resolution (and, in each case, with duly completed Redemption Notices), may elect that the Notes of each Class are redeemed, in whole but not in part, on any Payment Date thereafter, at their respective Redemption Prices in accordance with the Note Payment Sequence, in which case the Issuer shall so redeem the Notes on such terms, provided that such Note Tax Event would affect payment of principal or interest in respect of the Controlling Class or, as the case may be, the Subordinated Notes (in addition to any other Class of Notes) on such Payment Date; provided further that such redemption of the Notes, whether pursuant to the exercise of such option by the Controlling Class or the Subordinated Noteholders, shall take place in accordance with the procedures set out in Condition 7(b) (*Optional Redemption*).

(h) Redemption

Unless otherwise specified in this Condition 7 (*Redemption and Purchase*), all Notes in respect of which any notice of redemption is given shall be redeemed on the Redemption Date at their applicable Redemption Prices and to the extent specified in such notice and in accordance with the requirements of this Condition 7 (*Redemption and Purchase*).

(i) Cancellation and Purchase

All Notes redeemed in full by the Issuer will be cancelled and may not be reissued or resold.

No Note may be surrendered (including in connection with any abandonment, donation, gift, contribution or other event or circumstance) except for payment as provided herein for cancellation pursuant to Condition 7(k) (*Purchase*) below, for registration of transfer, exchange or redemption, or for replacement in connection with any Note mutilated, defaced or deemed lost or stolen.

(j) Notice of Redemption

The Issuer shall procure that notice of any redemption in accordance with this Condition 7 (*Redemption and Purchase*) (which notice shall be irrevocable) is given to the Trustee, the Principal Paying Agent, the Registrar and the Noteholders in accordance with Condition 16 (*Notices*) and promptly in writing to the Rating Agencies.

(k) Purchase

On any Payment Date, at the discretion of the Investment Manager acting on behalf of the Issuer and 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 Principal Proceeds standing to the credit of the Principal Account, amounts standing to the credit of the Collateral Enhancement Account or Investment Management Fees designated by the Investment Manager to be applied for such purposes pursuant to the Priorities of Payment.

No purchase of Rated Notes by the Issuer may occur unless each of the following conditions is satisfied:

(A) such purchase of Rated Notes shall occur in the following sequential order of priority: first, the Class A Notes, until the Class A Notes are redeemed or

purchased in full and cancelled; second, the Class B Notes, until the Class B Notes are redeemed or purchased in full and cancelled; third, the Class C Notes, until the Class C Notes are redeemed or purchased in full and cancelled; fourth, the Class D Notes, until the Class D Notes are redeemed or purchased in full and cancelled; and fifth, the Class E Notes, until the Class E Notes are redeemed or purchased in full and cancelled; sixth, the Class F Notes, until the Class F Notes are redeemed or purchased in full or cancelled;

(B) (1) each such purchase of Rated Notes of any Class shall be made pursuant to an offer made to all holders of the Rated Notes of such Class, by notice to such holders, which notice shall specify the purchase price (as a percentage of par) at which such purchase will be effected, the maximum amount of Principal Proceeds and Collateral Enhancement Amounts that will be used to effect such purchase and the length of the period during which such offer will be open for acceptance;

(2) each such holder of a Rated Note shall have the right, but not the obligation, to accept such offer in accordance with its terms; and

(3) if the aggregate Principal Amount Outstanding of Notes of the relevant Class held by holders who accept such offer exceeds the amount of Principal Proceeds specified in such offer, a portion of the Notes of each accepting holder shall be purchased *pro-rata* based on the respective Principal Amount Outstanding held by each such holder subject to adjustment for Authorised Denominations if required;

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

(D) each such purchase of Rated Notes shall occur prior to the expiry of the Reinvestment Period;

(E) each Coverage Test is satisfied immediately prior to each such purchase and will be satisfied after giving effect to such purchase or, if any Coverage Test is not satisfied it shall be at least maintained or improved after giving effect to such purchase when compared to such Coverage Test immediately prior thereto;

(F) if Sale Proceeds are used to consummate any such purchase, either:

(1) each requirement or test, as the case may be, of the Portfolio Profile Tests and the Collateral Quality Test will be satisfied after giving effect to such purchase; or

(2) if any requirement or test, as the case may be, of the Portfolio Profile Tests and the Collateral Quality Test was not satisfied immediately prior to such purchase, such requirement or test will be maintained or improved after giving effect to such purchase;

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

(H) any Rated Notes to be purchased shall be surrendered to the Registrar for cancellation and may not be reissued or resold; and

(I) each such purchase will otherwise be conducted in accordance with applicable law (including the laws of Ireland).

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.

8. **Payments**

(a) Method of Payment

Payments of principal upon final redemption in respect of each Note will be made against presentation and surrender (or, in the case of part payment only, endorsement) of such Note at the specified office of the Principal Paying Agent by wire transfer. Payments of interest on each Note and, prior to redemption in full thereof, principal in respect of each Note, will be made by wire transfer. Upon application of the holder to the specified office of the Principal Paying Agent not less than five Business Days before the due date for any payment in respect of a Note, the payment may be made (in the case of any final payment of principal against presentation and surrender (or, in the case of part payment only of such final payment, endorsement) of such Note as provided above) by wire transfer, in immediately available funds, on the due date to a Euro account maintained by the payee with a bank in Western Europe.

(b) Payments

All payments are subject in all cases to any applicable fiscal or other laws, regulations and directives (including FATCA), but without prejudice to the provisions of Condition 9 (*Taxation*). No commission shall be charged to the Noteholders.

(c) Payments on Presentation Days

A holder shall be entitled to present a Note for payment only on a Presentation Date and shall not, except as provided in Condition 6 (*Interest*), be entitled to any further interest or other payment if a Presentation Date falls after the due date.

If a Note is presented for payment at a time when, as a result of differences in time zones it is not practicable to transfer the relevant amount to an account as referred to above for value on the relevant Presentation Date, the Issuer shall not be obliged so to do but shall be obliged to transfer the relevant amount to the account for value on the first practicable date after the Presentation Date.

(d) Principal Paying Agent and Transfer Agents

The Issuer reserves the right at any time in accordance with the terms of the Agency Agreement to vary or terminate the appointment of the Principal Paying Agent and any Transfer Agent and appoint additional or other Agents, provided that it will maintain:

(i) a Principal Paying Agent; and

(ii) a Paying Agent in an EU member state that will not be obliged to withhold or deduct tax pursuant to the EU Savings Directive or any other Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive,

in each case, 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 any other jurisdiction, or any political sub-division or any authority therein or thereof having power to tax, unless such withholding or deduction is required by law. For the avoidance of doubt, the Issuer shall not be required to gross up any payments made to Noteholders of any Class and shall withhold or deduct from any such payments any amounts on account of such tax where so required by law (including FATCA) or any such relevant tax authority. Any withholding or deduction shall not constitute an Event of Default under Condition 10(a) (*Events of Default*).

Subject as provided below, if the Issuer certifies to (upon which certification the Trustee may rely absolutely without further enquiry or any liability) 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 where, as a consequence of a Note Tax Event, the Notes are to redeem, and save as provided below) shall use all reasonable endeavours to arrange for the substitution of a company incorporated in another jurisdiction approved in writing by the Trustee as the principal obligor under the Notes of such Class, or to change its tax residence to another jurisdiction approved by the Trustee, subject to receipt of Rating Agency Confirmation in relation to such change and in accordance with the Trust Deed.

Notwithstanding the above, if any taxes referred to in this Condition 9 (*Taxation*) arise:

(a) due to any present or former connection of any Noteholder (or between a fiduciary, settlor, beneficiary, member or shareholder of such Noteholder if such Noteholder is an estate, a trust, a partnership, or a corporation) with Ireland (including without limitation, such Noteholder (or such fiduciary, settlor, beneficiary, member or shareholder) being or having been a citizen or resident thereof or being or having been engaged in a trade or business or present therein or having had a permanent establishment therein) otherwise than by reason only of the holding of any Note or receiving principal or interest in respect thereof;

(b) by reason of the failure by the relevant Noteholder to comply with any applicable procedures required to establish non residence or other similar claim for exemption from such tax or to provide information concerning nationality, residency or connection with Ireland or other applicable tax authority;

(c) in respect of a payment made or secured for the immediate benefit of an individual or a non-corporate entity which is required to be made pursuant to the EU Savings Directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any law implementing or complying with, or introduced in order to conform to, such Directive or any arrangement entered into between the EU member states and certain third countries and territories in connection with such Directive;

(d) as a result of presentation for payment by, or on behalf of, a Noteholder who would have been able to avoid such withholding or deduction by presenting the relevant Note to another Paying Agent in a member state of the European Union;

(e) under FATCA or as a result of the Noteholder's failure to provide the Issuer with appropriate tax forms and other documentation reasonably requested by the Issuer; or

(f) any combination of the preceding paragraphs (a) to (e) (inclusive) above,

the requirement to substitute the Issuer as a principal obligor and/or to change its residence for taxation purposes shall not apply.

10. **Events of Default**

(a) Events of Default

Any of the following events shall constitute an "**Event of Default**":

(i) Non-payment of interest

the Issuer fails to pay any interest in respect of any Class A Notes or the Class B Notes, when the same becomes due and payable (save, in each case, as the result of any deduction therefrom or the imposition of withholding thereon in the circumstances described in Condition 9 (*Taxation*)) and failure to pay such interest in such circumstances continues for a period of at least five consecutive Business Days provided that, in the case of a failure to disburse due to an administrative error or omission, such failure continues for a period of at least seven consecutive Business Days;

(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 or withholding thereon in the circumstances described in Condition 9 (*Taxation*)) on any Rated Note on the Maturity Date or on any Redemption Date provided that, in the case of a failure to disburse due to an administrative error or omission, such failure continues for a period of at least seven Business Days after the Investment Manager, the Collateral Administrator or such Paying Agent, as applicable, receives written notice of, or has actual knowledge of, such administrative error or omission and provided further that, failure to effect any Optional Redemption or redemption following a Note Tax Event for which notice is withdrawn in accordance with the Conditions of the Notes or, in the case of an Optional Redemption with respect to which a Refinancing fails will not constitute an Event of Default;

(iii) Default under Priorities of Payment

the failure on any Payment Date to disburse amounts (other than (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 ten Business Days or, in the case of a failure to disburse due to an administrative error or omission by the Collateral Administrator or any Paying Agent, such failure continues for ten Business Days after the Collateral Administrator or such Paying Agent, as applicable, receives written notice of, or has actual knowledge of, such administrative error or omission;

(iv) Collateral Debt Obligations

on any Measurement Date on and after the Effective Date, failure of the percentage equivalent of a fraction:

(A) the numerator of which is equal to

(1) the Aggregate Collateral Balance (excluding any Defaulted Obligations); plus

(2) the aggregate of the lesser of the Moody's Collateral Value and the Fitch Collateral Value in respect of all Defaulted Obligations on such date; and

(B) the denominator of which is equal to the Principal Amount Outstanding of the Class A Notes

to equal or exceed 102.5 per cent;

(v) Breach of Other Obligations

except as otherwise provided in this definition of "Event of Default" a default in a material respect in the performance by, or breach of any material covenant of, the Issuer under the Trust Deed or these Conditions (provided that any failure to meet any Portfolio Profile Test, the Reinvestment Diversion Test, Collateral Quality Test

or Coverage Test is not an Event of Default and any failure to satisfy the Effective Date Determination Requirements is not an Event of Default, except in each case to the extent provided in paragraph (iv) (*Collateral Debt Obligations*) above) or the failure of any material representation or warranty of the Issuer made in the Trust Deed or these Conditions or in any certificate or other writing delivered pursuant thereto or in connection therewith to be correct in each case in all respects when the same shall have been made, and the continuation of such default, breach or failure for a period of forty-five calendar days after notice to the Issuer and the Investment Manager by hand, by registered or certified mail or courier, from the Trustee, the Issuer, or the Investment Manager, or to the Issuer, the Investment Manager and the Trustee from the Controlling Class acting pursuant to an Ordinary Resolution, specifying such default, breach or failure and requiring it to be remedied and stating that such notice is a "Notice of Default" under the Trust Deed; provided that if the Issuer (as notified to the Trustee by the Investment Manager in writing) has commenced curing such default, breach or failure during the forty-five calendar day period specified above, such default, breach or failure shall not constitute an Event of Default under this paragraph (v) (*Breach of Other Obligations*) unless it continues for a period of sixty calendar days (rather than, and not in addition to, such forty-five calendar day period specified above) after notice thereof in accordance herewith. For the purposes of this paragraph (v) (*Breach of Other Obligations*), the materiality of such default, breach, covenant, representation or warranty shall be determined by the Trustee;

(vi) Insolvency Proceedings

proceedings are initiated against the Issuer under any applicable liquidation, insolvency, bankruptcy, composition, reorganisation or other similar laws (together, "**Insolvency Law**"), or a receiver, administrative receiver, trustee, administrator, custodian, conservator, liquidator, curator, examiner or other similar official is appointed in connection with proceedings initiated under any Insolvency Law, in each case, against the Issuer or in relation to the whole or any substantial part (in the opinion of the Trustee) 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 thirty calendar 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, administrative receiver, trustee, administrator, custodian, conservator, liquidator, curator, examiner or other similar official, or makes a conveyance or assignment for the benefit of its creditors generally or otherwise becomes subject to any reorganisation or amalgamation (other than on terms previously approved in writing by the Trustee or by an Extraordinary Resolution of the Controlling Class);

(vii) Illegality

it is or will become unlawful for the Issuer to perform or comply with any one or more of its obligations under the Notes; or

(viii) Investment Company Act

the Issuer or any of the Collateral becomes required to register as an "Investment Company" under the Investment Company Act and such requirement continues for 45 calendar days.

(b) Acceleration

(i) If an Event of Default occurs and is continuing, the Trustee may, at its discretion, and shall, at the request of the Controlling Class acting by way of Ordinary Resolution, (subject, in each case, to being indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith) give notice to the Issuer, the Investment Manager and

each Hedge Counterparty that all the Notes are immediately due and repayable (such notice, an "**Acceleration Notice**").

(ii) Upon any such notice (deemed or otherwise) being given to the Issuer of the maturity of the Notes in accordance with Condition 10(b)(i) (*Acceleration*), all of the Notes shall immediately become due and repayable at their applicable Redemption Prices provided that upon the occurrence of an Event of Default described in paragraph (vi) (*Insolvency Proceedings*) or (vii) (*Illegality*) of the definition thereof, an Acceleration Notice shall be deemed to have been given and all the Notes shall automatically become immediately due and repayable at their applicable Redemption Prices.

(c) Curing of Default

At any time after an Acceleration Notice (whether deemed or otherwise) has been given pursuant to Condition 10(b)(i) (*Acceleration*) following the occurrence of an Event of Default and prior to enforcement of the security pursuant to Condition 11 (*Enforcement*), the Trustee, subject to receipt of consent in writing from the Controlling Class, may and shall, if so requested by the Controlling Class, in each case, acting by Extraordinary Resolution, (and subject, in each case, to the Trustee being indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith) rescind and annul such an Acceleration Notice under Condition 10(b)(i) (*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 and Trustee Fees and Expenses (in each case, without regard to the Senior Expenses Cap);

(D) all unpaid Investment Management Fees; and

(E) all amounts due and payable by the Issuer under any Hedge Transaction; and

(ii) the Trustee has determined that all Events of Default, other than the non-payment of the interest in respect of, or principal of, the Notes that have become due solely as a result of the acceleration thereof under Condition 10(b) (*Acceleration*) above due to such Events of Default, have been cured or waived.

All amounts received in respect of this Condition 10(c) (*Curing of Default*) shall be distributed two Business Days following receipt by the Issuer of such amounts, in accordance with the Post-Acceleration Priority of Payments.

Any previous rescission and annulment of an Acceleration Notice pursuant to this Condition 10(c) (*Curing of Default*) shall not prevent the subsequent acceleration of the Notes if the Trustee, at its discretion or, as subsequently requested, accelerates the Notes in accordance with Condition 10(b)(i) (*Acceleration*) above.

(d) Restriction on Acceleration of Notes

No acceleration of the Notes shall be permitted pursuant to this Condition 10 (*Events of Default*) by any Class of Noteholders, other than the Controlling Class as provided in Condition 10(b) (*Acceleration*).

(e) Notification and Confirmation of No Default

The Issuer shall immediately notify the Trustee, the 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 and upon request that no Event of Default has occurred and that no condition, event or act has occurred which, with the lapse of time and/or the issue, making or giving of any notice, certification, declaration and/or request and/or the taking of any similar action and/or the fulfilment of any similar condition would constitute an Event of Default and that no other matter which is required (pursuant thereto) to be brought to the Trustee's attention has occurred.

11. **Enforcement**

(a) Security Becoming Enforceable

Subject as provided in Condition 11(b) (*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 Extraordinary Resolution (subject, in each case, as provided in Condition 11(b)(ii) (*Enforcement*)), institute such proceedings or take any other action against the Issuer as it may think fit to enforce the terms of the Trust Deed and the Notes and pursuant and subject to the terms of the Trust Deed and the Notes, realise and/or otherwise liquidate or sell the Collateral in whole or in part and/or take such other action as may be permitted under applicable laws against any Obligor in respect of the Collateral and/or take any other action to enforce or realise the security over the Collateral in accordance with the Trust Deed (such actions together, "**Enforcement Actions**"), in each case without any liability as to the consequence of such action and without having regard (save to the extent provided in Condition 14(e) (*Entitlement of the Trustee and Conflicts of Interest*)) to the effect of such action on individual Noteholders of any Class or any other Secured Party, provided however that:

(i) no such Enforcement Action may be taken by the Trustee unless:

(A) the Investment Manager determines that the anticipated proceeds realised from such Enforcement Action (after deducting any expenses properly incurred in connection therewith) would be sufficient to discharge in full all amounts due and payable in respect of all Classes of Notes (including, without limitation, Deferred Interest on the Class C Notes, the Class D Notes, 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**"); or

(B) if the Enforcement Threshold will not have been met then:

(1) in the case of an Event of Default specified in paragraph (i) or (ii) of Condition 10(a) (*Events of Default*), the Controlling Class acting by way of Extraordinary Resolution (and no other Class of Notes) may direct the Trustee to take Enforcement Action without regard to any other Event of Default which has occurred prior to, contemporaneously or subsequent to such Event of Default; or

(2) in the case of any other Event of Default, the Holders of each Class of Rated Notes voting separately by Class by way of Extraordinary Resolution may direct the Trustee to take Enforcement Action;

(ii) the Trustee shall not be bound to institute any Enforcement Action or take any other action unless it is directed to do so by the Controlling Class (acting by Extraordinary Resolution) or, in the case of Condition 11(b)(i)(B)(2) (*Enforcement*), each Class of Rated Notes as applicable, acting by Extraordinary Resolution and, in each case, the Trustee is indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith. Following redemption and payment in full of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes the Trustee shall (provided it is indemnified and/or secured and/or prefunded to its satisfaction against all liabilities, proceedings, claims and demands to which it may thereby become liable and all costs, charges and expenses which may be incurred by it in connection therewith) act upon the directions of the Subordinated Noteholders acting by Extraordinary Resolution;

(iii) 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); and

(iv) the Investment Manager shall notify the Noteholders (in accordance with Condition 16 (*Notices*)), the Issuer, the Agents, the Trustee, any Hedge Counterparty, and, so long as any of the Notes rated by one or more Rating Agency remain Outstanding, each such Rating Agency if it makes an Enforcement Threshold Determination at any time and (b) the Trustee shall notify the Noteholders (in accordance with Condition 16 (*Notices*)), the Issuer, the Investment Manager, the Agents, any Hedge Counterparty, and, so long as any of the Notes rated by one or more Rating Agency remain Outstanding, each such Rating Agency if it takes any Enforcement Action at any time. Following the effectiveness of an Acceleration Notice (whether deemed or otherwise) which has not been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*) or pursuant to an Optional Redemption in whole in accordance with Condition 7(b) (*Optional Redemption*) or 7(g) (*Redemption following Note Tax Event*), Interest Proceeds, Principal Proceeds and the net proceeds of enforcement of the security over the Collateral (other than (i) any Counterparty Downgrade Collateral (in accordance with Condition 3(j)(v) (*Counterparty Downgrade Collateral Account*)) and (ii) any Swap Tax Credits, which in each case are required to be paid or returned to a Hedge Counterparty outside the Priorities of Payment in accordance with the relevant Hedge Agreement) shall be credited to the Payment Account and shall be distributed in accordance with the following order of priority but in each case only to the extent that all payments of a higher priority have been made in full (the "**Post-Acceleration Priority of Payments**"):

(A) to the payment of taxes owing by the Issuer accrued in respect of the related Due Period (other than Irish corporate income tax in relation to the 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 amounts payable to any person in accordance with the following paragraphs which arise as a result of the payment of that amount to the relevant person); and to the payment of the Issuer Profit Amount to be retained by the Issuer, for deposit into the Issuer Irish Account from time to time;

(B) to the payment of accrued and unpaid Trustee Fees and Expenses, up to an amount equal to the Senior Expenses Cap in respect of the related Due

Period provided that (i) upon the occurrence of an Event of Default, the Senior Expenses Cap shall not apply to any Trustee Fees and Expenses incurred while such Event of Default is continuing, and (ii) upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*) the Senior Expenses Cap shall not apply unless and until such Acceleration Notice has been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*);

(C) to the payment of Administrative Expenses in relation to each item thereof including from any balance outstanding in the Expense Reserve Account, in the order of priority stated in the definition thereof, up to an amount equal to the Senior Expenses Cap in respect of the related Due Period less any amounts paid pursuant to paragraph (B) above provided that upon an acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*) the Senior Expenses Cap shall not apply unless and until such Acceleration Notice has been rescinded and annulled in accordance with Condition 10(c) (*Curing of Default*);

(D) to the payment on a *pro-rata* basis, of any Scheduled Periodic Interest Rate Hedge Issuer Payments (to the extent not paid for out of the Interest Account), Scheduled Periodic Asset Swap Issuer Payments (to the extent not paid or provided for out of the relevant Asset Swap Account) and Hedge Termination Payments (other than Defaulted Hedge Termination Payments) (to the extent not paid out of the Hedge Termination Account);

(E) to the payment:

(1) firstly, on a *pro-rata* basis to the Investment Manager of the Senior Investment 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 tax authority) save for any Deferred Senior Investment Management Amounts which shall not be paid pursuant to this paragraph (E); and

(2) secondly, to the Investment Manager, any previously due and unpaid Senior Investment Management Fees (other than Deferred Senior Investment Management Amounts) and any VAT in respect thereof (whether payable to the Investment Manager or directly to the relevant tax authority);

(F) to the payment on a *pro-rata* and *pari passu* basis of all Interest Amounts due and payable on the Class A Notes;

(G) to the redemption on a *pro-rata* and *pari passu* basis of the Class A Notes, until the Class A Notes have been redeemed in full;

(H) to the payment on a *pro-rata* and *pari passu* basis of the Interest Amounts due and payable on the Class B Notes;

(I) to the redemption on a *pro-rata* and *pari passu* basis of the Class B Notes, until the Class B Notes have been redeemed in full;

(J) to the payment on a *pro-rata* and *pari passu* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class C Notes;

(K) to the payment on a *pro-rata* and *pari passu* basis of any Deferred Interest on the Class C Notes;

(L) to the redemption on a *pro-rata* and *pari passu* basis of the Class C Notes, until the Class C Notes have been redeemed in full;

(M) to the payment on a *pro-rata* and *pari passu* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class D Notes;

(N) to the payment on a *pro-rata* and *pari passu* basis of any Deferred Interest on the Class D Notes;

(O) to the redemption on a *pro-rata* and *pari passu* basis of the Class D Notes, until the Class D Notes have been redeemed in full;

(P) to the payment on a *pro-rata* and *pari passu* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class E Notes;

(Q) to the payment on a *pro-rata* and *pari passu* basis of any Deferred Interest on the Class E Notes;

(R) to the redemption on a *pro-rata* and *pari passu* basis of the Class E Notes, until the Class E Notes have been redeemed in full;

(S) to the payment on a *pro-rata* and *pari passu* basis of the Interest Amounts (excluding any Deferred Interest, but including interest on Deferred Interest) due and payable on the Class F Notes;

(T) to the payment on a *pro-rata* and *pari passu* basis of any Deferred Interest on the Class F Notes;

(U) to the redemption on a *pro-rata* and *pari passu* basis of the Class F Notes, until the Class F Notes have been redeemed in full;

(V) to the payment of Trustee Fees and Expenses not paid by reason of the Senior Expenses Cap (if any);

(W) to the payment of Administrative Expenses not paid by reason of the Senior Expenses Cap (if any), in relation to each item thereof in the order of priority stated in the definition thereof; and

(X) to the payment of:

(1) firstly, to the Investment Manager of the Subordinated Investment Management Fee due and payable on such Payment Date and any VAT in respect thereof (if payable to the Investment Manager or directly on the relevant tax authority);

(2) secondly, to the Investment Manager of any previously due and unpaid Subordinated Investment 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 tax authority);

(3) thirdly, to the Investment Manager 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 tax authority); and

(4) fourthly, to the repayment of any Investment Manager Advances and any interest thereon;

(Y) to the payment on a *pro-rata* basis of any Defaulted Hedge Termination Payments due to any Hedge Counterparty not paid in accordance with paragraph (D) above; and

(Z) (1) if the Incentive Investment Management Fee IRR Threshold has not been reached, any remaining Interest Proceeds and Principal Proceeds to the payment on the Subordinated Notes on a *pro-rata* and *pari passu* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption), until the Incentive Investment Management Fee IRR Threshold is reached; and

(2) if, after taking into account all prior distributions to Subordinated Noteholders and any distributions to be made to Subordinated Noteholders on such Payment Date including pursuant to paragraph (1) above, paragraph (DD) of the Interest Proceeds Priority of Payments and paragraph (T) of the Principal Proceeds Priority of Payments the Incentive Investment Management Fee IRR Threshold has been reached (on or prior to such Payment Date):

(a) 20 per cent. of any remaining Interest Proceeds and Principal Proceeds, to the payment to the Investment Manager as the Incentive Investment Management Fee;

(b) to the payment of any VAT in respect of the Incentive Investment Management Fee under paragraph (a) above (whether payable to the Investment Manager or directly to the relevant taxing authority); and

(c) any remaining Interest Proceeds and Principal Proceeds after the payment of the Incentive Investment Management Fee pursuant to (a) and (b) above, to the payment of principal and, thereafter, interest on the Subordinated Notes on a *pro-rata* and *pari passu* basis (determined upon redemption in full thereof by reference to the proportion that the principal amount of the Subordinated Notes held by Subordinated Noteholders bore to the Principal Amount Outstanding of the Subordinated Notes immediately prior to such redemption).

Where the payment of any amount in accordance with the Priorities of Payment set out above is subject to any deduction or withholding for or on account of any tax or any other tax is payable by or on behalf of the Issuer in respect of any such amount, payment of the amount so deducted or withheld or of the tax so due shall be made to the relevant taxing authority *pari passu* with and, so far as possible, at the same time as the payment of the amount in respect of which the relevant deduction or withholding or other liability to tax has arisen.

If any items which are payable by the Issuer referred to in the Post-Acceleration Priority of Payments set out above are subject to VAT, the Issuer shall (as applicable) make payment of the amount in respect of VAT either: (A) to the relevant person as provided for in the relevant arrangements pursuant to which payment is due; or (B) to the relevant tax authority, in each case *pro rata* and *pari passu* with such items (other than in respect of paragraphs (E)(1) and (2), (X)(1), (2) and (3) and (Z)(2)(b) of the Post-Acceleration Priority of Payments).

(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 thirty calendar days following receipt of such notice by the Trustee. 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 liquidation or 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 security over the Collateral becoming enforceable following acceleration of the Notes under Condition 10(b) (*Acceleration*), whether made under the power of sale under the Trust Deed or by virtue of judicial proceedings, any Noteholder, the Investment Manager and 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 (including the Investment Manager and any Investment Manager Related Person acting in such capacity) in respect of such Notes pursuant to the Priorities of Payment is equal to or exceeds the purchase monies so payable.

12. **Prescription**

Claims in respect of principal and interest payable on redemption in full of the relevant Notes will become void unless presentation for payment is made as required by Condition 7 (*Redemption and Purchase*) within a period of five years, in the case of interest, and ten years, in the case of principal, from the date on which payment is respect of such Notes is received by the Principal Paying Agent.

13. **Replacement of Notes**

If any Note is lost, stolen, mutilated, defaced or destroyed it may be replaced at the specified office of any Transfer Agent, subject in each case to all applicable laws and Irish Stock Exchange requirements, upon payment by the claimant of the expenses incurred in connection with such replacement and on such terms as to evidence, security, indemnity and otherwise as the Issuer may require (provided that the requirement is reasonable in the light of prevailing market practice). Mutilated or defaced Notes must be surrendered before replacements will be issued.

14. **Meetings of Noteholders, Modification, Waiver and Substitution**

(a) Provisions in Trust Deed

The Trust Deed contains provisions for convening meetings of the Noteholders of each Class (and for passing Written Resolutions) to consider matters affecting the interests of the Noteholders including, without limitation, modifying or waiving the provisions of these Conditions and the other Transaction Documents and the substitution of the Issuer in certain circumstances. The provisions in this Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*) are descriptive of the detailed provisions of the Trust Deed.

(b) Decisions and Meetings of Noteholders

(i) General

Decisions may be taken by Noteholders by way of Ordinary Resolution, Extraordinary Resolution or by Written Resolution, in each case, either acting together (subject to paragraph (viii) (*Resolutions affecting other Classes*) below) or, to the extent specified in any applicable Transaction Document (including the Trust Deed and these Conditions), as a Class of Noteholders acting independently. Ordinary Resolutions and Extraordinary Resolutions can be effected either at a duly convened meeting of the applicable Noteholders or by the applicable Noteholders resolving in writing, in each case, in at least the minimum percentages specified in the table "Minimum Percentage Voting Requirements" in paragraph (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. in principal amount of the Notes Outstanding of a particular Class, subject to certain conditions including minimum notice periods.

The Trustee may, in its discretion, determine that any proposed Ordinary Resolution or Extraordinary Resolution affects 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 an Ordinary Resolution or Extraordinary Resolution, in each case, of all the Noteholders or of any Class or Classes of Noteholders, or at any adjourned meeting to consider such a Resolution, shall be as set out in the relevant column and row corresponding to the type of resolution in the table "Quorum Requirements" below.

Quorum Requirements

Type of Resolution	Any meeting other than a meeting adjourned for want of quorum	Meeting previously adjourned for want of quorum
Extraordinary Resolution of all Noteholders (or a certain Class or Classes only)	One or more persons holding or representing not less than 66⅔ per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)	One or more persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)
Ordinary Resolution of all Noteholders (or a certain Class or Classes only)	One or more persons holding or representing not less than 50 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)	One or more persons holding or representing not less than 25 per cent. of the aggregate Principal Amount Outstanding of the Notes (or the relevant Class or Classes only, if applicable)

In connection with:

(A) an IM Removal Resolution or an IM Replacement Resolution, no Notes held in the form of IM Non-Voting Exchangeable Notes or IM Non-Voting Notes shall (A) constitute or form part of the Controlling Class, (B) be entitled to vote in respect of any 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 any such IM Removal Resolution or IM Replacement Resolution; and

(B) an IM Removal Resolution, no Notes held by or on behalf of the Investment Manager or an Investment Manager Related Person shall (A) constitute or form part of the Controlling Class, (B) be entitled to vote in respect of any such IM Removal Resolution; or (C) be counted for the purposes of determining a quorum or the result of voting in respect of any such IM Removal Resolution.

The Trust Deed does not contain any provision for higher quorums in any circumstances.

(iii) Minimum Voting Rights

Set out in the table Minimum Percentage Voting Requirements below are the minimum percentages required to pass the Resolutions specified in such table which:

(A) if such Resolution is being considered at a duly convened meeting of Noteholders, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes held or represented by any person or persons who vote in favour of such Resolution represents of the aggregate Principal Amount Outstanding of all applicable Notes which are represented at such meeting and are voted; or

(B) in the case of any Written Resolution, shall be determined by reference to the percentage which the aggregate Principal Amount Outstanding of Notes entitled to be voted in respect of such Resolution and which are voted in favour thereof represent of the aggregate Principal Amount Outstanding of all the Notes entitled to vote in respect of such Written Resolution.

Minimum Percentage Voting Requirements

Type of Resolution	Per cent.
Extraordinary Resolution of all Noteholders (or of a certain Class or Classes only)	At least 66⅔ per cent.
Ordinary Resolution of all Noteholders (or of a certain Class or Classes only)	More than 50 per cent.

For the purposes of determining voting rights attributable to the Notes and the applicable quorum at any meeting of the Noteholders pursuant to this Condition 14 (*Meetings of Noteholders, Modification, Waiver and Substitution*), the Class A-1 Notes and the Class A-2 Notes shall together be deemed to constitute a single class in respect of any voting rights specifically granted to them including as the Controlling Class.

(iv) Written Resolutions

Any Written Resolution may be contained in one document or in several documents in like form each signed by or on behalf of one or more of the relevant Noteholders and the date of such Written Resolution shall be the date on which the latest such document is signed. Any Extraordinary Resolution or Ordinary Resolution may be passed by way of a Written Resolution.

(v) 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

Any Resolution to sanction any of the following items will be required to be passed by an Extraordinary Resolution (in each case, subject to anything else specified in the Trust Deed, the Investment Management and Collateral Administration Agreement or the relevant Transaction Document, as applicable):

(A) the exchange or substitution for the Notes of a Class, or the conversion of the Notes of a Class into, shares, bonds or other obligations or securities of the Issuer or any other entity and/or cash other than a Refinancing;

(B) the modification of any provision relating to the timing and/or circumstances of the payment of interest or redemption of the Notes of a Class at maturity or otherwise (including the circumstances in which the maturity of such Notes may be accelerated) other than a Refinancing;

(C) the modification of any of the provisions of the Trust Deed or the Conditions of the Notes which would directly and adversely affect the calculation of the amount of any payment of interest or principal on any Note other than a Refinancing;

(D) the adjustment of the outstanding principal amount of the Notes Outstanding of the relevant Class other than in connection with a further issue of Notes pursuant to Condition 17 (*Additional Issuances*);

(E) a change in the currency of payment of the Notes of a Class;

(F) any change in the Priorities of Payment or of any payment items in the Priorities of Payment;

(G) the modification of the provisions concerning the quorum required at any meeting of Noteholders or the minimum percentage required to pass a Resolution or any other provision of the Trust Deed or these Conditions which requires the written consent of the holders of a requisite principal amount of the Notes of any Class Outstanding;

(H) any modification of any Transaction Document having a material adverse effect on the security over the Collateral constituted by the Trust Deed;

(I) any item requiring approval by Extraordinary Resolution pursuant to these Conditions or any Transaction Document; and

(J) any modification of this Condition 14(b) (*Decisions and Meetings of Noteholders*).

(vii) Ordinary Resolution

The Noteholders shall, in each case, subject to anything else specified in these Conditions, the Trust Deed and any other applicable Transaction Document, have power by Ordinary Resolution to approve any other matter relating to the Notes not referred to in paragraph (vi) (*Extraordinary Resolution*) above.

(viii) Resolutions affecting other Classes

If and for so long as any Notes of more than one Class are Outstanding, in relation to any Meeting of Noteholders:

(A) subject to paragraphs (C) and (D) below, a Resolution which in the opinion of the Trustee affects only the Notes of a Class or Classes (such Class or

Classes, the "**Affected Class(es)**"), but not another Class or Classes, as the case may be, shall be duly passed if passed at a meeting or meetings of the holders of the Notes of each Affected Class and such Resolution shall be binding on all the Noteholders, including the holders of Notes which are not an Affected Class;

(B) subject to paragraphs (C) and (D) below, a Resolution which in the opinion of the Trustee affects the Notes of each Class shall be duly passed if passed at meetings of the Noteholders of each Class;

(C) a Resolution passed by the Controlling Class to exercise any rights granted to them pursuant to the Conditions of the Notes or any Transaction Document shall be duly passed if passed at a meeting of the Controlling Class and such resolution shall be binding on all the Noteholders; and

(D) a Resolution passed by the Subordinated Noteholders (or any of them) to exercise the rights granted to them pursuant to the Conditions of the Notes or any Transaction Document shall be duly passed if passed at a meeting of such Subordinated Noteholders and such Resolution shall be binding on all of the Noteholders,

provided, in each case, any Resolution may also be passed by way of a Written Resolution.

(c) Modification and Waiver

The Trust Deed and the Investment Management and Collateral Administration Agreement both provide that (subject as provided below), without the consent of the Noteholders, the Issuer may amend, modify, supplement and/or waive the relevant provisions of the Trust Deed and/or the 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 such amendment, supplement, modification or waiver subject as provided below, (other than in the case of an amendment, modification, supplement or waiver pursuant to paragraphs (xi) and (xii) below, in certain circumstances, which shall be subject to the prior written consent of the Trustee, paragraphs (vi), (xv), (xix) and (xxvii) which shall be subject to the receipt of Rating Agency Confirmation and paragraph (xxvii) below, which shall be subject to the consent of the Controlling Class, in each case in accordance with the relevant paragraph), for any of the following purposes (and for the avoidance of doubt, the Trustee, without further enquiry, shall, subject as provided herein, consent to an amendment, supplement, modification or waiver referenced in any one of paragraphs (i) to (xxxi) below, notwithstanding that the proposed amendment, supplement, modification or waiver would (or could be held to) fall within the scope of any other paragraph which has differing requirements):

(i) to add to the covenants of the Issuer for the benefit of the Noteholders in the Trust Deed or the Investment Management and Collateral Administration Agreement (as applicable);

(ii) to charge, convey, transfer, assign, mortgage or pledge any property to or with the Trustee;

(iii) to correct or amplify the description of any property at any time subject to the security of the Trust Deed, or to better assure, convey and confirm unto the Trustee any property subject or required to be subject to the security of the Trust Deed (including, without limitation, any and all actions necessary or desirable as a result of changes in law or regulations) or subject to the security of the Trust Deed any additional property;

(iv) to evidence and provide for the acceptance of appointment under the Trust Deed by a successor Trustee subject to and in accordance with the terms of the Trust Deed and to add to or change any of the provisions of the Trust Deed as shall be necessary to

facilitate the administration of the trusts under the Trust Deed by more than one Trustee, pursuant to the requirements of the relevant provisions of the Trust Deed;

(v) to make such changes as shall be necessary or advisable in order for the Notes of each Class to be (or to remain) listed on the Main Securities Market of the Irish Stock Exchange or any other exchange;

(vi) to amend, modify, enter into, accommodate the execution or facilitate the transfer by the relevant Hedge Counterparty of any Hedge Agreement or Hedge Transaction upon terms satisfactory to the Investment Manager and subject to receipt of Rating Agency Confirmation;

(vii) 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;

(viii) to take any action advisable to prevent the Issuer from being treated as resident in the UK for UK tax purposes, as trading in the UK for UK tax purposes or otherwise being subject to UK tax (including, without limitation, being subject to UK income or corporation tax) otherwise than by way of withholding or as subject to UK VAT in respect of any Investment Management Fees;

(ix) to take any action advisable to prevent the Issuer from either being treated as engaged in a United States trade or business or subject to United States federal, state or local income tax on a net income basis;

(x) to enter into any additional agreements not expressly prohibited by the Trust Deed or the Investment Management and Collateral Administration Agreement (as applicable), provided that (a) the Noteholders have received prior written notice of any such proposed additional agreements and the Trustee has not, within 5 Business Days from (and including) the date of receipt by the Noteholders of such notice, received an objection from the Controlling Class (acting by way of Ordinary Resolution) to the entry into such proposed additional agreements, and (b) any such additional agreements include customary limited recourse and non-petition provisions;

(xi) to make any other modification of any of the provisions of the Trust Deed, the 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;

(xii) 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;

(xiii) to amend the name of the Issuer;

(xiv) to make any amendments to the Trust Deed or any other Transaction Document to enable the Issuer to comply with FATCA or the Common Reporting Standard;

(xv) to modify or amend any components of:

(A) the Fitch Test Matrix; or

(B) the Moody's Test Matrix,

with respect to (A) subject to receipt of Rating Agency Confirmation from Fitch and with respect to (B) subject to receipt of Rating Agency Confirmation from Moody's;

(xvi) to make any changes necessary to permit or reflect any additional issuances of Notes in accordance with Condition 17 (*Additional Issuances*) or to issue replacement notes in accordance with Condition 7(b)(v) (*Optional Redemption effected in whole or in part through Refinancing*);

(xvii) 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 forth in the Transaction Documents;

(xviii) to modify the Transaction Documents in order to comply with Rule 17g-5;

(xix) to modify the terms of the Transaction Documents in order that they may be consistent with the requirements of the Rating Agencies, including to address any change in the rating methodology employed by either Rating Agency, in a manner that an officer of the Investment Manager certifies to the Trustee would not materially adversely affect the interests of the Noteholders of the Notes of any Class, subject to receipt by the Trustee of Rating Agency Confirmation in respect of the Rated Notes from each Rating Agency then rating the Rated Notes (upon which certification and confirmation the Trustee shall be entitled to rely absolutely without further enquiry or any liability);

(xx) to modify the Transaction Documents (other than any Hedge Agreement) in order to comply with EMIR or any other applicable regulatory requirements;

(xxi) to modify the Transaction Documents in order to comply with changes in the requirements of AIFMD or which result from the implementation of the implementing technical standards relating thereto or any subsequent legislation or official guidance relating to AIFMs;

(xxii) 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*);

(xxiii) 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 (a) comply with changes in the 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 (b) facilitate a change in the Investment Manager pursuant to the terms of the Investment Management and Collateral Administration Agreement in a manner which maintains compliance with the Retention Requirements;

(xxiv) to make any other modifications of any provisions of the Trust Deed, the Investment Management and Collateral Administration Agreement or the Transaction Documents to comply with the requirements of (i) CRA3 as regards structured finance instruments and/or (ii) the STS Regulation, or in either case, which result from the implementation of the technical standards relating thereto;

(xxv) to amend, modify or supplement any Hedge Agreement in order to (i) comply with EMIR and/or the Dodd-Frank Act, including any implementing regulation, technical standards and guidance related thereto, subject to the extent that it would constitute a Form Approved Asset Swap or a Form Approved Interest Rate Hedge (as applicable) following such modification or (ii) (A) to facilitate the transfer of any Hedge Agreement or Hedge Transaction to a replacement counterparty or the roles of any Agent to a replacement agent, in each case in circumstances where such Hedge Counterparty or Agent does not satisfy the applicable Rating Requirement and subject to such replacement counterparty or agent (as applicable) satisfying the applicable requirements in the Transaction Documents or (B) to the extent necessary to allow the Issuer or the relevant Hedge Counterparty to comply with any enactment, promulgation, execution or ratification of, or any change in or amendment

to, any law or regulation (or in the application or official interpretation of any law or regulation) that occurs after the parties enter into the Hedge Agreement;

(xxvi) 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;

(xxvii) subject to the consent of the Controlling Class acting by Ordinary Resolution and Rating Agency Confirmation, to make any modifications to the Collateral Quality Tests, Portfolio Profile Tests, Reinvestment Criteria or Eligibility Criteria and all related definitions (including in order to reflect changes in the methodology applied by the Rating Agencies);

(xxviii) to make any modification or amendment determined by the Issuer, as advised by the Investment Manager (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 and the applicable rules and regulations thereunder;

(xxix) to make such modifications to the provisions of the Investment Management and Collateral Administration Agreement and the Conditions as the Investment Manager and/or the Collateral Administrator have advised the Trustee (upon which advice the Trustee shall be entitled to rely absolutely and without further enquiry or any liability) are necessary in order to calculate the amounts due on any Unscheduled Payment Date directed under Condition 3(k) (*Unscheduled Payment Dates*); and

(xxx) to modify the Transaction Documents to comply with or implement the Securitisation Regulation; and

(xxxi) to conform the provisions of the Trust Deed or any other Transaction Document or other document delivered in connection with the Notes to the Prospectus.

Any such modification, authorisation or waiver shall be binding on the Noteholders and shall be notified by the Issuer as soon as reasonably practicable following the execution of any trust deed supplemental to the Trust Deed or any other modification, authorisation or waiver pursuant to this Condition 14(c) (*Modification and Waiver*) to:

(i) so long as any of the Notes rated by one or more Rating Agencies remains Outstanding, each such Rating Agency; and

(ii) the Noteholders in accordance with Condition 16 (*Notices*).

Subject to its compliance with applicable law, the Issuer agrees that it shall notify the Hedge Counterparty of any amendment made to any Transaction Document as soon as reasonably practicable after any such amendment is made.

Notwithstanding anything to the contrary in these Conditions and in the Trust Deed, the Issuer shall not agree to amend, modify or supplement any provisions of the Transaction Documents if such change shall have a material adverse effect (as reasonably determined by the relevant Hedge Counterparty) on the rights or obligations of the relevant Hedge Counterparty without such Hedge Counterparty's prior written consent.

To the extent required pursuant to a Hedge Agreement, the Issuer shall notify each Hedge Counterparty of any proposed amendment to any provisions of the Transaction Documents and seek the prior consent of such Hedge Counterparty(ies) in respect thereof, in each case to the extent required in accordance with and subject to the terms of the relevant Hedge Agreement. For the avoidance of doubt, such notice shall only be given and such consent shall only be sought to the extent required above or in accordance with and subject to the terms of the relevant Hedge Agreement. If a Hedge Agreement allows a certain period for the relevant Hedge Counterparty to consider and respond to such a consent request, during such period and

pending a response from the relevant Hedge Counterparty, the Issuer shall not make any such proposed amendment.

For the avoidance of doubt, the Trustee shall, without the consent or sanction of any of the Noteholders or any other Secured Party, concur with the Issuer, in making any modification, amendment, waiver or supplement pursuant to the paragraphs above (other than a modification, waiver or supplement pursuant to paragraphs (xi) and (xii) above) to the Transaction Documents, which the Issuer or the Investment Manager (on behalf of the Issuer) certifies to the Trustee is required (upon which certification the Trustee is entitled to rely absolutely without further enquiry and without any liability), provided that the Trustee shall not be obliged to agree to any modification which, in the opinion of the Trustee, would have the effect of (i) exposing the Trustee to any liability against which it has not been indemnified and/or secured and/or pre-funded to its satisfaction or (ii) adding to or increasing the obligations, liabilities or duties, or decreasing the rights, indemnities or protections, of the Trustee in respect of the Transaction Documents.

In the case of a request for consent to a modification, amendment, waiver or supplement pursuant to paragraphs (xi) and (xii) above, under no circumstances shall the Trustee be required to give consent without 21 days' notice and the Trustee shall be entitled to obtain expert legal, financial or other advice, at the expense of the Issuer, and rely on such advice in connection with determining whether or not to give such consent as it sees fit.

(d) Substitution

The Trust Deed contains provisions permitting the Trustee to agree, subject to such amendment of the Trust Deed and such other conditions as the Trustee may require (without the consent of the Noteholders of any Class), to the substitution of any other company in place of the Issuer, or of any previous substituted company, as principal debtor under the Trust Deed and the Notes of each Class, if required for taxation purposes, provided that such substitution would not, in the opinion of the Trustee, be materially prejudicial to the interests of the Noteholders of any Class. In the case of such a substitution the Trustee may agree, without the consent of the Noteholders, but subject to receipt of Rating Agency Confirmation from Moody's (subject to receipt of such information and/or opinions as the Rating Agency may require), to a change of the law from time to time governing the Notes and/or the Trust Deed proposed by the Issuer, provided that such change of law 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 Main Securities 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*).

The Trust Deed provides that if there is any conflict of interest between or among the holders of the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes, 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 A Noteholders over the Class B Noteholders, the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders;

(ii) the Class B Noteholders over the Class C Noteholders, the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders;

(iii) the Class C Noteholders over the Class D Noteholders, the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders;

(iv) the Class D Noteholders over the Class E Noteholders, the Class F Noteholders and the Subordinated Noteholders;

(v) the Class E Noteholders over the Class F Noteholders and the Subordinated Noteholders; and

(vi) the Class F Noteholders over the Subordinated Noteholders.

If the Trustee receives conflicting or inconsistent requests from two or more groups of holders of a Class (given priority as described in this paragraph), each representing less than the majority by principal amount of Notes Outstanding of such Class, the Trustee shall give priority to the group which holds the greater aggregate principal amount of Notes Outstanding of such Class. The Trust Deed provides further that, except as provided otherwise in any applicable Transaction Document or the Conditions of the Notes, the Trustee will act upon the directions of the holders of the Controlling Class acting by Ordinary Resolution (or other Class given priority as described in this paragraph) in such circumstances subject to being indemnified and/or secured and/or prefunded to its satisfaction, and shall not be obliged to consider the interests of and is exempted from any liability to the holders of any other Class of Notes.

In addition, the Trust Deed provides that, so long as any Note is Outstanding, the Trustee shall have no regard to the interests of any Secured Party other than the Noteholders or, at any time, to the interests of any other person.

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 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 Main Securities 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 calendar days after the date of dispatch thereof;

(b) in the case of overseas mail, seven calendar days after the dispatch thereof; or

(c) in the case of electronic transmission, on the date of dispatch.

Notices will be valid and will be deemed to have been given, for so long as the Notes are admitted to trading on 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.

17. **Additional Issuances**

(a) The Issuer may from time to time, subject to the approval of the Subordinated Noteholders (acting by Ordinary Resolution) and the Retention Holder, create and issue further Notes having the same terms and conditions as existing Classes of Notes (subject as provided below) and which shall be consolidated and form a single series with the Outstanding Notes of each such Class (unless otherwise provided), and will use the proceeds of sale thereof to purchase additional Collateral Debt Obligations and, if applicable, enter into additional Hedge Transactions in connection with the Issuer's issuance of, and making payments on, the Notes and ownership of and disposition of the Collateral Debt Obligations, provided that the following conditions are met:

(i) such additional issuances in relation to the applicable Class of Notes may not exceed 100 per cent. in the aggregate of the original aggregate principal amount of such Class of Notes;

(ii) such additional Notes must be issued for a cash sale price and the net proceeds invested in Collateral Debt Obligations or, pending such investment, during the Initial Investment Period deposited in the Unused Proceeds Account or, thereafter, deposited in the Principal Account and, in each case, invested in Eligible Investments;

(iii) in relation to an additional issuance of the Class A Notes, such additional issuance shall be (A) an additional issuance solely of the Class A-1 Notes or (B) if such additional issuance is in relation to both the Class A-1 and Class A-2 Notes, such additional Class A-1 Notes and Class A-2 Notes must be issued in a proportionate amount among the Class A-1 Notes and Class A-2 Notes so that the relative

proportions of aggregate principal amount of the Class A-1 Notes and Class A-2 Notes existing immediately prior to such additional issuance remain unchanged immediately following such additional issuance;

(iv) such additional Notes must be of each Class of Notes and issued in a proportionate amount among the Classes so that the relative proportions of aggregate principal amount of the Classes of Notes existing immediately prior to such additional issuance remain unchanged immediately following such additional issuance (save with respect to Subordinated Notes as described in Condition 17(b) (*Additional Issuances*) below);

(v) the terms (other than the date of issuance, the issue price and the date from which interest will accrue) of such Notes must be identical to the terms of the previously issued Notes of the applicable Class of Notes;

(vi) the Issuer must notify (A) the Trustee, and (B) the Rating Agencies then rating any Notes of such additional issuance and obtain Rating Agency Confirmation (in the case of each Rating Agency, to the extent such Rating Agency is rating any of the Notes);

(vii) the Coverage Tests are satisfied, or if not satisfied, the Coverage Tests will be maintained or improved after giving effect to such additional issuance of Notes;

(viii) the holders of the relevant Class of Notes in respect of which further Notes are issued shall have been notified in writing thirty calendar days prior to such issuance and shall have been afforded the opportunity to purchase additional Notes of the relevant Class in an amount not to exceed the percentage of the relevant Class of Notes each holder held immediately prior to the issuance (the "**Anti-Dilution Percentage**") of such additional Notes and on the same terms offered to investors generally;

(ix) (so long as the existing Notes of the Class of Notes to be issued are listed on the Main Securities 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 Main Securities Market of the Irish Stock Exchange (for so long as the rules of the Irish Stock Exchange so require);

(x) 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;

(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;

(xii) such additional issuance will be accomplished in a manner that will allow the Issuer to accurately provide the information required to be provided to the Noteholders, including Noteholders of additional Rated Notes, under U.S. Treasury regulations section 1.1275-3(b)(1); and

(xiii) the Retention Holder consenting to purchase a sufficient amount of each Class of Notes which are the subject of such additional issuance such that its holding equals no less than 5 per cent. of the nominal value of such Class or Classes of Notes.

(b) Subject to the requirements in Condition 17(a) (*Additional Issuances*) above (except for the condition in Condition 17(a)(vi) (*Additional Issuances*)), the Issuer may issue and sell additional Subordinated Notes (without issuing Notes of any other Class) provided that:

(i) the subordination terms of such Subordinated Notes are identical to the terms of the previously issued Subordinated Notes;

(ii) the terms (other than the date of issuance, the issue price and the date from which interest will accrue) of such Subordinated Notes must be identical to the terms of the previously issued Subordinated Notes;

(iii) such additional Subordinated Notes are issued for a cash subscription price, the net proceeds to be:

(A) invested in Collateral Debt Obligations or Eligible Investments or, pending such investment, deposited in, the Unused Proceeds Account prior to the expiry of the Initial Investment Period or the Principal Account after the expiry of the Initial Investment Period and in each case invested in Eligible Investments, provided that the Issuer or the Investment Manager (acting on behalf of the Issuer) shall not be obliged to enter into any binding commitments to purchase Collateral Debt Obligations with such proceeds, until such proceeds have been deposited into the Unused Proceeds Account or the Principal Account (as applicable); or

(B) used for other Permitted Uses;

(iv) the Issuer must notify the Rating Agencies then rating any Notes of such additional issuance;

(v) the holders of the Subordinated Notes shall have been notified in writing thirty calendar days prior to such issuance by the Issuer and shall have been afforded the opportunity to purchase additional Subordinated Notes in an amount not to exceed the Anti-Dilution Percentage of such additional Subordinated Notes and on the same terms offered to investors generally;

(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; and

(vii) the Retention Holder consenting to purchase a sufficient amount of the Subordinated Notes such that its holding equals no less than 5 per cent. of the nominal value of the Subordinated Notes.

References in these Conditions to the "Notes" include (unless the context requires otherwise) any other notes issued pursuant to this Condition 17 (*Additional Issuances*) and forming a single series with the Notes. Any further securities forming a single series with Notes constituted by the Trust Deed or any deed supplemental to it shall be constituted by a deed supplemental to the Trust Deed.

18. **Third Party Rights**

No person shall have any right to enforce any term or condition of the 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 Corporate Services Agreement is governed by and shall be construed in accordance with Irish law.

(b) Jurisdiction

The courts of England are to have exclusive jurisdiction to settle any disputes (whether contractual or non-contractual) which may arise out of or in connection with the Notes, and accordingly any legal action or proceedings arising out of or in connection with the Notes ("**Proceedings**") may be brought in such courts. The Issuer has in the Trust Deed irrevocably submitted to the jurisdiction of such courts and waives any objection to Proceedings in any such courts whether on the ground of venue or on the ground that the Proceedings have been brought in an inconvenient forum. This submission is made for the benefit of each of the Noteholders and the Trustee and shall not limit the right of any of them to take Proceedings in any other court of competent jurisdiction nor shall the taking of Proceedings in one or more jurisdictions preclude the taking of Proceedings in any other jurisdiction (whether concurrently or not).

(c) Agent for Service of Process

The Issuer appoints TMF Global Services (UK) Limited (having an office, at the date hereof, at 6 St Andrew Street, 5th Floor, London EC4A 3AE, England) as its agent in England to receive service of process in any Proceedings in England based on any of the Notes. If for any reason the Issuer ceases to have such an in England, it will promptly appoint a substitute process agent and notify the Trustee and the Noteholders of such appointment. Nothing herein shall affect the right to service of process in any other manner permitted by law.

USE OF PROCEEDS

The net proceeds of the issue of the Notes remaining after payment of (a) certain fees and expenses incurred in connection with the issue of the Notes payable on or about the Issue Date and following completion of the issue of the Notes (including, without duplication, amounts deposited into the Expense Reserve Account), (b) any amounts borrowed by the Issuer (together with any interest thereon) pursuant to the Warehouse Arrangements and all other amounts due in order to finance the acquisition of warehoused Collateral Debt Obligations purchased by the Issuer prior to the Issue Date and (c) an amount equal to €1,500,000 into the First Period Reserve Account, are expected to be approximately €194,100,000. Such remaining net proceeds shall be retained in the Unused Proceeds Account and applied in accordance with the Transaction Documents.

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 of a common depositary for Euroclear and Clearstream, Luxembourg. Beneficial interests in a Regulation S Global Certificate may be held at any time only through Euroclear or Clearstream, Luxembourg. See "*Book Entry Clearance Procedures*". Beneficial interests in a Regulation S Global Certificate may not be held by a U.S. Person or U.S. Resident at any time. By acquisition of a beneficial interest in a Regulation S Global Certificate, the purchaser thereof will be deemed to represent, among other things, that it is not a U.S. Person, and that, if in the future it determines to transfer such beneficial interest, it will transfer such interest only to a person whom the seller reasonably believes (a) to be a non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 of Regulation S, or (b) to be a person who takes delivery in the form of an interest in a Rule 144A Global Certificate. See "*Transfer Restrictions*".

The Rule 144A Notes of each Class will be represented on issue by a Rule 144A Global Certificate deposited with, and registered in the name of, a nominee of a common depositary for Euroclear and Clearstream, Luxembourg. Beneficial interests in a Rule 144A Global Certificate may only be held at any time only through Euroclear or Clearstream, Luxembourg. See "*Book Entry Clearance Procedures*". By acquisition of a beneficial interest in a Rule 144A Global Certificate, the purchaser thereof will be deemed to represent, amongst other things, that it is a QIB/QP and that, if in the future it determines to transfer such beneficial interest, it will transfer such interest in accordance with the procedures and restrictions contained in the Trust Deed. See "*Transfer Restrictions*".

Beneficial interests in Global Certificates will be subject to certain restrictions on transfer set forth herein and in the Trust Deed and as set forth in Rule 144A and the Investment Company Act, and the Notes will bear the applicable legends regarding the restrictions set forth under "*Transfer Restrictions*". In the case of each Class of Notes, a beneficial interest in a Regulation S Global Certificate may be transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate in denominations greater than or equal to the minimum denominations applicable to interests in such Rule 144A Global Certificate only upon receipt by the Registrar or the Transfer Agent of a written certification (in the form provided in the Trust Deed) to the effect that the transferor reasonably believes that the transferee is a QIB/QP and that such transaction is in accordance with any applicable securities laws of any state of the United States or any other jurisdiction. Beneficial interests in the Rule 144A Global Certificates may be transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate only upon receipt by the Registrar or the Transfer Agent of a written certification (in the form provided in the Trust Deed) from the transferor to the effect that the transfer is being made to a non-U.S. Person and in accordance with Regulation S.

Any beneficial interest in a Regulation S Global Certificate that is transferred to a person who takes delivery in the form of an interest in a Rule 144A Global Certificate will, upon transfer, cease to be an interest in such Regulation S Global Certificate and become an interest in the Rule 144A Global Certificate, and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in a Rule 144A Global Certificate for as long as it remains such an interest. Any beneficial interest in a Rule 144A Global Certificate that is transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate will, upon transfer, cease to be an interest in a Rule 144A Global Certificate and become an interest in the Regulation S Global Certificate and, accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in a Regulation S Global Certificate for so long as it remains such an interest. No service charge will be made for any registration of transfer or exchange of Notes, but the Registrar or the Transfer Agent may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Except in the limited circumstances described below, owners of beneficial interests in Global Certificates will not be entitled to receive physical delivery of certificated Notes.

A beneficial interest in a Global Certificate that represents IM Voting Notes may be transferred to a person who takes delivery in the form of an interest in a Global Certificate that represents IM Non-Voting Exchangeable Notes or IM 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 Global Certificate that represents IM Non-Voting Notes may only be transferred to a person who takes delivery in the form of an interest in a Global Certificate that represents IM Non-Voting Notes in denominations greater than or equal to the minimum denominations applicable to interests in such Global Certificate upon receipt by a Transfer Agent of a written transfer request (in the form provided in the Trust Deed) from the transferor and may not be exchanged for an interest in a Global Certificate that represents IM Voting Notes or IM Non-Voting Exchangeable Notes at any time.

A beneficial interest in a Global Certificate that represents IM Non-Voting Exchangeable Notes may be transferred to a person who takes delivery in the form of an interest in a Global Certificate that represents IM Voting Notes or IM Non-Voting Notes in denominations greater than or equal to the minimum denominations applicable to interests in such 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 and in circumstances where such transfer is to an entity that is not an Affiliate of the transferor.

In addition to any exchange made at the time of a transfer request as described above, IM Voting Notes shall be exchangeable at any time upon request by the relevant Noteholder into IM Non-Voting Exchangeable Notes or IM Non-Voting Notes. IM Non-Voting Exchangeable Notes shall be exchangeable (a) upon request by the relevant Noteholder at any time into IM Non-Voting Notes or (b) into IM Voting Notes only in connection with the transfer of such Notes to an entity that is not an Affiliate of the transferor upon request of the relevant transferee or transferor and in no other circumstance.

IM Non-Voting Notes shall not be exchangeable at any time into IM Voting Notes or IM Non-Voting Exchangeable Notes.

On the Issue Date, an acquirer of a Class E Note, Class F Note or Subordinated Note in the form of a Rule 144A Global Certificate or a Regulation S Global Certificate will be deemed to represent (among other things) that it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or a Controlling Person unless such acquirer: (i) receives the written consent of the Issuer; and (ii) provides an ERISA certificate to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person (in or substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed). Other than on the Issue Date, an acquirer of a Class E Note, Class F Note or Subordinated Note in the form of a Rule 144A Global Certificate or a Regulation S Global Certificate will be deemed to represent (among other things) that it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or a Controlling Person unless such acquirer: (i) receives the written consent of the Issuer; (ii) provides an ERISA certificate to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person (in or substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed); and (iii) other than with respect to Retention Notes, holds such Class E Note, Class F Note or Subordinated Note, as applicable, 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 Subordinated Notes, the Class E Notes and the Class F Notes will be offered outside the United States to non-U.S. Persons in reliance on Regulation S and within the United States to persons who are both QIBs and QPs. The Notes are not issuable in bearer form.

Amendments to Terms and Conditions

Each Global Certificate contains provisions that apply to the Notes that they represent, some of which modify the effect of the Terms and Conditions of the Notes in definitive form (See "*Terms and Conditions of the Notes*"). The following is a summary of those provisions:

- *Payments* Payments of principal and interest in respect of Notes represented by a Global Certificate will be made to the registered holder and, if no further payment falls to be made in respect of the relevant Notes, upon surrender of such Global Certificate to or to the order of the Principal Paying

Agent or such other Agent as shall have been notified to the relevant Noteholders for such purpose. On each occasion on which a payment of interest (unless the Notes represented thereby do not bear interest) or principal is made in respect of the relevant Global Certificate, the Registrar shall note the same in the Register and, in relation to payments of principal, cause the aggregate principal amount of the Notes represented by a Global Certificate to be decreased accordingly.

- *Notices* So long as any Notes are represented by a Global Certificate and such Global Certificate is held on behalf of a clearing system, notices to Noteholders shall be given by delivery of the relevant notice to that clearing system for communication by it to entitled account holders in substitution for delivery thereof as required by the Conditions of such Notes provided that such notice is also made to the Company Announcements Office of the Irish Stock Exchange for so long as such Notes are listed on the Main Securities 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.

- *Prescription* Claims against the Issuer in respect of principal and interest on the Notes while the Notes are represented by a Global Certificate will become void unless presented for payment within a period of ten years (in the case of principal) and five years (in the case of interest) from the date on which any payment first becomes due.

- *Meetings* The holder of each Global Certificate will be treated as being one person for the purposes of any quorum requirements of, or the right to demand a poll at, a meeting of Noteholders and, at any such meeting, as having one vote in respect of each €1,000 of principal amount of Notes for which the relevant Global Certificate may be exchanged.

- *Trustee's Powers* In considering the interests of Noteholders while the Global Certificates are held on behalf of a clearing system, the Trustee may have regard to any information provided to it by such clearing system or its operator as to the identity (either individually or by category) of its account holders with entitlements to each Global Certificate and may consider such interests as if such account holders were the holders of any Global Certificate.

- *Cancellation* Cancellation of any Note required by the Terms and Conditions of the Notes to be cancelled will be effected by reduction in the principal amount of the Notes on the Register, with a corresponding notation made on the applicable Global Certificate.

- *Optional Redemption* The Subordinated Noteholders', the Retention Holder's and the Controlling Class' option in Condition 7(b) (*Optional Redemption*) and Condition 7(g) (*Redemption following Note Tax Event*) (as applicable) may be exercised by the holder(s) of a Global Certificate representing Subordinated Notes, the Retention Notes or the Controlling Class (as applicable) giving notice to the Registrar or other Agent specified for such purpose of the principal amount of Subordinated Notes, Retention Notes or Notes representing the Controlling Class (as applicable) in respect of which the option is exercised and presenting evidence of ownership of such interest in a Global Certificate for endorsement of exercise within the time limit specified in Condition 7(b) (*Optional Redemption*) or Condition 7(g) (*Redemption following Note Tax Event*).

- *Record Date* The Record Date will mean the close of business on the Clearing System Business Day before the relevant due date for payment of principal and interest in respect of such Note.

Exchange for Definitive Certificates

Exchange

Each Global Certificate will be exchangeable, free of charge to the holder, on or after its Definitive Exchange Date (as defined below), in whole but not in part, for Definitive Certificates if a Global Certificate is held (directly or indirectly) on behalf of Euroclear, Clearstream, Luxembourg or an alternative clearing system and any such clearing system is closed for business for a continuous period of fourteen calendar days (other than by reason of holiday, statutory or otherwise) or announces its intention to permanently cease business or does in fact do so.

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 written the consent of the Issuer in respect of such transfer; and (ii) the transferee has provided the Issuer and a Transfer Agent with an ERISA certificate in or substantially in the form set out in Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed. Interests in Global Certificates representing Class E Notes, 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 of the Notes as amended above.

The Registrar will not register the transfer of, or exchange of interests in, a Global Certificate for Definitive Certificates during the period from (but excluding) the Record Date to (and including) the date for any payment of principal or interest in respect of the Notes.

If only one of the Global Certificates (the "**Exchanged Global Certificate**") becomes exchangeable for Definitive Certificates in accordance with the above paragraphs, transfers of Notes may not take place between, on the one hand, persons holding Definitive Certificates issued in exchange for beneficial interests in the Exchanged Global Certificate and, on the other hand, persons wishing to purchase beneficial interests in the other Global Certificate.

"**Definitive Exchange Date**" means a day falling not less than thirty calendar days after that on which the notice requiring exchange is given and on which banks are open for business in the city in which the specified office of the Registrar and any Transfer Agent is located.

Delivery

In the event a Global Certificate is to be exchanged, the relevant Global Certificate shall be exchanged in full for Definitive Certificates and the Issuer will, at the cost of the Issuer (but against such indemnity as the Registrar or any relevant Transfer Agent may require in respect of any tax or other duty of whatever nature which may be levied or imposed in connection with such exchange), cause sufficient Definitive Certificates to be executed and delivered to the Registrar for completion, authentication and dispatch to the relevant Noteholders. A person having an interest in a Global Certificate must provide the Registrar with: (a) a written order containing instructions and such other information as the Issuer and the Registrar may require to complete, execute and deliver such Certificates; and (b) in the case of the Rule 144A Global Certificate only, a fully completed, signed certification substantially to the effect that the exchanging holder is not transferring its interest at the time of such exchange or, in the case of simultaneous sale pursuant to Rule 144A, a certification that the transfer is being made in compliance with the provisions of Rule 144A. Definitive Certificates issued in exchange for a beneficial interest in the Rule 144A Global Certificate shall bear the legends applicable to transfers pursuant to Rule 144A, as set out under "*Transfer Restrictions*" below.

Legends

The holder of a Class E Note, Class F Note or Subordinated Note represented by a Definitive Certificate in registered definitive form, as applicable, may transfer the Notes represented thereby in whole or in part in the applicable minimum denomination by surrendering such Note(s) at the specified office of the Registrar or any Transfer Agent, together with the completed form of transfer and to the extent applicable, written consent of the Issuer and a duly completed ERISA certificate in or substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed. Upon the transfer, exchange or replacement of a Definitive Certificate in registered definitive form, as applicable, bearing the legend referred to under "*Transfer Restrictions*" below, or upon specific request for removal of the legend on a Definitive Certificate in registered definitive form, as applicable, the Issuer will deliver only Definitive Certificates that bear such legend, or will refuse to remove such legend, as the case may be, unless there is delivered to the Issuer and the Registrar such satisfactory evidence, which may include an opinion of counsel, as may reasonably be required by the Issuer that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act and the Investment Company Act.

Exchange of Definitive Certificates for Interests in Global Certificates

Regulation S

If a holder of Class E Notes, 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 G (*Form of Definitive Certificate to Regulation S Global Certificate Transfer Certificate of Class E Notes, Class F Notes or Subordinated Notes*) of schedule 4 (*Transfer, Exchange and Registration Documentation*) of the Trust Deed or in such other form as the Registrar, relying upon the advice of counsel, may deem substantially similar in legal effect (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 Prospectus 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 F (*Form of Definitive Certificate to Rule 144A Global Certificate Transfer Certificate of Class E Notes, Class F Notes or Subordinated Notes*) of schedule 4 (*Transfer, Exchange and Registration Documentation*) of the Trust Deed or in such other form as the Registrar, relying upon the advice of counsel, may deem substantially similar in legal effect (in each case, copies of which are provided to the Registrar as applicable) given by the proposed transferee.

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

BOOK ENTRY CLEARANCE PROCEDURES

The information set out below has been obtained from sources that the Issuer believes to be reliable, but prospective investors are advised to make their own enquiries as to such procedures. The Issuer has taken reasonable care to ensure that this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information provided by such sources, no facts have been omitted which would render the reproduced information inaccurate or misleading. In particular, such information is subject to any change in or interpretation of the rules, regulations and procedures of 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 Initial Purchaser, the Placement Agent, the Investment Manager or any Agent party to the Agency Agreement (or any Affiliate of any of the above, or any person by whom any of the above is controlled for the purposes of the Securities Act), will have any responsibility for the performance by the Clearing Systems or their respective direct or indirect participants or accountholders of their respective obligations under the rules and procedures governing their operations or for the sufficiency for any purpose of the arrangements described below.

Euroclear and Clearstream, Luxembourg

Custodial and depositary links have been established between Euroclear and Clearstream, Luxembourg to facilitate the initial issue of the Notes and cross-market transfers of the Notes associated with secondary market trading (See "*Settlement and Transfer of Notes*" below).

Euroclear and Clearstream, Luxembourg each hold securities for their customers and facilitate the clearance and settlement of securities transactions through electronic book entry transfer between their respective accountholders. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions which clear through or maintain a custodial relationship with an accountholder of either system. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their respective customers may settle trades with each other. Their customers are worldwide financial institutions including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Investors may hold their interests in Global Certificates directly through Euroclear or Clearstream, Luxembourg if they are accountholders ("**Direct Participants**") or indirectly ("**Indirect Participants**" and together with Direct Participants, "**Participants**") through organisations which are accountholders therein.

Book Entry Ownership

Euroclear and Clearstream, Luxembourg

Each Regulation S Global Certificate and each Rule 144A Global Certificate will have an ISIN and a Common Code and will be registered in the name of, and deposited with, a nominee of the common depositary on behalf of, Euroclear and Clearstream, Luxembourg.

Relationship of Participants with Clearing Systems

Each of the persons shown in the records of Euroclear or Clearstream, Luxembourg as the holder of a Note represented by a Global Certificate must look solely to Euroclear or Clearstream, Luxembourg (as the case may be) for his share of each payment made by the Issuer to the holder of such Global Certificate and in relation to all other rights arising under the Global Certificate, subject to and in accordance with the respective rules and procedures of Euroclear or Clearstream, Luxembourg (as the case may be). The Issuer expects that, upon receipt of any payment in respect of Notes represented by a Global Certificate, the common depositary by whom such Note is held, or nominee in whose name it is registered, will immediately credit the relevant Participants' or accountholders' accounts in the relevant Clearing System with payments in amounts proportionate to their respective beneficial interests in the principal amount of the relevant Global Certificate as shown on the records of the relevant Clearing System or its nominee. The Issuer also expects that payments by Direct Participants in any Clearing System to owners of beneficial interests in any Global Certificate held through such Direct Participants in any Clearing System will be governed by standing instructions and customary practices. Save as aforesaid, such persons shall have no claim directly against the Issuer in respect of payments due on the Notes

for so long as the Notes are represented by such Global Certificate and the obligations of the Issuer will be discharged by payment to the registered holder, as the case may be, of such Global Certificate in respect of each amount so paid. None of the Issuer, the Trustee or any Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of ownership interests in any Global Certificate or for maintaining, supervising or reviewing any records relating to such ownership interests.

Settlement and Transfer of Notes

Subject to the rules and procedures of each applicable Clearing System, purchases of Notes held within a Clearing System must be made by or through Direct Participants, which will receive a credit for such Notes on the Clearing System's records. The ownership interest of each actual purchaser of each such Note (the "**Beneficial Owner**") will in turn be recorded on the Direct Participant's and Indirect Participant's records. Beneficial Owners will not receive written confirmation from any Clearing System of their purchase, but Beneficial Owners are expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct Participant or Indirect Participant through which such Beneficial Owner entered into the transaction. Transfers of ownership interests in Notes held within the Clearing System will be effected by entries made on the books of Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in such Notes, unless and until interests in any Global Certificate held within a Clearing System is exchanged for Definitive Certificates.

No Clearing System has knowledge of the actual Beneficial Owners of the Notes held within such Clearing System and their records will reflect only the identity of the Direct Participants to whose accounts such Notes are credited, which may or may not be the Beneficial Owners. The Participants will remain responsible for keeping account of their holdings on behalf of their customers. Conveyance of notices and other communications by the Clearing Systems to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time.

Trading between Euroclear and/or Clearstream, Luxembourg Participants

Secondary market sales of book entry interests in the Notes held through Euroclear or Clearstream, Luxembourg to purchasers of book entry interests in the Notes held through Euroclear or Clearstream, Luxembourg will be conducted in accordance with the normal rules and operating procedures of Euroclear and Clearstream, Luxembourg and will be settled using the procedures applicable to conventional eurobonds.

RATINGS OF THE NOTES

General

It is a condition of the issue and sale of the Notes that the Rated Notes be issued with at least the following ratings: the Class A-1 Notes: "AAA(sf)" from Fitch and "Aaa(sf)" from Moody's; the Class A-2 Notes: "AAA(sf)" from Fitch and "Aaa(sf)" from Moody's; the Class B Notes: "AA(sf)" from Fitch and "Aa2(sf)" from Moody's; the Class C Notes: "A(sf)" from Fitch and "A2(sf)" from Moody's; the Class D Notes: "BBB(sf)" from Fitch and "Baa2(sf)" from Moody's; the Class E Notes: "BB(sf)" from Fitch and "Ba2(sf)" from Moody's and the Class F Notes: "B-(sf)" from Fitch and "B2(sf)" from Moody's. The Subordinated Notes being offered hereby will not be rated.

The ratings assigned to 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, the Class E Notes and the Class F Notes by Fitch address the ultimate payment of principal and interest. The ratings assigned to the Rated Notes by Moody's address the expected loss posed to investors by the legal final maturity on the Maturity Date.

In respect of any Notes that are subject to a Refinancing in accordance with Condition 7(b)(vi) (*Refinancing in relation to a Redemption in Whole*), the ratings assigned to the Notes will not necessarily continue to be assigned to the Refinancing Obligations issued pursuant thereto.

A security rating is not a recommendation to buy, sell or hold securities and may be subject to revision, suspension or withdrawal at any time by the applicable rating agency.

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

Fitch Ratings

The ratings assigned to the Rated Notes by Fitch are based upon Fitch's statistical analysis of historical default rates on debt obligations with similar characteristics to the Collateral Debt Obligations and the various eligibility requirements that the Collateral Debt Obligations are required to satisfy.

Fitch analyses the likelihood that each Collateral Debt Obligation will default, based on historical default rates for similar debt obligations, the historical volatility of such default rates (which increases as obligations 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 Ratings of the Rated Notes were established under various assumptions and scenarios.

There can be no assurance that actual defaults on the Collateral Debt Obligations will not exceed those assumed by Fitch in its analysis, or that recovery rates with respect thereto (and consequently loss rates) will not differ from those assumed by Fitch.

In addition to those quantitative tests, Fitch Ratings take into account qualitative features of a transaction, including the experience of the Investment Manager, the legal structure and the risks associated with such structure and other factors that Fitch deems relevant.

Moody's Ratings

Moody's Ratings address the expected loss posed to investors by the legal final maturity on the Maturity Date.

Moody's analysis of the likelihood that each Collateral Debt Obligation will default is based on historical default rates for similar debt obligations, the historical volatility of such default rates (which increases as securities with lower ratings are added to the portfolio) and an additional default assumption to account for future fluctuations in defaults. Moody's then determines the level of credit protection necessary to achieve the expected loss associated with the rating of the Rated Notes, 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 Debt Obligations held by the Issuer will not exceed the rates assumed by Moody's in its analysis.

In addition to these quantitative tests, Moody's ratings take into account qualitative features of a transaction, including the experience of the Investment Manager, the legal structure and the risks associated with such structure and other factors that they deem 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 ANY PERSON ACTING ON ITS BEHALF) MAY PROVIDE INFORMATION TO THE RATING AGENCIES ON THE ISSUER'S BEHALF. ON THE ISSUE DATE, THE ISSUER WILL 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 MAY, BUT IS NOT OBLIGED TO, AMEND THE TRANSACTION DOCUMENTS. ANY COSTS INCURRED BY THE ISSUER IN CONNECTION WITH SATISFYING THE REQUIREMENTS OF THE SECURITISATION REGULATION MAY BE PAID BY THE ISSUER AS ADMINISTRATIVE EXPENSES.

THE ISSUER

General

The Issuer is a special purpose vehicle established for the purpose of issuing asset backed securities and was incorporated in Ireland as a designated activity company on 11 August 2015 under the Irish Companies Act 2014 with the name of GLG Euro CLO II D.A.C. and with company registration number 566338 and having its registered office at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland. The telephone number of the registered office of the Issuer is +353 1 614 6240 and the facsimile number is +353 1 614 6250.

The authorised share capital of the Issuer is €100 divided into 100 ordinary shares of €1.00 each. The Issuer has issued one ordinary share of €1.00 (the "**Share**"), which is fully paid up and is held on trust by TMF Management (Ireland) Limited (as "**Share Trustee**") under the terms of a declaration of trust (the "**Declaration of Trust**") dated 17 August 2015, whereby the Share Trustee holds the Share on trust for charitable purposes. The Share Trustee will have no beneficial interest in and will derive no benefit (other than its fees for acting as Share Trustee) from its holding of the shares of the Issuer. The Share Trustee will apply any income derived from the Issuer solely for the above purposes.

TMF Administration Services Limited (the "**Corporate Services Provider**"), an Irish company, acts as the corporate services provider for the Issuer. The office of the Corporate Services Provider serves as the general business office of the Issuer. Through the office and pursuant to the terms of the corporate services agreement entered into on 17 August 2015 between the Issuer and the Corporate Services Provider (the "**Corporate Services Agreement**"), the Corporate Services Provider performs various management functions on behalf of the Issuer, including the provision of certain clerical, reporting, accounting, administrative and other services until termination of the Corporate Services Agreement. In consideration of the foregoing, the Corporate Services Provider receives various fees and other charges payable by the Issuer at rates agreed upon from time to time plus expenses. The terms of the Corporate Services Agreement provide that either party may terminate the Corporate Services Agreement upon the occurrence of certain stated events, including any material breach by the other party of its obligations under the Corporate Services Agreement which is either incapable of remedy or which is not cured within 30 days from the date on which it was notified of such breach. In addition, either party may terminate the Corporate Services Agreement at any time by giving at least 90 days' written notice to the other party.

The Corporate Services Provider's principal office is at 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.

Business

The principal objects of the Issuer are set forth in Article 2 of its constitution and include, *inter alia*, the power to issue securities and to raise or borrow money, to grant security over its assets for such purposes, to lend with or without security and to enter into derivative transactions. Cash flow derived from the Collateral securing the Notes will be the Issuer's only source of funds to fund payments in respect of such Notes.

So long as any of the Notes remain outstanding, the Issuer will be subject to the restrictions set out in the Conditions and in the Trust Deed. In particular, the Issuer has undertaken not to carry out any business other than the issue of the Notes and acquiring, holding and disposing of the Portfolio in accordance with the Conditions and the Transaction Documents and exercising the rights and performing the obligations under each such agreement and all other transaction documents incidental thereto. The Issuer will not have any substantial liabilities other than in connection with the Notes and any secured obligations.

The Issuer will not have any subsidiaries and, save in respect of the fees and expenses generated in connection with the issue of the Notes (referred to below), any related profits and the proceeds of any deposits and investments made from such fees or from amounts representing the proceeds of the Issuer's issued share capital, the Issuer will not accumulate any surpluses.

The Issuer has, and will have, no material assets other than the Portfolio held from time to time, the Balances standing to the credit of the Accounts and the benefit of the Agency Agreement, the Investment Management and Collateral Administration Agreement, the Collateral Acquisition Agreements and any Hedge Agreements and any other Transaction Documents entered into by or on behalf of the Issuer from time to time, such fees (as agreed) payable to it in connection with the issue of the Notes, the sum of €1.00 representing the proceeds of its issued and paid up share capital and the remainder of the amounts standing to the credit of the Issuer Irish

Account. The only assets of the Issuer available to meet claims of the holders of the Notes and the other Secured Parties are the assets comprised in the Collateral (other than the Irish Excluded Assets).

The Notes are obligations of the Issuer alone and are not the obligation of, or guaranteed in any way by, the Directors, the Company Secretary, the Initial Purchaser, the Placement Agent, the Trustee, the Investment Manager, any Agent, any Hedge Counterparty or any Obligor under any part of the Portfolio.

Directors and Company Secretary

The Issuer's constitution provide that the board of Directors of the Issuer will consist of at least two Directors.

The Directors of the Issuer as at the date of this Prospectus are Kevin Butler and John Fisher. The business address of the Directors is 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland. The principal activities of the Directors outside the Issuer are as company directors.

The Company Secretary is TMF Administration Services Limited of 3rd Floor, Kilmore House, Park Lane, Spencer Dock, Dublin 1, Ireland.

Business Activity

Prior to the Issue Date, the Issuer entered into the Warehouse Arrangements in order to enable the Issuer to acquire certain Collateral Debt Obligations on or before the Issue Date. Amounts owing under the Warehouse Arrangements will be fully repaid on the Issue Date using the proceeds from the issuance of the Notes.

The Issuer has not previously carried on any business or activities other than those incidental to its incorporation, the authorisation and entry into of the Warehouse Arrangements, the acquisition of the Portfolio, the authorisation and issue of the Notes and activities incidental to the exercise of its rights and compliance with its obligations under the Transaction Documents and the other documents and agreements entered into in connection with the issue of the Notes and the purchase of the Portfolio.

Indebtedness

The Issuer has no indebtedness as at the date of this Prospectus, other than that which the Issuer has incurred or shall incur in relation to the transactions contemplated herein (including the funding provided pursuant to the Warehouse Arrangements, which will be repaid in full on the Issue Date).

Subsidiaries

The Issuer has no subsidiaries.

Administrative Expenses of the Issuer

The Issuer is expected to incur certain Administrative Expenses (as defined in Condition 1 (*Definitions*) of the Conditions).

Financial Statements

Since its date of incorporation, save as disclosed herein, the Issuer has not commenced operations and no financial statements of the Issuer have been prepared as at the date of this Prospectus. The Issuer intends to publish its first financial statements in respect of the period ending on 31 December 2016.

The Issuer will not prepare interim financial statements. The financial year of the Issuer ends on 31 December in each year. The Issuer's profit and loss account and balance sheet can be obtained free of charge from the registered office of the Issuer. The Issuer must hold its first annual general meeting within 18 months of the date of its incorporation (and no more than 9 months after the financial year end) and thereafter the gap between its annual general meetings must not exceed 15 months. One annual general meeting must be held in each calendar year.

The auditors of the Issuer are Ernst & Young who are chartered accountants and are members of the Institute of Chartered Accountants in Ireland and are qualified to practice as auditors in Ireland. Ernst & Young's address is Ernst & Young Building, Harcourt Centre, Harcourt Street, Dublin 2, Ireland.

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 Initial Purchaser, the Placement Agent or any other party. The Issuer has taken reasonable care to ensure that this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information provided by the Investment Manager, no facts have been omitted which would render the reproduced information inaccurate or misleading. None of the Initial Purchaser, the Placement Agent or any other party other than the Investment Manager assumes any responsibility for the accuracy or completeness of such information.

The Investment Manager is a limited partnership formed on 3 March 2000 and registered under the Limited Partnerships Act 1907, of England and Wales. The Investment Manager is authorised and regulated by the FCA and is engaged in providing investment advice and execution service to select institutions and high net worth individuals worldwide, specialising in discretionary asset management. As at 30 September 2016, the GLG investment division of Man Group plc had funds under management of approximately US$26.6 billion.

The Investment Manager is an indirect wholly owned subsidiary of Man Group plc ("**Man Group**"). Man Group is a financial services company whose origins date from 1783 and is listed on the London Stock Exchange. Through its investment management subsidiaries (collectively "**Man**"), Man Group is a global investment management business providing a range of fund products and investment management services for institutional and private investors globally. As at 30 September 2016, Man collectively managed approximately $80.7 billion of assets.

The Investment Manager is registered with the SEC as an investment adviser under the Investment Advisers Act. The Investment Manager's SEC registration does not indicate any level of expertise or qualification, nor has the SEC in any respect approved the Investment Manager, this Prospectus or the offering of the Notes.

As a European manager of leveraged finance portfolios, Man provides investors with access to a diversified pool of European sub-investment grade credit including senior secured, mezzanine and second lien loans and high yield bonds. The Investment Manager acts in a similar role as investment manager or adviser to five other Collateral Debt Obligations transactions ("**CDOs**"): RMF Euro CDO III PLC, RMF Euro CDO IV PLC, RMF Euro CDO V PLC, Clavos Euro CDO Designated Activity Company and GLG Euro CLO I Designated Activity Company.

Key individuals for managing the Portfolio:

STEVE ROTH - Head of GLG Partners LP Credit & Convertibles Platform

Steve joined the Investment Manager in November 2005 and officially started managing two major funds at the Investment Manager in January 2006. Prior to that he spent 7 years at Deutsche Bank where he was a managing director and head of the European convertible business and subsequently co-head of a proprietary convertible and capital structure arbitrage group. Steve graduated from Cambridge University in 1992 with an MA in Computer Science.

MAREK KUZDRA – Portfolio Manager

Marek Kuzdra is a Portfolio Manager at Man and has approximately 20 years of finance and investment experience. He joined Man in 2006, where he helped to establish the European Leveraged Finance business at Man. Prior to joining Man, he was a member of the High Return/Leveraged Finance team of MetLife, Inc. focusing on a broad range of bridge loans, syndicated bank loans, mezzanine, high yield and private equity products. Marek received his MBA degree in Finance from the Graduate School of Management at Rutgers University, New Jersey, U.S.

FRANÇOISE DEVENOGES – Portfolio Manager

Françoise Devenoges is a Portfolio Manager at Man and has approximately 20 years of finance and investment experience. She joined Man in 2000, where she helped to establish the European Leveraged Finance business. Prior to joining Man, she spent three years with BNP Paribas, most recently in Zurich, where she worked in the LBO/Acquisition Finance team, specialising in leveraged loan transactions. Françoise previously worked in the Geneva Corporate Banking department of BNP Paribas, having first joined the Corporate Finance group of Paribas, London in 1997. Françoise received her masters degree in Economics from the University of Lausanne, Switzerland. She is a CFA Charterholder and a member of the Swiss CFA Society.

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 Initial Purchaser, the Placement Agent or any other party. The Issuer has taken reasonable care to ensure that this information has been accurately reproduced and as far as the Issuer is aware and is able to ascertain from information provided by the Collateral Administrator, no facts have been omitted which would render the reproduced information inaccurate or misleading. None of the Initial Purchaser, the Placement Agent or any other party other than the Collateral Administrator assumes any responsibility for the accuracy or completeness of such information.

Elavon Financial Services DAC is a designated activity company registered in Ireland with the Companies Registration Office (registered number 418442), with its registered office at Block E, Cherrywood Business Park, Loughlinstown, Dublin, Ireland acting through its UK Branch (registered number BR009373) from its offices at 125 Old Broad Street, London EC2N 1AR under the trade name U.S. Bank Global Corporate Trust Services.

THE PORTFOLIO

Terms used and not otherwise defined herein or in this Prospectus as specifically referenced herein shall have the meaning given to them in Condition 1 (*Definitions*) of the Terms and Conditions of the Notes.

Introduction

Pursuant to the Investment Management and Collateral Administration Agreement, the Investment Manager is required or, as the case may be, authorised, to act in specific circumstances in relation to the Portfolio on behalf of the Issuer and to carry out the duties and functions described below. In addition, the Collateral Administrator is required to perform certain calculations in relation to the Portfolio on behalf of the Issuer, in each case to the extent and in accordance with the information provided to it by the Investment Manager.

Acquisition of Collateral Debt Obligations

The Investment Manager will determine and will use reasonable endeavours to cause to be acquired by the Issuer a portfolio of Collateral Debt Obligations during the Initial Investment Period, the Reinvestment Period and thereafter. The Issuer anticipates that, by the Issue Date, the Investment Manager on its behalf will have purchased or committed to purchase Collateral Debt Obligations, the Aggregate Principal Balance of which will equal or exceed approximately €245,000,000, representing approximately 70 per cent. of the Target Par Amount (as defined in the Conditions of the Notes). A portion of the Collateral Debt Obligations will be sourced from one or more funds managed by the Investment Manager. The net proceeds of the issue of the Notes remaining after payment of (a) certain fees and expenses incurred in connection with the issue of the Notes payable on or about the Issue Date and following completion of the issue of the Notes (including, without duplication, amounts deposited into the Expense Reserve Account and the First Period Reserve Account) and (b) the acquisition costs of any Collateral Debt Obligations acquired by the Issuer on or prior to the Issue Date (if applicable), are expected to be approximately €194,100,000. Such remaining net proceeds shall be retained in the Unused Proceeds Account and applied in accordance with the Transaction Documents. During the Initial Investment Period, the Investment Manager acting on behalf of the Issuer, shall use all commercially reasonable efforts to purchase Collateral Debt Obligations with an Aggregate Principal Balance equal to at least the Target Par Amount out of the Balance standing to the credit of the Unused Proceeds Account (together with any Collateral Debt Obligations previously acquired).

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 14 June 2017 (or, if such day is not a Business Day, the next following Business Day), subject to the Effective Date Determination Requirements being satisfied.

On or after the Effective Date, the Balance standing to the credit of the Unused Proceeds Account will be transferred to the Principal Account and/or the Interest Account, in each case, at the discretion of the Investment Manager (acting on behalf of the Issuer), provided that as at such date: (i) the Issuer has acquired or entered into binding commitments to acquire Collateral Debt Obligations, the Aggregate Principal Balance of which equals or exceeds the Target Par Amount (provided that, for the purposes of determining the Aggregate Principal Balance as provided above, any repayments or prepayments of any Collateral Debt Obligations subsequent to the Issue Date shall be disregarded and the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its Moody's Collateral Value and its Fitch Collateral Value); and (ii) not more than 1 per cent. of the Target Par Amount may be transferred to the Interest Account on a cumulative basis, provided that any such transfers shall have been completed on or before the first Payment Date.

Within ten Business Days following the Effective Date or, otherwise, as soon as reasonably practicable (which may be longer), the Collateral Administrator shall issue an Effective Date Report containing the information required in a Monthly Report, confirming whether the Issuer has acquired or entered into a binding commitment to acquire Collateral Debt Obligations having an Aggregate Principal Balance which equals or exceeds the Target Par Amount (provided that, for the purposes of determining the Aggregate Principal Balance as provided above, any repayments or prepayments of any Collateral Debt Obligations subsequent to the Issue Date shall be disregarded and the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its Moody's Collateral Value and its Fitch Collateral Value), copies of which shall be forwarded to the Issuer, the Trustee, the Investment Manager, any Hedge Counterparty 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 Debt Obligations subsequent to the Issue Date shall be disregarded and the Principal Balance of a Collateral Debt Obligation which is a Defaulted Obligation will be the lower of its Fitch Collateral Value and its Moody's Collateral Value) and the Issuer (or the Investment Manager on the Issuer's behalf) shall confirm to the Trustee and the Collateral Administrator receipt of (but shall not provide a copy of) an accountant's certificate confirming the Aggregate Principal Balance of all Collateral Debt Obligations purchased or committed to be purchased as at such date, the computations and results of the Portfolio Profile Tests, the Collateral Quality Tests and the Coverage Tests by reference to such Collateral Debt Obligations.

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 confirmation shall be deemed to have been received from Moody's. If the Effective Date Moody's Condition is not satisfied within twenty Business Days following the Effective Date, the Investment Manager shall promptly notify Moody's. If (a) the Effective Date Determination Requirements are not satisfied and Rating Agency Confirmation has not been received in respect of such failure and either: (i) the Investment Manager (acting on behalf of the Issuer) does not present a Rating Confirmation Plan to the Rating Agencies; or (ii) the Investment Manager (acting on behalf of the Issuer) does present a Rating Confirmation Plan to the Rating Agencies but a Rating Agency Confirmation is not received in respect of such Rating Confirmation Plan; or (b) Rating Agency Confirmation has not been received following the Effective Date, an Effective Date Rating Event shall have occurred, provided that any downgrade or withdrawal of any of the Initial Ratings of the Notes which is not directly related to a request for confirmation thereof or which occurs after confirmation thereof by the Rating Agencies shall not constitute an Effective Date Rating Event. If an Effective Date Rating Event has occurred and is continuing on the Business Day prior to the Payment Date next following the Effective Date, the Rated Notes shall be redeemed, pursuant to Condition 7(e) (*Redemption upon Effective Date Rating Event*) on such Payment Date and thereafter on each Payment Date (to the extent required) out of Interest Proceeds and thereafter out of Principal Proceeds subject to the Priorities of Payment, until the earlier of: (x) the date on which the Effective Date Rating Event is no longer continuing; and (y) the date on which the Rated Notes have been redeemed in full. The 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 Debt 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 Debt 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 accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement):

(a) it is a Secured Senior Loan, a Secured Senior Bond, a Corporate Rescue Loan, an Unsecured Senior Obligation, a Mezzanine Obligation, a Second Lien Loan or a High Yield Bond;

(b) it is:

(i) either:

(A) denominated in Euro; or

(B) denominated in a Qualifying Currency and either (1) if such Collateral Debt Obligation is purchased in the Primary Market and is denominated in a Qualifying Unhedged Obligation Currency, within 180 calendar days of the settlement date of the acquisition by the Issuer of such Collateral Debt Obligation; and otherwise (2) no later than the settlement date of the acquisition thereof the Issuer (or the Investment Manager on its behalf) enters into an Asset Swap Transaction with a notional amount in the relevant currency equal to the aggregate principal amount of such obligation

and otherwise complies with the requirements set out in respect of such obligation in the Investment Management and Collateral Administration Agreement; and

(ii) in all cases not convertible into or payable in any other currency;

(c) if such obligation were a Collateral Debt Obligation other than a Corporate Rescue Loan, it would not constitute a Defaulted Obligation or a Credit Impaired Obligation;

(d) it is not a lease (including, for the avoidance of doubt, a finance lease);

(e) it is not a Structured Finance Security, a pre-funded letter of credit or a Synthetic Security;

(f) it provides for a fixed amount of principal payable on scheduled payment dates and/or at maturity and does not by its terms provide for earlier amortisation or prepayment in each case at a price of less than par;

(g) it is not a Zero Coupon Security;

(h) it is not convertible into equity and it does not constitute Margin Stock;

(i) it is an obligation in respect of which, following acquisition thereof by the Issuer by the selected method of transfer, interest payments will not be subject to withholding tax imposed by any jurisdiction under the current market practice unless: (i) such withholding tax can be eliminated by application being made under an applicable double tax treaty or otherwise; (ii) the Obligor is required to make "gross-up" payments to the Issuer that cover the full amount of any such withholding on an after-tax basis; or (iii) if the Obligor is not required to make "gross-up" payments to the Issuer that cover the full amount of any such withholding on an after-tax basis, the Minimum Weighted Average Spread Test and the Minimum Weighted Average Fixed Coupon Test (as applicable), based on payments received by the Issuer on an after-tax basis, are maintained or improved before and after such purchase;

(j) it has a Fitch Rating of not lower than "CCC-" and a Moody's Default Probability Rating of not lower than "Caa3" (in each case unless it is a Corporate Rescue Loan);

(k) it is not a debt obligation whose repayment is subject to substantial non-credit related risk;

(l) it will not result in the imposition of any present or future, actual or contingent, monetary liabilities or obligations of the Issuer other than those: (i) arising in respect of funding obligations under Revolving Obligations or Delayed Drawdown Collateral Debt Obligations; (ii) which may arise at its option; (iii) which are fully collateralised; (iv) which are subject to limited recourse provisions similar to those set out in the Trust Deed; (v) which are owed to the agent bank in relation to the performance of its duties under a Collateral Debt Obligation; or (vi) which may arise as a result of an undertaking to participate in a financial restructuring of a Collateral Debt Obligation where such undertaking is contingent upon the redemption in full of such Collateral Debt Obligation on or before the time by which the Issuer is obliged to enter into the Restructured Obligation and where the Restructured Obligation satisfies the Eligibility Criteria and for the avoidance of doubt, the Issuer is not liable to pay any amounts in respect of a Restructured Obligation, provided that, in respect of (vi) only, the imposition of any present or future, actual or contingent, monetary liabilities or obligations of the Issuer following such restructuring shall not exceed the redemption amounts from such restructured Secured Senior Loan, Second Lien Loan or similar obligation;

(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 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;

(o) the Stated Maturity thereof falls prior to the Maturity Date of the Notes;

(p) its acquisition by the Issuer will not result in the imposition of stamp duty, stamp duty reserve tax or any other transfer duty or tax or similar tax or duty payable by or otherwise receivable from the Issuer, unless such stamp duty or stamp duty reserve tax has been taken into account by the Investment Manager in calculating the purchase price of such Collateral Debt Obligation;

(q) upon acquisition, both (i) the Collateral Debt Obligation is capable of being, and will be, the subject of a first fixed charge, a first priority security interest or other arrangement having a similar commercial effect in favour of the Trustee for the benefit of the Secured Parties and (ii) (subject to (i) above) the Issuer (or the Investment Manager on behalf of the Issuer) has notified the Trustee if any Collateral Debt Obligation that is a bond is held through the Custodian but not held through Euroclear or does not satisfy the requirements relating to Euroclear collateral specified in the Trust Deed and has taken such action as the Trustee may require to effect such security interest;

(r) it is not an obligation of a borrower who or which is resident in or incorporated under the laws of Ireland and who or which is not acting in the conduct of a business or profession;

(s) it 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);

(t) it has not been called for, and is not subject to a pending redemption;

(u) it is capable of being sold, assigned or participated to the Issuer, together with any associated security, without any breach of applicable selling restrictions or of any contractual provisions;

(v) it must require the consent of at least 66 ⅔ 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 Debt Obligation that is a bond, such percentage requirement shall refer to the percentage of holders required to approve a resolution on any such matter, either as a percentage of those attending a quorate bondholder meeting or as a percentage of all bondholders acting by way of a written resolution;

(w) it is not a Project Finance Loan;

(x) 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;

(y) it is not a Deferring Security;

(z) it is not a Current Pay Obligation;

(aa) it is a "qualifying asset" for the purposes of Section 110 of the TCA;

(bb) it is not an obligation where the total indebtedness (for such purpose based on the amount of such indebtedness when originally incurred and disregarding any amortisation or partial repayment) of such Obligor and its Affiliates (including (i) to the extent that a Collateral Debt Obligation is a part of a security or credit facility, indebtedness of the entire security or credit facility of which such Collateral Debt Obligation is part and (ii) the maximum available amount or total commitment under any revolving or delayed funding loans) under all respective loan agreements, indentures and other underlying instruments governing such Obligor's and its Affiliates' indebtedness has an aggregate principal amount (whether drawn or undrawn) of less than €100,000,000 (or its equivalent in any currency);

(cc) the purchase price of such obligation is not less than 60% of the outstanding principal balance thereof; and

(dd) it is not an obligation which derives its value, or the greater part of its value, directly or indirectly from Irish land.

Other than (a) Issue Date Collateral Debt Obligations (which must satisfy the Eligibility Criteria on the Issue Date) and (b) Collateral Debt Obligations which are the subject of a restructuring (whether effected by way of an amendment to the terms of such Collateral Debt Obligation (including but not limited to an amendment of its maturity date) or by way of substitution of new obligations and/or change of Obligor) which must satisfy the Restructured Obligation Criteria on the applicable Restructuring Date, the subsequent failure of any Collateral Debt Obligation to satisfy any of the Eligibility Criteria shall not prevent any obligation which would otherwise be a Collateral Debt Obligation from being a Collateral Debt Obligation so long as such obligation satisfied the Eligibility Criteria, when the Issuer or the Investment Manager on behalf of the Issuer entered into a binding agreement to purchase such obligation.

"**Project Finance Loan**" means a loan obligation under which the obligor is obliged to make payments that depend (except for rights or other assets designed to assure the servicing or timely distribution of payments) on revenues arising from infrastructure assets, including, without limitation:

(a) the sale of products, such as electricity, water, gas or oil, generated by one or more infrastructure assets in the utility industry by a special purpose entity; and

(b) fees charged in respect of one or more highways, bridges, tunnels, pipelines or other infrastructure assets by a special purpose entity,

in each case, where the sole activity of such special purpose entity is the ownership and/or management of such asset or assets and the acquisition and/or development of such asset by the special purpose entity was effected primarily with the proceeds of debt financing made available to it on a limited recourse basis.

"**Synthetic Security**" means a security or swap transaction (other than a letter of credit or a Participation) that has payments of interest or principal depending on a reference obligation or the credit performance of a reference obligation.

Restructured Obligations

If a Collateral Debt Obligation becomes the subject of a restructuring whether effected by way of an amendment to the terms of such Collateral Debt Obligation (including but not limited to an amendment of its maturity date) or by way of substitution of new obligations and/or change of Obligor and, for the avoidance of doubt, such restructuring is in connection with an insolvency, bankruptcy, reorganisation, debt restructuring or workout of the Obligor thereof, such obligation shall only constitute a Restructured Obligation if such obligation has a Fitch Rating and a Moody's Rating and satisfies each of the criteria comprising the Eligibility Criteria other than the criteria set out at paragraphs (c), (i), (j) and (o) thereof on the related Restructuring Date (such applicable criteria, the "**Restructured Obligation Criteria**"). With regards to the criterion set out at paragraph (n) thereof, to the extent that the Restructured Obligation is tendered at an amount which is less than its outstanding principal amount, it shall be carried at that tendered value in the Collateral Quality Tests, the Coverage Tests, the Reinvestment Overcollateralisation Test and the Portfolio Profile Tests, so long as the tender option is still available. For the avoidance of doubt, a Cashless Loan shall be treated as the acquisition by the Issuer of a new Collateral Debt Obligation and not as the acquisition of a Restructured Obligation.

"**Cashless Loan**" means a loan obligation which is the constitution of a Collateral Debt Obligation upon a refinancing of an existing Collateral Debt Obligation, whereby such refinancing does not involve the receipt by the Issuer of a principal repayment in exchange for the new loan obligation. For the avoidance of doubt (i) a Collateral Debt Obligation or Participation thereof that is the subject of a Maturity Amendment (as defined below) shall not by virtue of the Maturity Amendment alone, constitute a Cashless Loan and (ii) a Collateral Debt Obligation obtained as a result of an Offer shall not constitute a Cashless Loan.

Management of the Portfolio

Overview

The Investment Manager (acting on behalf of the Issuer) is permitted, in certain circumstances and subject to certain requirements set out in the Investment Management and Collateral Administration Agreement, to sell Collateral Debt Obligations and Exchanged Equity Securities and to reinvest the Sale Proceeds (other than accrued interest on such Collateral Debt Obligations included in Interest Proceeds by the Investment Manager) thereof in Substitute Collateral Debt Obligations satisfying the Eligibility Criteria and the Reinvestment Criteria (as applicable).

Prior to any proposed sale of any Collateral Debt Obligations and/or Exchanged Equity Securities, or reinvestment in Substitute Collateral Debt Obligations, the Investment Manager shall notify the Collateral Administrator of all necessary details of the Collateral Debt Obligation or Exchanged Equity Security proposed to be sold and the proposed Substitute Collateral Debt Obligation to be purchased.

The Collateral Administrator (on behalf of the Issuer) shall determine (to the extent applicable) and shall provide confirmation of whether the Portfolio Profile Tests and Reinvestment Criteria which are required to be satisfied in connection with any such sale or reinvestment are satisfied or, if any such criteria are not satisfied,

shall notify the Issuer and the Investment Manager of the reasons and the extent to which such criteria are not so satisfied.

The Investment Manager will determine and use reasonable endeavours to cause to be purchased, by the Issuer, Collateral Debt Obligations (including all Substitute Collateral Debt Obligations) taking into account the Eligibility Criteria and, where applicable, the Reinvestment Criteria, and will monitor the performance of the Collateral Debt Obligations on an ongoing basis to the extent practicable using sources of information reasonably available to it and provided that the Investment Manager shall not be responsible for determining whether or not the terms of any individual Collateral Debt Obligation have been observed.

The activities referred to below that the 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.

Sale of Collateral Debt Obligations

Sale of Non-Eligible Issue Date Collateral Debt Obligations

The Investment Manager, acting on behalf of the Issuer, shall use reasonable endeavours to sell any Issue Date Collateral Debt Obligations which do not comply with the Eligibility Criteria on the Issue Date (each a "**Non-Eligible Issue Date Collateral Debt Obligation**"). Any Sale Proceeds received in connection therewith may be reinvested in Substitute Collateral Debt Obligations satisfying the Eligibility Criteria or credited to the Principal Account pending such reinvestment.

Sale of Credit Impaired Obligations, Credit Improved Obligations and Defaulted Obligations

Credit Impaired Obligations, Credit Improved Obligations and Defaulted Obligations may be sold at any time by the Investment Manager (acting on behalf of the Issuer) subject to:

(a) the Investment Manager's knowledge, having made all reasonable enquiries to ensure the same is true, no Event of Default having occurred which is continuing; and

(b) the Investment Manager certifying to the Trustee and the Collateral Administrator (upon which certificate the Trustee and the Collateral Administrator may rely absolutely and without liability) that it believes (in accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement), that such security constitutes a Credit Impaired Obligation, a Credit Improved Obligation or a Defaulted Obligation, as the case may be, provided that in forming such judgment, a reduction in credit spread or an increase in market value of a Collateral Debt Obligation may only be utilised as corroboration of other bases for such judgment.

Sale of Exchanged Equity Securities

Any Exchanged Equity Security may be sold at any time by the Investment Manager in its discretion (acting on behalf of the Issuer) and the Sale Proceeds (other than accrued interest on such Collateral Debt Obligations included in Interest Proceeds by the Investment Manager) reinvested in Substitute Collateral Debt Obligations in accordance with the Reinvestment Criteria, subject to, to the Investment Manager's knowledge, having made all reasonable enquiries to ensure the same is true, no Event of Default having occurred which is continuing.

In addition to any discretionary sale of Exchanged Equity Securities as provided above, the Investment Manager shall be required by the Issuer to use its commercially reasonable efforts to sell (on behalf of the Issuer) any Exchanged Equity Security which constitutes Margin Stock, as soon as practicable upon its receipt or upon its becoming Margin Stock (as applicable).

Discretionary Sales

The Issuer or the Investment Manager (acting on behalf of the Issuer) may dispose of any Collateral Debt Obligation (other than a Credit Improved Obligation, a Credit Impaired Obligation, a Defaulted Obligation or an Exchanged Equity Security, each of which may only be sold in the circumstances provided above) at any time (other than during a Restricted Trading Period) provided that:

(a) no Event of Default has occurred which is continuing;

(b) after giving effect to such sale, the Aggregate Principal Balance outstanding of all Collateral Debt Obligations sold as described in this paragraph (b) during the preceding 12 calendar months (or, for the first twelve calendar months after the Issue Date, during the period commencing on the Issue Date and ending on the date of such proposed sale) is not greater than 30.0 per cent. of the Aggregate Collateral Balance as of the first day of such twelve calendar month period (or as of the Issue Date, as the case may be);

(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 one or more additional Collateral Debt Obligations within 45 days after the settlement of such sale in accordance with the Reinvestment Criteria; or

(ii) any time, either: (A) the Sale Proceeds from such sale are at least equal to the Principal Balance of such Collateral Debt Obligation; or (B) after giving effect to such sale, the Aggregate Principal Balance outstanding of all Collateral Debt Obligations (excluding the Collateral Debt Obligation being sold but including, without duplication, the Sale Proceeds of such sale) plus, without duplication, the amounts on deposit in the Principal Account and the Unused Proceeds Account (including Eligible Investments therein) will be greater than (or equal to) the Reinvestment Target Par Balance (as defined below); and

(d) during the Reinvestment Period, the Investment Manager uses all reasonable efforts to reinvest such Sale Proceeds within 90 Business Days of the settlement of such sale and in any case, prior to the expiry of the Reinvestment Period. In the event such Sale Proceeds are not reinvested before the Payment Date falling immediately after the end of such 90 Business Day period, such amounts shall only remain credited to the Principal Account, as applicable, for the purpose of reinvestment to the extent no payments are required to be made on such Payment Date in respect of a failure to satisfy any Coverage Test.

Sale of Assets which do not Constitute Collateral Debt Obligations

In the event that an asset did not satisfy the Eligibility Criteria on the date it was required to do so in accordance with the Investment Management and Collateral Administration Agreement, the Investment Manager shall use commercially reasonable efforts to sell such asset. Such proceeds shall constitute Sale Proceeds and may be reinvested in accordance with and subject to the Reinvestment Criteria.

Sale of Collateral Prior to Maturity Date

If: (i) any redemption of the Rated Notes in whole is scheduled to occur prior to the Maturity Date; (ii) notification is received from the Trustee of enforcement of the security over the Collateral; or (iii) the Maturity Date occurs or is shortly to occur, the Investment Manager (acting on behalf of the Issuer) shall (or in the case of (ii) if requested by the Trustee following the enforcement of such security), as far as practicable, arrange for liquidation of the Collateral in order to procure that the proceeds thereof are in immediately available funds by the Business Day prior to the applicable Redemption Date or Maturity Date as applicable and sell all or part of the Portfolio, as applicable, in accordance with Condition 7 (*Redemption and Purchase*) and the Investment Management and Collateral Administration Agreement but without regard to the limitations set out in "*Sale of Collateral Debt Obligations*" above or the Reinvestment Criteria (which will include any limitations or restrictions set out in the Conditions of the Notes and the Trust Deed).

Reinvestment of Collateral Debt Obligations

"**Reinvestment Criteria**" means, during the Reinvestment Period, the criteria set out under "During the Reinvestment Period" below and following the expiry of the Reinvestment Period, the criteria set out below under "Following the Expiry of the Reinvestment Period". The Reinvestment Criteria shall not apply prior to the Effective Date or in the case of a Collateral Debt Obligation which has been restructured on and following the point at which such restructuring has become binding on the holders thereof (whether or not such obligation would constitute a "**Restructured Obligation**"), provided that, for the avoidance of doubt, if a restructured obligation (whether or not constituting a "**Restructured Obligation**") is subsequently sold by the Investment Manager or Unscheduled Principal Proceeds or Scheduled Principal Proceeds are received in connection with

such restructured obligation, any reinvestment of the Sale Proceeds, Unscheduled Principal Proceeds or Scheduled Principal Proceeds (as applicable) shall be subject to the Reinvestment Criteria.)

During the Reinvestment Period

During the Reinvestment Period, the Investment Manager (acting on behalf of the Issuer) may, at its discretion, reinvest any Principal Proceeds in the purchase of Substitute Collateral Debt Obligations satisfying the Eligibility Criteria provided that immediately after entering into a binding commitment to acquire such Collateral Debt Obligations and taking into account existing commitments, the criteria set out below, must be satisfied:

(a) to the Investment Manager's knowledge, no Event of Default has occurred that is continuing at the time of such purchase;

(b) following the Effective Date (or in the case of the Interest Coverage Tests, the Determination Date preceding the second Payment Date if 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 sale or prepayment (in whole or in part) of the relevant Collateral Debt Obligation the Principal Proceeds of which are being reinvested, any Coverage Test was not satisfied, the coverage ratio relating to such test will be maintained or improved after giving effect to such reinvestment than it was immediately prior to sale or prepayment (in whole or in part) of the relevant Collateral Debt Obligation;

(c) in the case of a Substitute Collateral Debt Obligation purchased with Sale Proceeds of a Credit Impaired Obligation or a Defaulted Obligation either:

  (i) the Aggregate Principal Balance of all Substitute Collateral Debt Obligations purchased with such Sale Proceeds shall at least equal such Sale Proceeds; or

  (ii) the sum of: (A) the Aggregate Principal Balance of all Collateral Debt Obligations (excluding all of the Collateral Debt Obligations being sold but including, without duplication, the Collateral Debt Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Debt Obligation); and (B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments representing Principal Proceeds (save for interest accrued on Eligible Investments) acquired with cash standing to the credit of such Accounts) is greater than the Reinvestment Target Par Balance;

(d) in the case of a Substitute Collateral Debt Obligation purchased with Sale Proceeds of a Credit Improved Obligation either:

  (i) the Aggregate Principal Balance shall be maintained or improved after giving effect to such reinvestment when compared with the Aggregate Principal Balance immediately prior to the sale of the relevant Credit Improved Obligation; or

  (ii) the sum of: (A) the Aggregate Principal Balance of all Collateral Debt Obligations (excluding all of the Collateral Debt Obligations being sold but including, without duplication, the Collateral Debt Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Debt Obligation); and (B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments representing Principal Proceeds (save for interest accrued on Eligible Investments) acquired with cash standing to the credit of such Accounts) is greater than the Reinvestment Target Par Balance;

(e) either: (i) each of the Portfolio Profile Tests and the Collateral Quality Tests will be satisfied; or (ii) if any of the Portfolio Profile Tests or Collateral Quality Tests are not satisfied, such test will be maintained or improved after giving effect to such reinvestment when compared with the position immediately prior to sale or prepayment (in whole or in part) of the relevant Collateral Debt Obligation;

(f) the date on which the Issuer (or the Investment Manager acting on behalf of the Issuer) enters into a binding commitment to purchase such Collateral Debt Obligation occurs during the Reinvestment Period;

(g) the Portfolio includes a Collateral Debt Obligation which was acquired from the Investment Manager; and

(h) with respect to the reinvestment of Sale Proceeds (other than Sale Proceeds from Credit Improved Obligations, Credit Impaired Obligations, Defaulted Obligations and Exchanged Equity Securities) either:

(i) the Aggregate Principal Balance of all Collateral Debt Obligations shall be maintained or improved after giving effect to such reinvestment when compared with the Aggregate Principal Balance immediately prior to the sale that generates such Sale Proceeds; or

(ii) after giving effect to such sale, the sum of: (A) the Aggregate Principal Balance of all Collateral Debt Obligations (excluding all of the Collateral Debt Obligations being sold but including, without duplication, the Substitute Collateral Debt Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Debt Obligations); and (B) amounts standing to the credit of the Principal Account and Unused Proceeds Account (including any Eligible Investments representing Principal Proceeds (save for interest accrued on Eligible Investments) acquired with cash standing to the credit of such Accounts) is greater than the Reinvestment Target Par Balance,

provided that, for the avoidance of doubt, with respect to any Collateral Debt Obligations for which the trade date has occurred during the Reinvestment Period but which settle after such date, the purchase of such Collateral Debt Obligations shall be treated as a purchase made during the Reinvestment Period for the purposes of the Trust Deed.

"**Reinvestment Target Par Balance**" means as of any date of determination: (i) the Target Par Amount; *minus* (ii) the amount of any reduction in the Principal Amount Outstanding of the Notes; *plus* (iii) 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.

Following the Expiry of the Reinvestment Period

Following the expiry of the Reinvestment Period, Unscheduled Principal Proceeds, Sale Proceeds from the sale of Credit Impaired Obligations and Sale Proceeds from the sale of Credit Improved Obligations, only, may be reinvested by the Investment Manager (acting on behalf of the Issuer) in one or more Substitute Collateral Debt Obligations satisfying the Eligibility Criteria, in each case provided that:

(a) the Aggregate Principal Balance of Substitute Collateral Debt Obligations equals or exceeds (i) in the case of Unscheduled Principal Proceeds and Sale Proceeds from the sale of Credit Improved Obligations, the Aggregate Principal Balance of the related Collateral Debt Obligations that produced such Unscheduled Principal Proceeds or Sale Proceeds, as the case may be and (ii) in the case of Sale Proceeds from the sale of Credit Improved Obligations or Credit Impaired Obligations, such Sale Proceeds;

(b) the Maximum Weighted Average Life Test and Moody's Weighted Average Rating Factor Test are satisfied immediately after giving effect to such reinvestment;

(c) each Coverage Test is satisfied both before and after giving effect to such reinvestment;

(d) either: (i) the Portfolio Profile Tests and the Collateral Quality Tests (other than the Portfolio Profile Tests (i) and (j) and the Collateral Quality Tests listed in paragraph (b) above) are satisfied after giving effect to such reinvestment; or (ii) if any such test was not satisfied immediately prior to such reinvestment, such test will be satisfied after giving effect to such reinvestment or will be maintained or improved after giving effect to such reinvestment;

(e) to the Investment Manager's knowledge, no Event of Default has occurred that is continuing at the time of such reinvestment;

(f) the Stated Maturity of each Substitute Collateral Debt Obligation is the same as or earlier than the Stated Maturity of the Collateral Debt Obligation that produced such Unscheduled Principal Proceeds or Sale Proceeds;

(g) the Maximum Weighted Average Life Test was satisfied on the last Business Day of the Reinvestment Period;

(h) a Restricted Trading Period is not currently in effect;

(i) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Fitch CCC Obligations;

(j) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Moody's Caa Obligations;

(k) the Portfolio includes a Collateral Debt Obligation which was acquired from the Investment Manager; and

(l) in the case of a Substitute Collateral Debt Obligation that is an Unhedged Collateral Debt Obligation, the sum of: (A)(i) 90 per cent. of the Aggregate Principal Balance of all Unhedged Collateral Debt Obligations plus (ii) the Aggregate Principal Balance of all Collateral Debt Obligations (excluding all of the Collateral Debt Obligations being sold but including, without duplication, the Unhedged Collateral Debt Obligations being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such Substitute Collateral Debt 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 (save for interest accrued on Eligible Investments) acquired with cash standing to the credit of such Accounts) is greater than the Reinvestment Target Par Balance.

Following the expiry of the Reinvestment Period, any Unscheduled Principal Proceeds, any Sale Proceeds from the sale of Credit Impaired Obligations and any Sale Proceeds from the sale of Credit Improved Obligations that have not been reinvested as provided above prior to the end of the Due Period in which such proceeds were received shall be paid into the Principal Account and disbursed in accordance with the Principal Proceeds Priority of Payment on the next following Payment Date (subject as provided in the proviso 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, any Sale Proceeds from the sale of any Credit Impaired Obligations and any Sale Proceeds from the sale of any Credit Improved Obligations are paid into the Principal Account and designated for reinvestment in Substitute Collateral Debt Obligations, in which case such Principal Proceeds shall not be so disbursed in accordance with the Principal Proceeds Priority of Payments for so long as they remain so designated for reinvestment but for no longer than the later of (A) thirty calendar days following their receipt by the Issuer and (B) the end of the following Due Period; provided that, in each case where any of the applicable Reinvestment Criteria are not satisfied as of the Payment Date next following receipt of such Sale Proceeds or Unscheduled Principal Proceeds, all such funds shall be paid into the Principal Account and disbursed in accordance with the Principal Proceeds Priority of Payments set out in Condition 3(c)(ii) (*Application of Principal Proceeds*) and such funds shall be applied only in redemption of the Notes in accordance with the Priorities of Payment.

Amendments to Stated Maturities of Collateral Debt 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 Stated Maturity of the Collateral Debt Obligation that is the subject of such Maturity Amendment is not later than the Maturity Date of the Rated Notes; and (b) the Maximum Weighted Average Life Test is satisfied. 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 the Stated Maturity has been extended, by way of scheme of arrangement or otherwise, the Issuer or the Investment Manager (acting on behalf of the Issuer) may (but shall not be required to) sell such Collateral Debt Obligation provided that in any event the Investment Manager shall dispose of such Collateral Debt Obligation prior to the Maturity Date; such proceeds shall constitute Sale Proceeds and may be reinvested in accordance with and subject to the Reinvestment Criteria.

"**Maturity Amendment**" means with respect to any Collateral Debt Obligation, any waiver, modification, amendment or variance that would extend the Stated Maturity of such Collateral Debt Obligation. For the avoidance of doubt, a waiver, modification, amendment or variance that would extend the Stated Maturity of the credit facility of which a Collateral Debt Obligation is part, but would not extend the Stated Maturity of the Collateral Debt Obligation held by the Issuer, does not constitute a Maturity Amendment.

Unsaleable Assets

After the Reinvestment Period, at the direction and discretion of the Investment Manager and at the expense of the Issuer, the Investment Manager may conduct an auction of Unsaleable Assets in accordance with the following procedures:

(a) the Investment Manager may notify the Issuer, the Collateral Administrator and the Principal Paying Agent of its intention to conduct such auction, and promptly after receipt of such direction, the Trustee will provide notice (in such form as is prepared by the Investment Manager) to the Noteholders (and, for so long as any Notes rated by a Rating Agency are Outstanding, such Rating Agency) of such auction, setting forth in reasonable detail a description of each Unsaleable Asset and the following auction procedure;

(b) any Noteholder may submit a written bid to purchase one or more Unsaleable Assets no later than the date specified in the auction notice (which will be at least 15 Business Days after the date of such notice);

(c) 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;

(d) if no Noteholder submits such a bid, unless delivery in kind is not legally or commercially practicable, the Issuer will provide notice thereof to each Noteholder and offer to deliver (at no cost) a *pro rata* portion of each unsold Unsaleable Asset to the Noteholders of the most senior Class Outstanding that provide delivery instructions to the Issuer on or before the date specified in such notice, subject to minimum denominations. To the extent that minimum denominations do not permit a *pro rata* distribution, the Investment Manager will identify and the Issuer will distribute the Unsaleable Assets on a *pro rata* basis to the extent possible and the Investment Manager will select by lottery the Noteholder to whom the remaining amount will be delivered. The Issuer will use commercially reasonable efforts to effect delivery of such interests. For the avoidance of doubt, any such delivery to the Noteholders will not operate to reduce the Principal Amount Outstanding of the related Class of Notes held by such Noteholders; and

(e) if no such Noteholder provides delivery instructions to the Issuer, the Issuer will promptly notify the Investment Manager and offer to deliver (at no cost) the Unsaleable Asset to the Investment Manager. If the Investment Manager declines such offer, the Issuer will take such action as directed by the Investment Manager (on behalf of the Issuer) to dispose of the Unsaleable Asset, which may be by donation to a charity, abandonment or other means.

"**Unsaleable Assets**" means (a)(i) a Defaulted Obligation, (ii) an Equity Security or (iii) an obligation received in connection with an Offer as part of 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 Debt 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 and, 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 efforts to dispose of such obligation (in accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement) for at least 90 days and (y) it determines that such obligation is not expected to be saleable in the foreseeable future.

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 Debt 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 Debt Obligations for which the trade date has already occurred but the settlement date has not yet occurred) to effect the settlement of such Collateral Debt Obligations.

Reinvestment Overcollateralisation Test

If the Class F Par Value Ratio is less than 104.9 per cent., on the relevant Determination Date, Interest Proceeds shall be paid to the Principal Account during the Reinvestment Period, for the acquisition of additional Collateral Debt Obligations in an amount (such amount, the "**Required Diversion Amount**") equal to the lesser of: (a) 50 per cent. of all remaining Interest Proceeds available for payment pursuant to paragraph (W) of the Interest Proceeds Priority of Payments; and (b) the amount which, after giving effect to the payment of all amounts payable in respect of paragraphs (A) to (V) (inclusive) of the Interest Proceeds Priority of Payments, would be sufficient to cause the Reinvestment Overcollateralisation Test to be met as of the relevant Determination Date after giving effect to any payments made pursuant to paragraph (W) of the Interest Proceeds Priority of Payments, such amounts to be applied during the Reinvestment Period to purchase additional Collateral Debt Obligations.

Designation for Reinvestment

After the expiry of the Reinvestment Period, the Investment Manager shall, one Business Day prior to 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.

The Investment Manager (acting on behalf of the Issuer) may direct that the proceeds of sale of any Collateral Debt Obligation which represents accrued interest be designated as Interest Proceeds and paid into the Interest Account save for: (a) Purchased Accrued Interest; (b) any interest received in respect of any Mezzanine Obligation for so long as it is a Defaulted Deferring Mezzanine Obligation other than Defaulted Mezzanine Excess Amounts; and (c) any interest received in respect of a Defaulted Obligation for so long as it is a Defaulted Obligation other than Defaulted Obligation Excess Amounts.

Accrued Interest

Amounts included in the purchase price of any Collateral Debt Obligation comprising accrued interest thereon may be paid from the Interest Account, the Principal Account or the Unused Proceeds Account at the discretion of the 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 Debt Obligation, in each case, to the extent that such amounts represent accrued and/or capitalised interest in respect of such Collateral Debt Obligation (including, in respect of a Mezzanine Obligation, any accrued interest which, as at the time of purchase, had been capitalised and added to the principal amount of such Mezzanine Obligation in accordance with its terms), which was purchased at the time of acquisition thereof with Principal Proceeds and/or principal amounts from the Unused Proceeds Account shall constitute Purchased Accrued Interest and shall be deposited into the Principal Account as Principal Proceeds.

Block Trades

The requirements described herein with respect to the Portfolio shall be deemed to be satisfied upon any sale and/or purchase of Collateral Debt Obligations on any same day if such Collateral Debt Obligations satisfy such requirements in aggregate rather than on an individual basis.

For the purpose of calculating compliance with the Reinvestment Criteria, at the election of the Investment Manager in its sole discretion, any proposed investment (whether a single Collateral Debt Obligation or a group of Collateral Debt 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 ten Business Days following the date of determination of such compliance (such period, the

"**Trading Plan Period**"); provided that: (a) no Trading Plan may result in the purchase of Collateral Debt Obligations having an Aggregate Principal Balance that exceeds 5 per cent. of the Aggregate Collateral Balance as of the first day of the Trading Plan Period (for which purposes, the Principal Balance of each Defaulted Obligation shall be its Fitch Collateral Value); (b) no Trading Plan Period may include a Determination Date; (c) no more than one Trading Plan may be in effect at any time during a Trading Plan Period and (d) if the Reinvestment Criteria are satisfied prospectively after giving effect to a Trading Plan, but are not satisfied upon the completion of the related Trading Plan, Rating Agency Confirmation is obtained with respect to the effectiveness of additional Trading Plans (it being understood that Rating Agency Confirmation shall only be required once following any failure of a Trading Plan); provided further that no Trading Plan may result in the averaging of the purchase price of a Collateral Debt Obligation or Collateral Debt Obligations purchased at separate times for purposes of determining whether any particular Collateral Debt Obligation is a Discount Obligation. For the avoidance of doubt, compliance with the Reinvestment Criteria upon completion of a Trading Plan pursuant to paragraph (d) above, shall be calculated with respect to those Collateral Debt Obligations that were actually sold and/or purchased as part of the relevant Trading Plan on the basis of data used as at the Initial Trading Plan Calculation Date.

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 the Counterparty Downgrade Collateral Account(s), Unfunded Revolver Reserve Account, the Payment Account or the Collection 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 Debt Obligations being so purchased.

All funds required in respect of the purchase price of any Collateral Enhancement Obligations, and all funds required in respect of the exercise price of any rights or options thereunder, may only be paid out of Contributions and the Balance standing to the credit of the Collateral Enhancement Account at the relevant time or by means of an Investment Manager Advance. Pursuant to Condition 3(j)(vi) (*Collateral Enhancement Account*), such Balance shall be comprised of all sums deposited in such account from time to time which will comprise interest and/or principal payable in respect of the Subordinated Notes which the Investment Manager acting on behalf of the Issuer, determines shall be paid into the Collateral Enhancement Account pursuant to the Priorities of Payment rather than being paid to the Subordinated Noteholders.

Collateral Enhancement Obligations may be sold at any time by the Issuer, or the Investment Manager on behalf of the Issuer, and all Collateral Enhancement Obligation Proceeds received by the Issuer shall be deposited into the Principal Account for allocation in accordance with the Principal Proceeds Priority of Payments.

Collateral Enhancement Obligations and any income or return generated thereby shall not (i) be taken into account for the purposes of determining satisfaction of; or (ii) at any time required to satisfy, any of the Coverage Tests, Portfolio Profile Tests, Reinvestment Overcollateralisation Test or Collateral Quality Tests.

Exercise of Warrants and Options

The Investment Manager, acting on behalf of the Issuer, may at any time, exercise a warrant or option attached to a Collateral Debt Obligation or comprised in a Collateral Enhancement 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 Debt Obligation, Exchanged Equity Security or Collateral Enhancement Obligation which is or at any time becomes Margin Stock as soon as practicable following such event.

"**Margin Stock**" means margin stock as defined under Regulation U issued by the Federal Reserve Board, including any debt security which is by its terms convertible into Margin Stock.

Non-Euro Obligations

Subject to the satisfaction of certain conditions in the Investment Management and Collateral Administration Agreement, the Investment Manager shall from time to time be authorised to purchase, on behalf of the Issuer, Non-Euro Obligations provided that any such Non-Euro Obligation shall only constitute a Collateral Debt Obligation that satisfies paragraph (b) of the Eligibility Criteria if the Investment Manager, on behalf of the Issuer and subject to the satisfaction of the Hedging Condition, enters into an Asset Swap Transaction in respect of each such Collateral Debt Obligation with one or more Asset Swap Counterparties satisfying the applicable Rating Requirement and that has the regulatory capacity, as a matter of Irish law, to enter into derivative transactions with Irish residents, under which the currency risk is reduced or eliminated:

(a) if such Collateral Debt Obligation is purchased in the Primary Market and denominated in a Qualifying Unhedged Obligation Currency, within 180 calendar days of the settlement date of the acquisition by the Issuer of the relevant Collateral Debt Obligation; and

(b) in all other cases, no later than the settlement date of the acquisition by the Issuer of the relevant Collateral Debt Obligation (to become effective on or before the settlement date of such Collateral Debt Obligation),

provided, in each case, that not more than 2.5 per cent. of the Aggregate Collateral Balance may consist of obligations that are Unhedged Collateral Debt Obligations at any time.

Subject to the satisfaction of the Hedging Condition, the Investment Manager (on behalf of the Issuer) shall be authorised to enter into spot exchange transactions, as necessary, but solely to fund the Issuer's payment obligations under any Asset Swap Transaction. Rating Agency Confirmation shall be required in relation to entry into each Asset Swap Transaction unless such Asset Swap Transaction is a Form-Approved Asset Swap. See the "*Hedging Arrangements*" section of this Prospectus.

Revolving Obligations and Delayed Drawdown Collateral Debt Obligations

The Investment Manager, acting on behalf of the Issuer, may from time to time acquire Collateral Debt Obligations which are Revolving Obligations or Delayed Drawdown Collateral Debt Obligations.

Such Revolving Obligations and Delayed Drawdown Collateral Debt Obligations may only be acquired if they are capable of being drawn in a single currency only (being Euros) and are not payable in or convertible into another currency.

Each Revolving Obligation and Delayed Drawdown Collateral Debt Obligation will, pursuant to its terms, require the Issuer to make one or more future advances or other extensions of credit (including extensions of credit made on an unfunded basis pursuant to which the Issuer may be required to reimburse the provider of a guarantee or other ancillary facilities made available to the Obligor thereof if any default by the Obligor thereof in respect of its reimbursement obligations in connection therewith occurs). Such Revolving Obligations and Delayed Drawdown Collateral Debt Obligations may or may not provide that they may be repaid and reborrowed from time to time by the Obligor thereunder. Upon acquisition of any Revolving Obligations and Delayed Drawdown Collateral Debt Obligations, the Issuer shall deposit into the applicable Unfunded Revolver Reserve Account amounts equal to the combined aggregate principal amounts of the Unfunded Amounts under each of the Revolving Obligations and Delayed Drawdown Collateral Debt 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 payment obligations of the Issuer in relation to a Revolving Obligation or a Delayed Drawdown Collateral Debt Obligation, as applicable, including but not limited to reimbursement or indemnification obligations owed by the Issuer to any other lender in connection with a Revolving Obligation or a Delayed Drawdown Collateral Debt 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 Debt Obligations from Selling Institutions by way of Participation, provided that at the time such Participation is taken:

(a) the percentage of the Aggregate Collateral Balance that represents Participations entered into by the Issuer with a single Selling Institution will not exceed the individual and aggregate percentages set forth in the Bivariate Risk Table determined by reference to the credit rating of such third party or any guarantor thereof; and

(b) the percentage of the Aggregate Collateral Balance that represents Participations entered into by the Issuer with Selling Institutions or any guarantor thereof, each having the same credit rating (taking the lowest rating assigned thereto by any Rating Agency), will not exceed the aggregate third party credit exposure limit set forth in the Bivariate Risk Table for such credit rating,

and for the purpose of determining the foregoing, account shall be taken of each sub-participation from which the Issuer, directly or indirectly derives its interest in the relevant Collateral Debt Obligation.

Each Participation entered into pursuant to a participation agreement shall be substantially in the form of:

(a) the LSTA Model Participation Agreement for par/near par trades (as published by the Loan Syndications and Trading Association Inc. from time to time);

(b) the LMA Funded Participation (Par) (as published by the Loan Market Association from time to time); or

(c) such other documentation provided such agreement contains limited recourse and non-petition language substantially the same as that set out in the Trust Deed.

Assignments

The Investment Manager acting on behalf of the Issuer, may from time to time acquire Collateral Debt Obligations from Selling Institutions by way of Assignment provided that at the time such Collateral Debt Obligation is acquired by way of Assignment the Investment Manager, acting on behalf of the Issuer, shall have complied, to the extent within its control, with any requirements relating to such Assignment set out in the relevant loan documentation for such Collateral Debt Obligation (including, without limitation, with respect to the form of such Assignment and obtaining the consent of any person specified in the relevant loan documentation).

Bivariate Risk Table

The following is the bivariate risk table (the "**Bivariate Risk Table**") and as referred to in "*Portfolio Profile Tests*" below and "*Participations*" above. For the purposes of the limits specified in the Bivariate Risk Table, the individual third party credit exposure limit shall be determined by reference to the Aggregate Principal Balance of all Participations (excluding any Defaulted Obligations) entered into by the Issuer with the same counterparty (such amount in respect of such entity, the "**Third Party Exposure**") and the applicable percentage limits shall be determined by reference to the lower of the Moody's or Fitch ratings applicable to such counterparty and the aggregate third party credit exposure limit shall be determined by reference to the aggregate of Third Party Exposure of all such counterparties which share the same rating level or have a lower rating level, as indicated in the Bivariate Risk Table.

Bivariate Risk Table

Long-Term Issuer Credit Rating of Selling Institution	Individual Third Party Credit Exposure Limit*	Aggregate Third Party Credit Exposure Limit*
Fitch		
AAA	20%	20%
AA+	10%	20%
AA	10%	20%
AA-	10%	15%

Long-Term Issuer Credit Rating of Selling Institution	Individual Third Party Credit Exposure Limit*	Aggregate Third Party Credit Exposure Limit*
A+	5%	10%
A	5%	5%
A or below	0%	0%

Long-Term/Short Term Senior Unsecured Debt Rating of Selling Institution	Individual Third Party Credit Exposure Limit*	Aggregate Third Party Credit Exposure Limit*
Moody's		
Aaa	20%	20%
Aa1	10%	20%
Aa2	10%	20%
Aa3	10%	15%
A1	5%	10%
A2 and P-1	5%	5%
A2 (without a Moody's short-term rating of at least P-1) or below	0%	0%

* As a percentage of the Aggregate Collateral Balance (excluding any Defaulted Obligations) the aggregate third party credit exposure limit shall be determined by reference to the aggregate of the third party credit exposure of all such counterparties which share the same rating level or have a lower rating level, as indicated in the Bivariate Risk Table.

Portfolio Profile Tests and Collateral Quality Tests

Measurement of Tests

The Portfolio Profile Tests and the Collateral Quality Tests will be used as criteria for purchasing Collateral Debt Obligations. The Collateral Administrator will measure the Portfolio Profile Tests and the Collateral Quality Tests on each Measurement Date (save as otherwise provided herein).

Substitute Collateral Debt Obligations in respect of which a binding commitment has been made to purchase such Substitute Collateral Debt Obligations but such purchase has not been settled shall nonetheless be deemed to have been purchased for the purposes of the Portfolio Profile Tests and the Collateral Quality Tests at any time as if such purchase had been completed. Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to sell but which have not yet settled shall be excluded as Collateral Debt Obligations in the calculation of the Collateral Quality Tests and Portfolio Profile Tests at any time as if such sale had been completed. See "*Reinvestment of Collateral Debt Obligations*" above.

Notwithstanding the foregoing, the failure of the Portfolio to meet the requirements of the Portfolio Profile Tests at any time shall not prevent any obligation which would otherwise be a Collateral Debt Obligation from being a Collateral Debt Obligation.

Portfolio Profile Tests

The Portfolio Profile Tests will consist of each of the following:

(a) not less than 90.0 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Secured Senior Loans or Secured Senior Bonds (which term, for the purposes of this paragraph (a), shall comprise the aggregate of the Aggregate Principal Balance of the Secured Senior Loans and Secured Senior Bonds and the Balances standing to the credit of the Principal Account and the Unused Proceeds Account, in each case as at the relevant Measurement Date);

(b) not less than 70.0 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Secured Senior Loans (which term, for the purposes of this paragraph (b), shall comprise the aggregate of the Aggregate Principal Balance of the Secured Senior Loans and the Balances standing to the credit of the Principal Account and the Unused Proceeds Account, in each case as at the relevant Measurement Date);

(c) not more than 10.0 per cent. of the Aggregate Collateral Balance shall consist of Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and High Yield Bonds;

(d) not more than 20.0 per cent. of the Aggregate Collateral Balance shall be comprised of the obligations of any 10 Obligors;

(e) subject to paragraphs (f) and (g) below, with respect to any Collateral Debt Obligation, not more than 3.0 per cent. of the Aggregate Collateral Balance shall be the obligations of a single Obligor;

(f) with respect to Secured Senior Loans and Secured Senior Bonds, not more than 2.5 per cent. of the Aggregate Collateral Balance shall be the obligation of any single Obligor, provided that the Aggregate Collateral Balance of one such Obligor may represent up to 3.0 per cent. of the Aggregate Collateral Balance;

(g) with respect to Unsecured Senior Obligations, Second Lien Loans, Mezzanine Obligations and High Yield Bonds not more than 1.5 per cent. of the Aggregate Collateral Balance shall be the obligation of any single Obligor;

(h) not more than 5.0 per cent. of the Aggregate Collateral Balance shall consist of Participations;

(i) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Fitch CCC Obligations;

(j) not more than 7.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Moody's Caa Obligations;

(k) not more than 10.0 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Fixed Rate Collateral Debt Obligations;

(l) not more than 2.5 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Current Pay Obligations;

(m) not more than 5.0 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Unfunded Amounts or Funded Amounts under Revolving Obligations or Delayed Drawdown Collateral Debt Obligations;

(n) not more than 5.0 per cent. of the Aggregate Collateral Balance shall consist of Corporate Rescue Loans, provided that not more than 2.0 per cent. of the Aggregate Collateral Balance shall consist of Corporate Rescue Loans issued by a single Obligor;

(o) not more than 5.0 per cent. of the Aggregate Collateral Balance shall consist of obligations which are PIK Securities;

(p) not more than 30.0 per cent. of the Aggregate Collateral Balance shall consist of Cov-Lite Loans;

(q) not more than 10.0 per cent. of the Aggregate Collateral Balance shall consist of loans originated by the Investment Manager, provided that for the purposes of this calculation (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 where mezzanine tranches of the senior loans were originated by the Investment Manager, shall in either case not be counted as originated by the Investment Manager;

(r) not more than 10.0 per cent. of the Aggregate Collateral Balance shall consist of Obligors who are Domiciled in countries or jurisdictions with a Fitch local currency country risk ceiling below "AAA" unless Rating Agency Confirmation from Fitch is obtained;

(s) not more than 10.0 per cent. of the Aggregate Collateral Balance shall consist of Obligors who are Domiciled in countries with a Moody's local currency country risk ceiling rated below "Aa3" by Moody's provided that the Aggregate Principal Balance of Collateral Debt Obligations of Obligors Domiciled in countries or jurisdictions with a local currency country risk ceiling rated below "A3" by Moody's shall not be greater than 5.0 per cent. of the Aggregate Collateral Balance and provided further that the Aggregate Principal Balance of Collateral Debt Obligations of Obligors Domiciled in

countries or jurisdictions with a local currency country risk ceiling rated below "Baa3" by Moody's shall not be greater than 0.0 per cent. of the Aggregate Collateral Balance;

(t) the Aggregate Collateral Balance of Collateral Debt Obligations the Obligors of which are classified in any single Fitch industry classification shall be less than or equal to 10.0 per cent. of the Aggregate Collateral Balance; provided that: (i) the Aggregate Collateral Balance of Collateral Debt Obligations the Obligors of which are classified in any one single Fitch industry classification may be less than or equal to 17.5 per cent. of the Aggregate Collateral Balance; (ii) the Aggregate Collateral Balance of Collateral Debt Obligations the Obligors of which, in each case, are classified in any two single Fitch industry classifications may, in each case, be less than or equal to 15.0 per cent. of the Aggregate Collateral Balance; and (iii) the Aggregate Collateral Balance of Collateral Debt Obligations the Obligors of which, together, are classified in any three Fitch industry classifications may, together, be less than or equal to 40.0 per cent. of the Aggregate Collateral Balance;

(u) the limits set forth in the Bivariate Risk Table determined by reference to the ratings of Selling Institutions shall be satisfied;

(v) not more than 10.0 per cent. of the Aggregate Collateral Balance shall consist of obligations whose Moody's Rating is derived from an S&P Rating;

(w) not more than 30.0 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Non-Euro Obligations;

(x) not more than 5.0 per cent. of the Aggregate Collateral Balance shall consist of obligations which are Annual Obligations;

(y) not more than 5.0 per cent. of the Aggregate Collateral Balance shall consist of obligations of Obligors in respect of which the total indebtedness (for such purpose based on the amount of such indebtedness when originally incurred and disregarding any amortisation or partial repayment) of the relevant Obligor thereof and its Affiliates (including (i) to the extent that a Collateral Debt Obligation is a part of a security or credit facility, indebtedness of the entire security or credit facility of which such Collateral Debt Obligation is part and (ii) the maximum available amount or total commitment under any revolving or delayed funding loans) under all respective loan agreements, indentures and other underlying instruments governing such Obligor's and 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); and

(z) not more than 2.5 per cent. of the Aggregate Collateral Balance shall consist of obligations that are Unhedged Collateral Debt Obligations.

The percentage requirements applicable to different types of Collateral Debt Obligations specified in the Portfolio Profile Tests shall be determined by reference to the Aggregate Principal Balance of such type of Collateral Debt Obligations, excluding Defaulted Obligations. 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 at any time as if such purchase had been completed. Collateral Debt Obligations in respect of which the Issuer has entered into a binding commitment to sell but which have not yet settled shall be excluded as Collateral Debt Obligations in the calculation of the Portfolio Profile Tests at any time as if such sale had been completed.

Collateral Quality Tests

The Collateral Quality Tests will consist of each of the following:

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

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

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

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

  (i) the Moody's Minimum Diversity Test;

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

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

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

(i) the Minimum Weighted Average Spread Test;

(ii) Minimum Weighted Average Fixed Coupon Test; and

(iii) the Maximum Weighted Average Life Test,

each as defined in the Investment Management and Collateral Administration Agreement.

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

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 to be set out in the Investment Management and Collateral Administration Agreement (substantially in the form 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. 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 (or linear interpolation between two adjacent rows, as applicable) in the Fitch Test Matrix selected by the Investment Manager; and

3. the applicable column and row for performing the Fitch Minimum Weighted Average Recovery Rate Test will be the column and row (or linear interpolation between two adjacent columns and/or two adjacent rows, as applicable) in the Fitch Test Matrix selected by the Investment Manager in relation to (1) and (2) above.

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 Maximum Weighted Average Rating Factor										
Minimum Weighted Average Spread	**30**	**31**	**32**	**33**	**34**	**35**	**36**	**37**	**38**	**39**	**40**
2.40%	79.83%	80.74%	81.30%	82.41%	82.80%	84.10%	86.15%	87.53%	89.90%	91.20%	92.60%
2.60%	77.99%	78.90%	80.20%	81.10%	81.60%	82.90%	84.50%	86.51%	88.50%	90.20%	91.10%
2.80%	75.71%	76.92%	78.00%	79.12%	80.20%	81.70%	83.40%	85.30%	86.98%	88.50%	89.90%

	Fitch Maximum Weighted Average Rating Factor										
Minimum Weighted Average Spread	**30**	**31**	**32**	**33**	**34**	**35**	**36**	**37**	**38**	**39**	**40**
3.00%	73.86%	75.26%	76.38%	77.56%	78.90%	80.50%	82.30%	83.90%	85.53%	86.91%	88.50%
3.20%	71.56%	72.75%	73.85%	74.86%	77.03%	79.00%	81.10%	82.60%	84.10%	85.71%	87.25%
3.40%	67.93%	69.16%	70.29%	72.00%	75.03%	77.50%	80.00%	81.60%	83.20%	84.40%	85.50%
3.60%	64.76%	66.13%	68.00%	70.90%	72.87%	76.00%	78.40%	80.40%	82.00%	83.20%	84.40%
3.80%	62.67%	64.80%	66.60%	69.75%	71.30%	74.08%	76.70%	78.80%	80.80%	82.00%	83.40%
4.00%	61.15%	63.30%	65.10%	67.40%	70.15%	71.93%	74.80%	77.20%	79.80%	81.10%	82.40%
4.05%	60.86%	62.85%	64.70%	66.82%	69.07%	71.26%	74.50%	76.63%	79.54%	80.83%	82.11%
4.10%	60.62%	62.65%	64.58%	66.42%	68.68%	70.61%	73.87%	76.13%	79.27%	80.60%	81.83%
4.15%	60.41%	62.21%	64.30%	66.35%	68.28%	69.94%	73.25%	75.66%	78.83%	80.36%	81.56%
4.20%	60.19%	61.97%	64.30%	66.30%	68.15%	69.70%	72.67%	75.58%	78.30%	79.90%	81.20%
4.25%	59.95%	61.77%	63.84%	65.81%	67.31%	69.54%	72.26%	75.20%	77.94%	79.87%	81.01%
4.30%	59.74%	61.58%	63.34%	65.52%	66.98%	69.01%	71.79%	74.73%	77.36%	79.58%	80.74%
4.35%	59.42%	61.18%	62.95%	65.14%	66.84%	68.82%	71.29%	74.17%	76.75%	79.30%	80.47%
4.40%	58.69%	60.77%	62.56%	64.60%	66.80%	68.80%	70.72%	73.55%	76.58%	78.60%	80.20%
4.60%	56.60%	59.10%	61.03%	62.60%	65.00%	67.00%	69.90%	71.60%	74.46%	76.60%	78.60%
4.80%	54.40%	57.10%	59.26%	61.22%	63.12%	65.18%	68.10%	70.50%	72.60%	74.83%	76.90%
5.00%	52.80%	55.50%	57.80%	60.10%	61.72%	63.90%	66.20%	68.70%	70.50%	72.85%	75.70%
5.20%	51.60%	54.10%	56.70%	59.18%	60.68%	62.59%	64.50%	67.60%	69.60%	71.70%	74.27%
5.40%	50.30%	53.00%	55.60%	58.01%	59.85%	61.60%	63.54%	65.90%	68.60%	70.60%	72.00%
5.60%	49.20%	51.90%	54.40%	56.90%	59.02%	60.82%	62.44%	64.04%	67.20%	68.90%	70.30%
5.80%	48.10%	50.70%	53.20%	55.90%	58.16%	60.03%	61.45%	62.94%	65.30%	67.70%	69.60%
6.00%	46.90%	49.50%	52.10%	54.60%	57.01%	58.93%	60.69%	62.23%	63.85%	66.30%	68.20%

The Fitch Maximum Weighted Average Rating Factor Test

"**Fitch Maximum Weighted Average Rating Factor Test**" means that test that will be satisfied, on any Measurement Date from (and including) the Effective Date, if the Fitch Weighted Average Rating Factor as at such date is less than or equal to the applicable level in the Fitch Test Matrix.

"**Fitch Weighted Average Rating Factor**" is the number determined by summing the products obtained by multiplying the Principal Balance of each Collateral Debt Obligation by its Fitch Rating Factor, dividing such sum by the Aggregate Principal Balance of all such Collateral Debt Obligations and rounding the result down to the nearest two decimal places.

"**Fitch Rating Factor**" means, in respect of any Collateral Debt Obligation, the number set forth in the table below opposite the Fitch Rating in respect of such Collateral Debt Obligation. The following table provides certain probabilities of default relating to Fitch Rating Factors. The information is subject to change and any probabilities of default in respect of Fitch Rating Factors may not at any time necessarily reflect the below table.

Fitch Rating	Fitch Rating Factor
AAA	0.19
AA+	0.35
AA	0.64
AA-	0.86
A+	1.17
A	1.58
A-	2.25
BBB+	3.19

Fitch Rating	Fitch Rating Factor
BBB	4.54
BBB-	7.13
BB+	12.19
BB	17.43
BB-	22.80
B+	27.80
B	32.18
B-	40.60
CCC+	62.80
CCC	62.80
CCC-	62.80
CC	100.00
C	100.00
D	100.00

The Fitch Minimum Weighted Average Recovery Rate Test

"**Fitch Minimum Weighted Average Recovery Rate Test**" means the test that will be satisfied in respect of the Notes on any Measurement Date from (and including) the Effective Date, if the Fitch Weighted Average Recovery Rate is greater than or equal to the applicable level in the Fitch 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 Debt Obligation by the Fitch Recovery Rate in relation thereto and dividing such sum by the Aggregate Principal Balance of all Collateral Debt Obligations and rounding up to the nearest 0.1 per cent.

"**Fitch Recovery Rate**" means, with respect to a Collateral Debt Obligation, the recovery rate determined in accordance with paragraphs (a) to (d) below or (in any case) such other recovery rate as Fitch may either notify the Investment Manager or publish from time to time:

(a) if such Collateral Debt Obligation has a public Fitch recovery rating, or a recovery rating is assigned by Fitch in the context of provision by Fitch of a credit opinion to the 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

(b) if such Collateral Debt Obligation is a Corporate Rescue Loan and has neither a public Fitch recovery rating, nor a recovery rating assigned to it by Fitch in the context of provision by Fitch of a credit opinion, the Issuer or the Investment Manager on behalf of the Issuer shall apply to Fitch for a Fitch recovery rating, provided that the Fitch recovery rating in respect of such Corporate Rescue Loan shall be considered to be "RR3" pending provision by Fitch of such Fitch recovery rating, and the recovery rate applicable to such Corporate Rescue Loan shall be the recovery rate corresponding to such Fitch recovery rating in the table above;

(c) if such Collateral Debt 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

(d) if such Collateral Debt 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 Debt 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 Debt Obligation shall be categorised as "Strong Recovery" if it is a Secured Senior Loan, Secured Senior Bond or Second Lien Loan, "Moderate Recovery" if it is an Unsecured Senior Obligation and otherwise "Weak Recovery", and shall fall into the country group corresponding to the country in which the Obligor thereof is Domiciled:

	Group A	Group B	Group C	Group D
Strong Recovery	75	55	45	35
Moderate Recovery	45	40	30	25
Weak Recovery	20	5	5	5

The country group of a Collateral Debt 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 (U.S.), the UK, 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 and Herzegovina, Botswana, Brazil, Bulgaria, China (for Chinese domiciled corporates which issue offshore, generally utilising SPVs or holdcos, but without upstream guarantees from an onshore operating entity, Fitch caps recoveries at RR4, at the rating level of the Fitch Issuer Default Rating), 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, Oman, Panama, Papua New Guinea, Paraguay, Peru, Russia, Saudi Arabia, Sri Lanka, Turkey, Ukraine, United Arab Emirates, Vietnam.

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 to be set out in the Investment Management and Collateral Administration Agreement (the "**Moody's Test Matrix**") shall be applicable for purposes of the Moody's Maximum Weighted Average Rating Factor Test, the Moody's Minimum Diversity Test and the Minimum Weighted Average Spread Test. For any given case:

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 and column for performing the Moody's Maximum Weighted Average Rating Factor Test will be the row and column (or linear interpolation between two adjacent rows and/or two adjacent columns, as applicable) in which the elected case is set out; and

3. the applicable row for performing the Minimum Weighted Average Spread Test will be the row (or linear interpolation between two adjacent rows, as applicable) in which the elected test is set out.

On the Effective Date, the Investment Manager will be required to elect which case shall apply initially. Thereafter, with notice to the Issuer, 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.

Moody's Test Matrix

Maximum Moody's Weighted Average Rating Factor		Minimum Moody's Diversity Score																
		28	**30**	**32**	**34**	**36**	**38**	**40**	**42**	**44**	**46**	**48**	**50**	**52**	**54**	**56**	**58**	**60**
Minimum Weighted Average Spread	**2.40%**	1835	1850	1865	1880	1895	1910	1925	1936	1948	1959	1971	1982	1988	1994	2000	2006	2012
	2.50%	1903	1924	1949	1975	1994	2023	2031	2031	2050	2060	2070	2072	2084	2092	2099	2106	2110
	2.60%	2025	2054	2083	2117	2141	2141	2168	2168	2202	2202	2202	2207	2233	2233	2241	2241	2241
	2.70%	2083	2119	2156	2182	2204	2242	2269	2289	2310	2327	2327	2327	2327	2327	2371	2388	2394
	2.80%	2140	2185	2200	2252	2261	2303	2327	2340	2356	2384	2385	2389	2389	2389	2458	2458	2474
	2.90%	2173	2220	2275	2300	2317	2332	2375	2390	2405	2405	2452	2452	2452	2452	2496	2509	2525
	3.00%	2240	2283	2311	2339	2367	2395	2414	2433	2452	2469	2490	2503	2514	2514	2555	2555	2575
	3.10%	2274	2324	2360	2395	2430	2443	2469	2489	2510	2532	2539	2553	2569	2577	2593	2605	2624
	3.20%	2323	2363	2402	2412	2466	2489	2513	2536	2560	2576	2587	2602	2623	2639	2643	2656	2674
	3.30%	2357	2403	2440	2479	2508	2553	2580	2588	2605	2622	2636	2651	2673	2686	2692	2723	2723
	3.40%	2391	2441	2475	2509	2542	2576	2610	2628	2646	2664	2682	2700	2715	2751	2764	2773	2773
	3.50%	2425	2467	2510	2552	2594	2607	2648	2671	2695	2714	2733	2767	2782	2796	2812	2825	2841
	3.60%	2457	2502	2546	2590	2635	2660	2686	2711	2737	2762	2775	2813	2834	2846	2859	2876	2889
	3.70%	2489	2535	2579	2627	2660	2692	2723	2754	2790	2799	2816	2837	2875	2893	2895	2914	2936
	3.80%	2521	2566	2610	2647	2684	2721	2758	2795	2817	2836	2858	2881	2903	2928	2931	2953	2984
	3.90%	2553	2598	2638	2678	2719	2759	2799	2825	2851	2873	2899	2928	2936	2962	2967	2991	2995
	4.00%	2585	2627	2668	2710	2751	2793	2823	2852	2882	2910	2941	2956	2969	2997	3003	3018	3033
	4.10%	2615	2659	2703	2748	2793	2824	2855	2885	2916	2947	2965	2982	3000	3031	3040	3056	3071
	4.20%	2644	2689	2734	2779	2814	2849	2883	2918	2953	2973	2992	3012	3031	3066	3076	3095	3109
	4.30%	2674	2719	2765	2802	2839	2877	2914	2951	2973	2995	3033	3055	3077	3099	3112	3133	3147
	4.40%	2703	2760	2795	2836	2874	2912	2950	2974	2997	3036	3059	3082	3105	3128	3135	3160	3185
	4.50%	2733	2776	2819	2881	2904	2947	2992	3016	3041	3065	3089	3113	3137	3162	3172	3199	3215
	4.60%	2759	2804	2849	2921	2939	2993	3018	3044	3069	3094	3119	3144	3170	3182	3209	3226	3246
	4.70%	2786	2837	2885	2938	2965	3011	3039	3068	3096	3124	3153	3181	3195	3223	3235	3252	3276
	4.80%	2812	2864	2915	2947	3002	3031	3061	3091	3121	3151	3180	3210	3231	3248	3261	3292	3307
	4.90%	2839	2905	2955	2988	3021	3054	3099	3120	3153	3186	3219	3233	3254	3273	3303	3319	3337
	5.00%	2865	2931	2967	3017	3053	3089	3124	3144	3179	3215	3237	3270	3291	3311	3330	3347	3362
	5.10%	2891	2957	2994	3048	3067	3123	3141	3178	3214	3243	3272	3293	3314	3336	3357	3374	3399
	5.20%	2945	2984	3023	3062	3101	3140	3179	3218	3257	3277	3299	3320	3342	3363	3384	3401	3426
	5.30%	2969	3009	3049	3090	3143	3182	3210	3250	3273	3295	3326	3349	3371	3385	3408	3428	3453
	5.40%	2994	3036	3079	3121	3164	3206	3249	3272	3295	3329	3351	3374	3396	3418	3440	3456	3480
	5.50%	3018	3062	3106	3150	3194	3238	3263	3300	3324	3348	3372	3396	3420	3444	3468	3483	3507
	5.60%	3044	3090	3136	3183	3229	3256	3294	3320	3346	3372	3397	3423	3449	3474	3500	3520	3540
	5.70%	3070	3117	3163	3213	3255	3283	3310	3338	3366	3394	3422	3449	3477	3505	3526	3547	3568
	5.80%	3095	3142	3188	3234	3264	3295	3326	3357	3387	3418	3449	3479	3510	3532	3553	3575	3596
	5.90%	3121	3169	3222	3254	3286	3318	3350	3382	3414	3446	3478	3510	3533	3556	3578	3601	3624
	6.00%	3147	3205	3247	3290	3332	3375	3405	3435	3465	3495	3525	3546	3567	3589	3610	3631	3652

The Moody's Minimum Diversity Test

The "**Moody's Minimum Diversity Test**" will be satisfied as at any Measurement Date from (and including) the Effective Date, if the Diversity Score equals or exceeds the number set forth in the column entitled "Minimum Diversity Score" in the Moody's Test Matrix based upon the applicable "row/column" combination chosen by the Investment Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)).

The "**Diversity Score**" is a single number that indicates collateral concentration and correlation in terms of both issuer and industry concentration and correlation. It is similar to a score that Moody's uses to measure concentration and correlation for the purposes of its ratings. A higher Diversity Score reflects a more diverse portfolio in terms of the issuer and industry concentration. The Diversity Score for the Collateral Debt Obligations is calculated by summing each of the Industry Diversity Scores which are calculated as follows (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 Obligors represented;

(b) an "**Obligor Principal Balance**" is calculated for each Obligor represented in the Collateral Debt Obligations by summing the Principal Balances of all Collateral Debt Obligations (excluding Defaulted Obligations) issued by such Obligor, provided that if a Collateral Debt Obligation has been sold or is the subject of an optional redemption or Offer, and the Sale Proceeds or Unscheduled Principal Proceeds from such event have not yet been reinvested in Substitute Collateral Debt Obligations or distributed to the 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 Debt Obligation had not been sold or was not subject to such an optional redemption or Offer;

(c) an "**Equivalent Unit Score**" is calculated for each Obligor by taking the lesser of (i) one and (ii) the Obligor Principal Balance for such Obligor divided by the Average Principal Balance;

(d) an "**Aggregate Industry Equivalent Unit Score**" is then calculated for each of the 35 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

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
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		

The Moody's Maximum Weighted Average Rating Factor Test

The "**Moody's Maximum Weighted Average Rating Factor Test**" will be satisfied as at any Measurement Date from (and including) the Effective Date, if the Adjusted Weighted Average Moody's Rating Factor of the Collateral Debt Obligations as at such Measurement Date is equal to or less than the sum of (i) the number set forth in the Moody's Test Matrix at the intersection of the applicable "row/column" combination chosen by the Investment Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)) (acting on behalf of the Issuer) as at such Measurement Date plus (ii) the Moody's Weighted Average Recovery Adjustment, provided, however, that the sum of (i) and (ii) may not exceed 4000.

The "**Moody's Weighted Average Rating Factor**" is determined by summing the products obtained by multiplying the Principal Balance of each Collateral Debt Obligation, excluding Defaulted Obligations, by its Moody's Rating Factor, dividing such sum by the Aggregate Principal Balances of all such Collateral Debt Obligations, excluding Defaulted Obligations, and rounding the result up to the nearest whole number.

The "**Moody's Rating Factor**" relating to any Collateral Debt Obligation is the number set forth in the table below opposite the Moody's Default Probability Rating of such Collateral Debt Obligation.

Moody's Default Probability Rating	Moody's Rating Factor	Moody's Default Probability Rating	Moody's Rating Factor
Aaa	1	Ba1	940
Aa1	10	Ba2	1,350
Aa2	20	Ba3	1,766
Aa3	40	B1	2,220
A1	70	B2	2,720
A2	120	B3	3,490
A3	180	Caa1	4,770
Baa1	260	Caa2	6,500
Baa2	360	Caa3	8,070
Baa3	610	Ca or lower	10,000

The "**Moody's Weighted Average Recovery Adjustment**" means, as of any Measurement Date, the greater of:

(a) zero; and

(b) the product of:

(i) (A) the Weighted Average Moody's Recovery Rate as of such Measurement Date multiplied by 100 minus (B) 44; and

(ii) (A) with respect to the adjustment of the Moody's Maximum Weighted Average Rating Factor Test,

(1) if the weighted average spread (expressed as a percentage) set forth in the Moody's Test Matrix based upon the option chosen by the Investment Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)) is less than 3.1 per cent., 55;

(2) if the weighted average spread (expressed as a percentage) set forth in the Moody's Test Matrix based upon the option chosen by the Investment Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)) is greater than or equal to 3.1 per cent. and less than 4.1 per cent., 65; and

(3) in all other cases, 70; and

(B) with respect to adjustment of the Minimum Weighted Average Spread,

(1) 0.05 per cent. if the weighted average spread (expressed as a percentage) set forth in the Moody's Test Matrix based upon the option chosen by the Investment Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)) is less than 3.2 per cent;

(2) 0.09 per cent. if the weighted average spread (expressed as a percentage) set forth in the Moody's Test Matrix based upon the option chosen by the Investment Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)) is greater than or equal to 3.2 per cent. and less than 3.5 per cent.;

(3) 0.11 per cent. if the weighted average spread (expressed as a percentage) set forth in the Moody's Test Matrix based upon the option chosen by the Investment Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)) is greater than or equal to 3.5 per cent. and less than 4 per cent.; and

(4) 0.14 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 is received from Moody's.

"**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 in connection with determining the Moody's Weighted Average Rating Factor for purposes of this definition, 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 sub-category, (b) negative watch will be treated as having been downgraded by two rating sub-categories and (c) negative outlook will be treated as having been downgraded by one rating sub-category.

The Moody's Minimum Weighted Average Recovery Rate Test

The "**Moody's Minimum Weighted Average Recovery Rate Test**" will be satisfied, as at any Measurement Date from (and including) the Effective Date, if the Weighted Average Moody's Recovery Rate is greater than or equal to (i) 44.00 per cent. minus (ii) the Moody's Weighted Average Rating Factor Adjustment, provided however that the sum of (i) and (ii) may not be less than 36.00 per cent.

The "**Weighted Average Moody's Recovery Rate**" means, as of any Measurement Date, the number, expressed as a percentage, obtained by summing the products obtained by multiplying the Principal Balance of each Collateral Debt Obligation (excluding Defaulted Obligations) by its corresponding Moody's Recovery Rate and dividing such sum by the lesser of (x) the Reinvestment Target Par Balance and (y) the Aggregate Principal Balance (excluding Defaulted Obligations) and rounding to the nearest 0.1 per cent.

The "**Moody's Recovery Rate**" means, in respect of each Collateral Debt 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. Extracts of the Moody's Recovery Rate applicable under the Investment Management and Collateral Administration Agreement are set out in Annex B (*Moody's Recovery Rates*) of this Prospectus.

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 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 two adjacent rows and/or two adjacent columns (as applicable)), as at such Measurement Date minus (B) the Adjusted Weighted Average Moody's Rating Factor; by

(ii) (A) 80 if the weighted average spread (expressed as a percentage) set forth in the Moody's Test Matrix based upon the option chosen by the Investment Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)) is equal to or higher than 2.4 per cent. but less than 3.2 per cent.;

(B) 85 if the weighted average spread (expressed as a percentage) set forth in the Moody's Test Matrix based upon the option chosen by the Investment Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)) is equal to or higher than 3.2 per cent. but less than 4.5 per cent.; and

(C) 90 if the weighted average spread (expressed as a percentage) set forth in the Moody's Test Matrix based upon the option chosen by the Investment Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)) is equal to or higher than 4.5 per cent.,

and dividing the result by 100.

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 equals or exceeds the Minimum Weighted Average Spread as at such Measurement Date.

The "**Minimum Weighted Average Spread**", as of any Measurement Date, will equal the greater of (a) the percentage set forth in the Fitch Test Matrix based upon the option chosen by the Investment Manager and (b) the percentage set forth in the Moody's Test Matrix based upon the option chosen by the Investment Manager (or interpolating between two adjacent rows and/or two adjacent columns (as applicable)) reduced by the Moody's Weighted Average Recovery Adjustment, provided such reduction may not reduce the Minimum Weighted Average Spread below 2.40 per cent.

The "**Weighted Average Spread**" as of any Measurement Date will equal a fraction (expressed as a percentage) obtained by:

(X) summing the following:

(a) the product obtained by multiplying:

(i) the Principal Balance (excluding Purchased Accrued Interest) of each Floating Rate Collateral Debt Obligation (excluding (i) Defaulted Obligations, (ii) Revolving Obligations, (iii) Delayed Drawdown Collateral Debt Obligations, (iv) PIK Securities and (v) Unhedged Collateral Debt Obligations) held by the Issuer as at such Measurement Date; by

(ii) its Effective Spread,

in each case excluding, in respect of each Mezzanine Obligation held by the Issuer in respect of such Measurement Date, any interest which has been contractually deferred pursuant to its terms;

(b) the product obtained by multiplying:

(i) the aggregate of each Unfunded Amount of Floating Rate Collateral Debt Obligations (excluding Purchased Accrued Interest) held by the Issuer as at such Measurement Date in respect of which a commitment fee is receivable by the Issuer; by

(ii) the current *per annum* rate payable by way of such commitment fee in respect of each such Unfunded Amount;

(c) the product obtained by multiplying:

(i) the aggregate of each Funded Amount of Floating Rate Collateral Debt Obligations (excluding Purchased Accrued Interest) held by the Issuer as at such Measurement Date; by

(ii) the Effective Spread applicable to each such Funded Amount as at such Measurement Date; and

(d) the product obtained by multiplying:

(i) the Unhedged Principal Balance (excluding Purchased Accrued Interest) of each Floating Rate Collateral Debt Obligation that is an Unhedged Collateral Debt Obligation (excluding any such Collateral Debt Obligations that are (i) Defaulted Obligations, (ii) Revolving Obligations, (iii) Delayed Drawdown Collateral Debt Obligations and (iv) PIK Securities) held by the Issuer as at such Measurement Date; by

(ii) its Effective Spread,

in each case excluding, in respect of each Mezzanine Obligation held by the Issuer in respect of such Measurement Date, any interest which has been contractually deferred pursuant to its terms,

and dividing such sum by:

(Y) the sum of the Principal Balances (excluding Purchased Accrued Interest) of each Floating Rate Collateral Debt Obligation referred to in paragraph (a)(i) (but including the Principal Balance of PIK Securities), all Funded Amounts and Unfunded Amounts referred to in paragraphs (b)(i) and (c)(i) and the sum of the Unhedged Principal Balances (excluding Purchased Accrued Interest) of each Floating Rate Collateral Debt Obligation that is an Unhedged Collateral Debt Obligation referred to in paragraph (d)(i) (but including the Principal Balance of any such Collateral Debt Obligations that are PIK Securities) (the division of (X) and (Y) above the "**Non-Adjusted Weighted Average Spread**"),

and adding:

(Z) the Gross Fixed Rate Excess (but only to the extent the Minimum Weighted Average Spread Test is not satisfied).

Provided that in the case of Restructured Obligations interest that will be withheld or deducted because of tax reasons and which withheld or deducted amounts will not be grossed-up or recoverable under any applicable double tax treaty or otherwise shall be excluded.

Further, the Effective Spread 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 Effective Spread applicable as at the relevant Measurement Date.

"**Effective Spread**" means:

(a) with respect to any Euro denominated Floating Rate Collateral Debt Obligation (including the Funded Amount of any such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation):

(i) the current *per annum* rate at which it pays interest; *minus*

(ii) the greater of (x) euribor or such other floating rate index upon which such Collateral Debt Obligation bears interest and (y) zero;

(b) with respect to any Asset Swap Obligation which is a Floating Rate Collateral Debt Obligation (including the Funded Amount of any such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation):

(i) the current *per annum* rate at which the related Asset Swap Transaction pays interest; *minus*

(ii) the greater of (x) euribor or such other floating rate index upon which the related Asset Swap Transaction pays interest and (y) zero; and

(c) with respect to any Unhedged Collateral Debt Obligation which is a Floating Rate Collateral Debt Obligation (including the Funded Amount of any such Revolving Obligation or Delayed Drawdown Collateral Debt Obligation), 85 per cent., of:

(i) the current *per annum* rate at which the Unhedged Collateral Debt Obligation pays interest; *minus*

(ii) the greater of (x) LIBOR or such other floating rate index upon which the Unhedged Collateral Debt Obligation bears interest and (y) zero,

(in each case any such floating rate index, a "**Base Rate**"); provided, that, if such Floating Rate Collateral Debt Obligation utilises a minimum Base Rate for the purposes of calculating interest due on such Floating Rate Collateral Debt Obligation or under the related Asset Swap Transaction (the "**Base Rate Floor**") and the Base Rate Floor is greater than the current Base Rate, then such asset shall have an Effective Spread equal to the *per annum* rate determined in accordance with paragraph (a), (b) or (c) above (as applicable), plus the positive difference between (A) its Base Rate Floor and (B) the greater of (x) its Base Rate and (y) zero.

"**Step-Down Coupon Security**" means an obligation or security which by the terms of the related Underlying Instruments provides for a decrease in the per annum interest rate on such obligation or security (other than by reason of any change in the applicable index or benchmark rate used to determine such interest rate) or in the spread over the applicable index or benchmark rate, solely as a function of the passage of time; provided that an

obligation or security providing for payment of a constant rate of interest at all times after the date of acquisition by the Issuer shall not constitute a Step-Down Coupon Security.

"**LIBOR**" means the London Inter-Bank Offered Rate.

The Minimum Weighted Average Fixed Coupon Test

The "**Minimum Weighted Average Fixed Coupon Test**" means the test which will be satisfied if, as at any Measurement Date from (and including) the Effective Date, the Weighted Average Fixed Rate Coupon as at such Measurement Date equals or exceeds the Minimum Weighted Average Fixed Coupon as at such Measurement Date.

"**Minimum Weighted Average Fixed Coupon**" means 5.00 per cent.

The "**Weighted Average Fixed Rate Coupon**" as of any Measurement Date will equal a fraction (expressed as a percentage) obtained by:

(X) summing the following:

(a) the products obtained by multiplying:

(i) the Principal Balance (excluding Purchased Accrued Interest) of each Fixed Rate Collateral Debt Obligation (excluding (i) Defaulted Obligations, (ii) Revolving Obligations, (iii) Delayed Drawdown Collateral Debt Obligations, (iv) PIK Securities and (v) Unhedged Collateral Debt Obligations) held by the Issuer as at such Measurement Date; by

(ii) (A) in the case of Euro-denominated Fixed Rate Collateral Debt Obligations, its stated coupon expressed as a percentage; or (B) in the case of an Asset Swap Obligation, the current *per annum* coupon at which the related Asset Swap Transaction pays interest;

(b) the products obtained by multiplying:

(i) the Unhedged Principal Balance (excluding Purchased Accrued Interest) of each Fixed Rate Collateral Debt Obligation that is an Unhedged Collateral Debt Obligation (excluding (i) Defaulted Obligations, (ii) Revolving Obligations, (iii) Delayed Drawdown Collateral Debt Obligations and (iv) PIK Securities) held by the Issuer as at such Measurement Date; by

(ii) 85 per cent. of the current *per annum* coupon at which such Unhedged Collateral Debt Obligation pays interest; and

(c) the product obtained by multiplying:

(i) the aggregate of each Funded Amount of Fixed Rate Collateral Debt Obligations (excluding Purchased Accrued Interest) held by the Issuer as at such Measurement Date; by

(ii) the stated coupon applicable to each such Funded Amount as at such Measurement Date,

and dividing such sum by:

(Y) the sum of the Principal Balances (excluding Purchased Accrued Interest) of each Fixed Rate Collateral Debt Obligation referred to in paragraph (a)(i) (but including the Principal Balance of PIK Securities), the sum of the Unhedged Principal Balances (excluding Purchased Accrued Interest) of each Fixed Rate Collateral Debt Obligation that is an Unhedged Collateral Debt Obligation referred to in paragraph (b)(i) (but including the Principal Balance of any such Collateral Debt Obligations that are PIK Securities), and all Funded Amounts referred to in paragraph (c)(i) as above, the division of (X) and (Y) above, the "**Non-Adjusted Weighted Average Fixed Rate Coupon**"),

and adding:

(Z) the Gross Spread Excess (but only to the extent the Minimum Weighted Average Fixed Coupon Test is not satisfied).

Provided that in the case of Restructured Obligations interest that will be withheld or deducted because of tax reasons and which withheld or deducted amounts will not be grossed-up or recoverable under any applicable double tax treaty or otherwise shall be excluded.

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 coupon applicable as at the relevant Measurement Date.

"**Gross Fixed Rate Excess**" as of any Measurement Date will equal a fraction (expressed as a percentage) obtained by:

(a) calculating the product of (1) the greater of zero and the excess, if any, of the Non-Adjusted Weighted Average Fixed Rate Coupon over the applicable Minimum Weighted Average Fixed Coupon on such date of determination and (2) the amount calculated in (Y) of the definition of the Weighted Average Fixed Rate Coupon; and

(b) dividing such product by the amount calculated in (Y) of the definition of the Weighted Average Spread.

"**Gross Spread Excess**" as of any Measurement Date will equal a fraction (expressed as a percentage) obtained by:

(a) calculating the product of (i) the greater of zero and the excess, if any, of the Non-Adjusted Weighted Average Spread over the applicable Minimum Weighted Average Spread on such date of determination and (ii) the amount calculated in (Y) of the definition of the Weighted Average Spread; and

(b) dividing such product by the amount calculated in (Y) of the definition of the Weighted Average Fixed Rate Coupon.

The Maximum Weighted Average Life Test

The "**Maximum Weighted Average Life Test**" will be satisfied on any Measurement Date if the Weighted Average Life as of such date is less than the number of years (rounded to the nearest one hundredth thereof) during the period from such Measurement Date to 14 December 2024.

"**Weighted Average Life**" is, as of any Measurement Date with respect to all Collateral Debt Obligations other than Defaulted Obligations, the number of years following such date obtained by summing the products obtained by:

(a) multiplying (A) the Average Life at such time of each such Collateral Debt Obligation by (B) the Principal Balance of such Collateral Debt Obligation,

and dividing such sum by:

(b) the Aggregate Principal Balance at such time of all Collateral Debt Obligations other than Defaulted Obligations.

"**Average Life**" is, on any Measurement Date with respect to any Collateral Debt Obligation, the quotient obtained by dividing (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 Debt 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 Debt Obligation.

Rating Definitions

Moody's Ratings Definitions

"**Assigned Moody's Rating**" means the monitored publicly available rating or the unpublished monitored loan rating or the credit estimate expressly assigned to a debt obligation (or facility) by Moody's.

"**CFR**" means, with respect to an obligor of a Collateral Debt Obligation, if such obligor has a corporate family rating by Moody's, then such corporate family rating; provided, if such obligor does not have a corporate family rating by Moody's but any entity in the obligor's corporate family does have a corporate family rating, then the CFR is such corporate family rating.

"**Moody's Default Probability Rating**" means, with respect to any Collateral Debt Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) if the Obligor of such Collateral Debt Obligation has a CFR by Moody's, then such CFR;

(b) if not determined pursuant to paragraph (a) above, if the Obligor of such Collateral Debt Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Assigned Moody's Rating on such obligation as selected by the Investment Manager in its sole discretion;

(c) if not determined pursuant to paragraph (a) or (b) above, if the Obligor of such Collateral Debt Obligation has one or more senior secured obligations with an Assigned Moody's Rating, then the Moody's rating that is one sub-category 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 paragraph (a), (b) or (c) above, or if a credit estimate has been assigned to such Collateral Debt 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;

(e) if not determined pursuant to paragraph (a), (b), (c) or (d) above, the Moody's Derived Rating; and

(f) if not determined pursuant to paragraph (a), (b), (c), (d) or (e) above, the Collateral Debt Obligation will be deemed to have a Moody's Default Probability Rating of "Caa3".

"**Moody's Derived Rating**" means, with respect to a Collateral Debt Obligation whose Moody's Rating or Moody's Default Probability Rating 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, one sub-category below the facility rating (whether public or private) of such Corporate Rescue Loan rated by Moody's; and

(b) if not determined pursuant to paragraph (a) above, if the Obligor of such Collateral Debt Obligation has a long-term issuer rating by Moody's, then such long-term issuer rating;

(c) if not determined pursuant to paragraph (a) or (b) above, if another obligation of the Obligor is rated by Moody's, then by adjusting the rating of the related Moody's rated obligations of the related Obligor by the number of rating sub-categories according to the table below:

Obligation Category of Rated Obligation	Rating of Rated Obligation	Number of Sub-categories Relative to Rated Obligation Rating
Senior secured obligation	Greater than or equal to B2	-1
Senior secured obligation	less than B2	-2
Subordinated obligation	Greater than or equal to B3	+1
Subordinated obligation	less than B3	0

(d) if not determined pursuant to paragraph (a), (b) or (c) above, then by using any one of the methods provided below:

(i) pursuant to the table below:

Type of Collateral Debt Obligation	S&P Rating (Public and Monitored)	Collateral Debt Obligation Rated by S&P	Number of Sub-categories Relative to Moody's Equivalent of S&P Rating
Not Structured Finance Obligation	≥BBB-	Not a Loan or Participation in Loan	-1
Not Structured Finance Obligation	≤BB+	Not a Loan or Participation in Loan	-2
Not Structured Finance Obligation	≤BB+	Loan or Participation in Loan	-2

(ii) if such Collateral Debt 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-paragraph (d)(i) above, and the Moody's Derived Rating for the purposes of the definition of Moody's Rating and Moody's Default Probability Rating (as applicable) of such Collateral Debt Obligation will be determined in accordance with the methodology set forth in paragraph (c) above (for such purposes treating the parallel security as if it were rated by Moody's at the rating determined pursuant to this sub-paragraph (d)(ii)); or

(iii) if such Collateral Debt Obligation is a Corporate Rescue Loan, no Moody's Derived Rating may be determined based on a rating by S&P or any other rating agency; or

(e) if such Collateral Debt Obligation is not rated by Moody's and no other security or obligation of the issuer of such Collateral Debt Obligation is rated by Moody's, and if Moody's has been requested by the Issuer, the Investment Manager or the issuer of such Collateral Debt Obligation to assign a rating or credit estimate with respect to such Collateral Debt Obligation but such rating or credit estimate has not been received, pending receipt of such estimate, the Moody's Derived Rating for purposes of the definition of Moody's Rating and Moody's Default Probability Rating (as applicable) of such Collateral Debt Obligation shall be (i) "B3" if the Investment Manager certifies to the Trustee and the Collateral Administrator that the Investment Manager believes that such estimate will be at least "B3" and if the aggregate principal balance of Collateral Debt Obligations determined pursuant to this paragraph (e) does not exceed 5 per cent. of the Aggregate Collateral Balance of all Collateral Debt Obligations or (ii) otherwise, "Caa1".

"**Moody's Rating**" means,

(a) with respect to a Collateral Debt Obligation that is a Secured Senior Loan:

(i) if such Collateral Debt Obligation has an Assigned Moody's Rating, such Assigned Moody's Rating;

(ii) if such Collateral Debt Obligation does not have an Assigned Moody's Rating but the Obligor of such Collateral Debt Obligation has a CFR, then the Moody's rating that is one sub-category higher than such CFR;

(iii) if neither paragraph (i) nor (ii) above apply, if such Collateral Debt Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Debt Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Moody's rating that is two sub-categories higher than the Assigned Moody's Rating on any such obligation as selected by the Investment Manager in its sole discretion;

(iv) if none of paragraphs (i) through (iii) above apply, at the election of the Investment Manager, the Moody's Derived Rating; and

(v) if none of paragraph (i) through (iv) above apply, the Collateral Debt Obligation will be deemed to have a Moody's Rating of "Caa3"; and

(b) with respect to a Collateral Debt Obligation other than a Secured Senior Loan:

(i) if such Collateral Debt Obligation has an Assigned Moody's Rating, such Assigned Moody's Rating;

(ii) if such Collateral Debt Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Debt Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Assigned Moody's Rating on any such obligation as selected by the Investment Manager in its sole discretion;

(iii) if neither paragraph (i) nor (ii) above apply, if such Collateral Debt Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Debt Obligation has a CFR, then the Moody's rating that is one sub-category lower than such CFR;

(iv) if none of paragraphs (i), (ii) or (iii) above apply, if such Collateral Debt Obligation does not have an Assigned Moody's Rating but the obligor of such Collateral Debt Obligation has one or more subordinated debt obligations with an Assigned Moody's Rating, then the Moody's rating that is one sub-category higher than the Assigned Moody's Rating on any such obligation as selected by the Investment Manager in its sole discretion;

(v) if none of paragraphs (i) through (iv) above apply, at the election of the Investment Manager, the Moody's Derived Rating; and

(vi) if none of paragraphs (i) through (v) above apply, the Collateral Debt Obligation will be deemed to have a Moody's Rating of "Caa3".

"**Moody's Secured Senior Loan**" means:

(a) a loan that:

(i) is not (and cannot by its terms become) subordinate in right of payment to any other debt obligation of the obligor of the loan;

(ii) (x) is secured by a valid first priority perfected security interest or lien in, to or on specified collateral securing the obligor's obligations under the loan; and (y) such specified collateral does not consist entirely of equity securities or common stock; provided that any loan that would be considered a Moody's Secured Senior Loan but for clause (y) above shall be considered a Moody's Secured Senior 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 judgment 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); or

(b) a loan that:

(i) is not (and cannot by its terms become) subordinate in right of payment to any other debt obligation of the obligor of the loan;

(ii) with respect to such liquidation, is secured by a valid perfected security interest or lien;

(iii) the value of the collateral securing the loan together with other attributes of the obligor (including, without limitation, its general financial condition, ability to generate cash flow available for debt service and other demands for that cash flow) is adequate (in the commercially reasonable judgment of the Investment Manager) to repay the loan in accordance with its terms and to repay all other loans of equal or higher seniority secured in the same collateral); and

(iv) (x) has a Moody's facility rating and the obligor of such loan has a Moody's corporate family rating; and (y) such Moody's facility rating is not lower than such Moody's corporate family rating; and

(c) 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.

Fitch Ratings Definitions

The "**Fitch Rating**" of any Collateral Debt Obligation will be determined in accordance with the below (with the sub-paragraph earliest in this definition applying in the case where more than one sub-paragraph would otherwise be applicable):

(a) with respect to any Collateral Debt Obligation in respect of which there is a Fitch issuer default rating including credit opinions, whether public or privately provided to the Investment Manager following notification by the Investment Manager that the Issuer has entered into a binding commitment to acquire such Collateral Debt Obligation (the "**Fitch Issuer Default Rating**"), the Fitch Rating shall be such Fitch Issuer Default Rating;

(b) if the Obligor thereof has an outstanding long-term financial strength rating from Fitch (the "**Fitch LTSR**"), then the Fitch Rating shall be one notch lower than such Fitch LTSR;

(c) if, in respect of any other obligation of the Obligor or its Affiliates, there is a publicly available rating by Fitch, then the Fitch Rating shall be the Fitch IDR Equivalent determined by applying the Fitch Rating Mapping Table (as defined below) to such rating;

(d) if in respect of the Collateral Debt Obligation there is a Moody's CFR, a Moody's Long Term Issuer Rating or an S&P Issuer Credit Rating, then the Fitch Rating shall be the rating that corresponds to the lowest thereof;

(e) if in respect of the Collateral Debt Obligation, there is an Insurance Financial Strength Rating, then the Fitch Rating shall be one notch lower than such Insurance Financial Strength Rating;

(f) if in respect of the Collateral Debt Obligation there is a Moody's/S&P Corporate Issue Rating, then the Fitch Rating shall be the Fitch IDR Equivalent determined by applying the Fitch Rating Mapping Table (as defined below) to such rating;

(g) if a Fitch Rating cannot otherwise be assigned, the 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 Debt Obligation shall either be deemed to have a Fitch Rating of "B-", subject to the Investment Manager believing (in accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement) that such credit assessment will be at least "B-" or the rating specified as applicable thereto by Fitch pending receipt of such credit assessment; or

(h) if such Collateral Debt Obligation is a Corporate Rescue Loan:

(i) if such Corporate Rescue Loan has a publicly available rating from Fitch or has been assigned an issue-level credit assessment by Fitch, the Fitch Rating shall be such rating or credit assessment; 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 accordance with the standard of care set out in the Investment Management and Collateral Administration Agreement) 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 Debt 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 Debt 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, and (y) notwithstanding the rating definition described above, Fitch reserves the right to use a credit opinion or a rating estimate for any Collateral Debt Obligations at any time.

"**Fitch IDR Equivalent**" means, in respect of any rating described in the Fitch Rating Mapping Table, the equivalent Fitch Issuer Default Rating determined by increasing (or reducing, in the case of a negative number) such rating (or the nearest Fitch equivalent thereof) by the number of notches specified under "Mapping Rule" in the fourth column of the Fitch Rating Mapping Table.

"**Fitch Rating Mapping Table**" means the following table:

Rating Type	Applicable Rating Agency(ies)	Issue rating	Mapping Rule
Corporate family rating or long term issuer rating	Moody's	n/a	+0
Issuer credit rating	S&P	n/a	+0
Senior unsecured	Fitch, Moody's or S&P	Any	+0
Senior, 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 below	-1
Senior, senior secured or subordinated secured	Moody's	"Ba1" or above	-1
Senior, senior secured or subordinated secured	Moody's	"Ba2" or below	-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 Debt Obligation, the lower of any applicable public insurance financial strength rating by S&P or Moody's in respect thereof.

"**Moody's CFR**" means, in respect of a Collateral Debt Obligation, a publicly available corporate family rating by Moody's in respect of the Obligor thereof.

"**Moody's Long Term Issuer Rating**" means, in respect of a Collateral Debt Obligation, a publicly available long term issuer rating by Moody's in respect of the Obligor thereof.

"**Moody's/S&P Corporate Issue Rating**" means, in respect of a Collateral Debt Obligation, the lower of the Fitch IDR Equivalent ratings, determined in accordance with the Fitch Rating Mapping Table, corresponding to any outstanding publicly available issue rating by Moody's and/or S&P in respect of any other obligation of the Obligor or any of its Affiliates.

"**S&P Issuer Credit Rating**" means, in respect of a Collateral Debt Obligation, a publicly available issuer credit rating by S&P in respect of the Obligor thereof.

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 and whether Principal Proceeds may be reinvested in Substitute Collateral Debt Obligations. Each of the Class A/B Par Value Test, the Class A/B Interest Coverage Test, the Class C Par Value Test, the Class C Interest Coverage Test, the Class D Par Value Test, the Class D Interest Coverage Test, 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 (a) on and after the Effective Date in respect of the Par Value Tests; and (b) on and after the Determination Date immediately preceding the second Payment Date in the case of the Interest Coverage Tests and shall be satisfied on a Measurement Date if the corresponding Par Value Ratio or Interest Coverage Ratio (as the case may be) is at least equal to the percentage specified in the table below in relation to that Coverage Test.

Coverage Test and Ratio	Percentage at which Test is Satisfied
Class A/B Par Value	124.2%
Class A/B Interest Coverage	120.0%
Class C Par Value	118.1%
Class C Interest Coverage	110.0%
Class D Par Value	112.3%
Class D Interest Coverage	105.0%
Class E Par Value	106.6%
Class E Interest Coverage	101.0%
Class F Par Value	104.4%

DESCRIPTION OF THE INVESTMENT MANAGEMENT AND COLLATERAL ADMINISTRATION AGREEMENT

Fees

As compensation for the performance of its investment management services under the Investment Management and Collateral Administration Agreement, the Investment Manager (and/or, at its direction, an Affiliate of the Investment Manager) shall be entitled to receive from the Issuer, in arrear on each Payment Date, a senior investment management fee equal to 0.15 per cent. per annum of the Aggregate Collateral Balance (exclusive of any applicable VAT thereon) measured as of the beginning of the Due Period relating to the applicable Payment Date, which investment management fee shall be payable in accordance with the Priorities of Payment (such fee, the "**Senior Investment Management Fee**").

The Investment Management and Collateral Administration Agreement also provides that the Investment Manager (and/or, at its direction, an Affiliate of the Investment Manager) shall be entitled to receive from the Issuer, in arrear on each Payment Date, a subordinated investment management fee equal to 0.35 per cent. per annum of the Aggregate Collateral Balance (exclusive of any applicable VAT thereon) measured as of the beginning of the Due Period relating to the applicable Payment Date, which investment management fee shall be payable in accordance with the Priorities of Payment (such fee, the "**Subordinated Investment Management Fee**").

In addition to the Senior Investment Management Fee and the Subordinated Investment Management Fee, the Investment Manager (and/or, at its direction, an Affiliate of the Investment Manager) shall be entitled to receive from the Issuer in arrear an incentive investment management fee on each Payment Date on which the Incentive Investment Management Fee IRR Threshold of 12 per cent. has been met or surpassed, such fee being in an amount equal to 20 per cent. of any Interest Proceeds and Principal Proceeds that would otherwise be available to distribute to the Subordinated Noteholders in accordance with the Priorities of Payment (exclusive of any applicable VAT thereon) (such fee, the "**Incentive Investment Management Fee**").

Each of the Senior Investment Management Fee and the Subordinated Investment Management Fee shall be calculated semi-annually following the occurrence of a Frequency Switch Event and quarterly at all other times, in each case, based upon the actual number of days elapsed in the applicable Due Period divided by 360.

The Investment Manager may participate in creditors' committees with respect to the bankruptcy, restructuring or work-out of issuers of Collateral Debt 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 Debt Obligations. In addition to the fees set out in the paragraphs above and subject to the provisions of the Conditions, the Investment Manager shall be entitled to receive any steering committee fees (except any fees received in connection with the extension of the maturity of a Defaulted Obligation or a reduction in the outstanding principal balance of a Defaulted Obligation) received in connection with the work-out or restructuring of any Defaulted Obligation or Collateral Debt Obligation.

References to the Senior Investment Management Fee, the Subordinated Investment Management Fee and the Incentive Investment Management Fee are references to such payments exclusive of any VAT chargeable. If the Investment Manager is required to pay an amount of VAT to the relevant tax authority in respect of the underlying services, the Issuer shall, in addition, pay an amount equal to the amount of that VAT (against delivery of a valid VAT invoice by the Investment Manager), subject always to the Priorities of Payment provided that the Investment Manager may agree to bear and not receive amounts in respect of such VAT (so that the Investment Management Fees are paid inclusive of VAT).

If amounts distributable on any Payment Date in accordance with the Priorities of Payment are insufficient to pay the Senior Investment Management Fee in full, then a portion of the Senior Investment Management Fee equal to the shortfall will be deferred and will be payable on subsequent Payment Dates on which funds are available therefor according to the Priorities of Payment.

If amounts distributable on any Payment Date in accordance with the Priorities of Payment are insufficient to pay the Subordinated Investment Management Fee in full, then a portion of the Subordinated Investment Management Fee equal to the shortfall will be deferred and will be payable on subsequent Payment Dates on which funds are available therefor according to the Priorities of Payment.

The Investment Manager may elect to defer any Investment Management Fees in accordance with the Conditions and as set out in the Priority of Payment. Any amounts so deferred shall be applied in accordance with the Priorities of Payment. Any due and unpaid Investment Management Fees including Deferred Senior Investment Management Amounts and Deferred Subordinated Investment Management Amounts shall not accrue any interest. Furthermore, the Investment Manager may elect to waive any Senior Investment Management Fees, Subordinated Investment Management Fees and/or Incentive Investment Management Fees.

The Investment Management and Collateral Administration Agreement, provides that any expenses incurred by the Investment Manager in the performance of such obligations (including, but not limited to, any reasonable expenses incurred by it to employ outside lawyers or consultants reasonably necessary in connection with the default or restructuring of any Collateral Debt Obligation or other unusual matters arising in the performance of its duties under the Investment Management and Collateral Administration Agreement) shall be reimbursed by the Issuer as an Administrative Expense and only to the extent funds are available therefor in accordance with the Priorities of Payment. Fees payable to, and costs and expenses of, the Investment Manager, shall accrue up to the date on which the Investment Manager's appointment is terminated or the Investment Manager resigns its appointment, as described further below. If the Investment Management and Collateral Administration Agreement is terminated pursuant to the terms thereof or otherwise, the Investment Management Fees calculated as provided in the Investment Management and Collateral Administration Agreement shall be pro-rated for any partial periods between Payment Dates during which the Investment Management and Collateral Administration Agreement was in effect and shall be due and payable on the first Payment Date (and, if not paid in full, each subsequent Payment Date) following the date of such termination subject to the Priorities of Payment. For the avoidance of doubt, where the Investment Manager has resigned or has been removed, but is required to continue providing investment management services until a successor has been appointed in accordance with the terms herein and the Investment Management and Collateral Administration Agreement, the Investment Manager shall continue to be entitled to the Investment Management Fees and any costs and expenses of the Investment Manager reimbursable pursuant to the terms of the Investment Management and Collateral Administration Agreement.

Cross Transactions

The Investment Manager and its Affiliates and/or any fund or account for which the Investment Manager or any Affiliate of the Investment Manager serves as investment adviser or investment manager may at certain times seek to purchase or sell investments from or to the Issuer as principal. Under the Investment Management and Collateral Administration Agreement, the Investment Manager, at its option and sole discretion, may effect principal transactions between such entities. Any such principal transactions will be conducted in compliance with the Investment Advisers Act and the Investment Company Act, if applicable. In addition, the Investment Manager and its Affiliates will be authorised to engage in certain cross transactions, including "agency cross" transactions (i.e., transactions in which either the Investment Manager or one of its Affiliates or another person acts as a broker for both the Issuer and another person on the other side of the same transaction, which person may be an account or client for which the Investment Manager or any Affiliate serves as investment adviser). The Issuer has agreed to permit cross transactions; provided that such authorisation can be revoked at any time by the Issuer and to the extent that the Issuer's authorisation with respect to any particular cross transaction is required by applicable law.

By purchasing a Note, a holder shall be deemed to have consented to the procedures described herein relating to cross transactions and principal transactions. The Investment Manager or its Affiliates may receive commissions from, and have a potentially conflicting division of loyalties and responsibilities regarding, both parties to any such principal transaction or cross transactions. See "*Risk Factors—Certain Conflicts of Interest—Certain Conflicts of Interest Involving the Investment Manager*".

Standard of Care of the Investment Manager

Pursuant to the Investment Management and Collateral Administration Agreement, the Investment Manager will agree with the Issuer that it will perform its obligations, duties and discretions under the Investment Management and Collateral Administration Agreement, with reasonable care, in a manner consistent with practices and procedures followed by reputable institutional managers of international standing relating to assets of the nature and character of the Portfolio assets and with respect to an entity intended not to be engaged in a U.S. trade or business, and to the extent not inconsistent with the foregoing, the Investment Manager will follow its customary standards, policies and procedures in performing its duties under the Investment Management and Collateral Administration Agreement (the "**Standard of Care**").

The Investment Management and Collateral Administration Agreement contains provisions which require that the Investment Manager will cause any purchase of or entry into or sale, termination or other disposal of Portfolio assets to be effected on arm's length terms.

Responsibilities of the Investment Manager

The Investment Manager will have no responsibility under the Investment Management and Collateral Administration Agreement other than to render the services called for thereunder in good faith and, subject to the Standard of Care described above and, in any event:

(a) shall not be responsible for (i) any action it takes, on behalf of the Issuer, or (ii) any action that it is permitted to take, in compliance with the terms of the Investment Management and Collateral Administration Agreement;

(b) shall not be responsible for any action or inaction by the Issuer, the Collateral Administrator or the Trustee in following or declining to follow any direction, advice, recommendation or instruction of the Investment Manager;

(c) does not assume any fiduciary duty or responsibility with regard to the Issuer, the Trustee, any Noteholder or any other person;

(d) does not guarantee or otherwise assume any responsibility for the performance of the Notes, the Portfolio, any Collateral Debt Obligation or the performance by any third party of any contract entered into on behalf of the Issuer or, except as expressly set forth under the Investment Management and Collateral Administration Agreement, any obligation of any other party;

(e) shall not incur any liability in acting upon any publicly available information published or provided to it in relation to the Collateral in the absence of actual knowledge of the Investment Manager to the contrary, save for manifest error;

(f) shall, in the absence of manifest error, incur no liability to anyone in acting upon any signature, instrument, statement, notice, resolution, request, direction, consent, order, report, opinion, bond or other document, paper or data reasonably believed by it to be genuine and reasonably believed by it to be properly executed or signed or originated by the proper party or parties;

(g) shall not be responsible for any action taken or omitted to be taken by the Investment Manager at the express direction of the Issuer, the Trustee or any other Person entitled under the Investment Management and Collateral Administration Agreement to give directions to the Investment Manager other than in the case of an Investment Manager Breach; and

(h) shall be entitled to rely, in the absence of manifest error, upon the accuracy and completeness of notices and other information supplied by the Collateral Administrator.

In situations where a conflict of interest arises between the Issuer and the Investment Manager, neither the Investment Manager nor any of its clients, partners, members or their employees and their Affiliates has any duty to act in a way that is favourable to the Issuer or to offer any particular investment opportunity to the Issuer.

Neither the Investment Manager, nor any of its Affiliates, directors, employees, officers, shareholders (and their respective managers), partners, agents and any fund or account for which the Investment Manager or its Affiliates exercise discretionary authority over, shall be liable (whether directly or indirectly, in contract or in tort or otherwise) to the Issuer, the Trustee, the Noteholders or any other person for losses, claims, damages, judgments, interest on judgments, assessments, costs, fees, charges, amounts paid in settlement or other liabilities (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 provided that nothing shall relieve the Investment Manager from liability to such persons for Liabilities they may incur:

(a) by reason of acts or omissions constituting bad faith, fraud, wilful misconduct or gross negligence of the Investment Manager under the Investment Management and Collateral Administration Agreement, the Trust Deed or any other Transaction Document to which it is a party;

(b) with respect to the information concerning the Investment Manager provided in writing to the Issuer by the Investment Manager expressly for inclusion in the preliminary prospectuses (as referred to in the Investment Management and Collateral Administration Agreement) and this Prospectus, such information containing any untrue statement of material fact or omitting to state a material fact necessary in order to make the statement therein, in light of the circumstances under which they were made, not misleading in each case, as at the date of publication thereof; or

(c) with respect to any unauthorised offers or solicitations to investors by the Investment Manager or any other material breach by the Investment Manager of the Investment Management and Collateral Administration Agreement,

(such matters collectively referred to as "**Investment Manager Breaches**", and an "**Investment Manager Breach**" referring to any one of them).

Notwithstanding any provision in the Investment Management and Collateral Administration Agreement to the contrary, in no event shall the Investment Manager be liable for special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to lost profits) even if the Investment Manager has been advised of the likelihood of such loss or damage and regardless of the form of action.

Subject to the Standard of Care specified above, the Investment Manager (and any Affiliates of the Investment Manager, or any of its or their respective directors, officers, members, attorneys, advisors, agents and employees) may be entitled to indemnification by the Issuer in relation, *inter alia*, to the performance of the Investment Manager's obligations under the Investment Management and Collateral Administration Agreement, which will be payable in accordance with the Priorities of Payment.

The Retention Requirements

The Retention Holder

The Investment Manager shall act as Retention Holder for the purposes of the Retention Requirements. The description of the Investment Manager is set out in the "*The Investment Manager*" section of this Prospectus.

The Investment Manager intends to hold the requisite risk retention in its capacity as "originator" pursuant to the Retention Requirements.

Originators

By way of background, the CRR definition of an "originator" refers to an entity which:

(a) itself or through related entities, directly or indirectly, was involved in the original agreement which created the obligations being securitised; or

(b) purchases third party exposures "for its own account" and then securitises them.

Article 3(4)(a) of the regulatory technical standards adopted by the EU Commission on 12 March 2014 provides that, where the securitised exposures are created by multiple originators (as is the case in a managed CLO, where assets are acquired from numerous sellers in the market), the CRR Retention Requirements may be fulfilled in full by a single originator in certain circumstances including where the relevant originator has established and is managing the scheme.

Prospective investors should consider the discussion in "*Risk Factors—Risk Retention and Due Diligence Requirements in Europe*" above.

Retention Undertaking

The Investment Manager will, for the benefit of the Issuer, the Initial Purchaser, the Placement Agent, the Trustee and the Collateral Administrator:

(a) undertake to acquire on the Issue Date and hold on an ongoing basis for so long as any Class of Notes remains Outstanding, a net economic interest of at least five per cent. of the nominal value of each Class of Notes; provided that the Class A-1 Notes and the Class A-2 Notes shall together be deemed to

constitute a single class for these purposes (the "**Retention Notes**") in accordance with the Retention Requirements;

(b) agree that neither it nor any of its Affiliates will sell, hedge or otherwise mitigate its credit risk under or associated with the Retention Notes, except to the extent permitted by the Retention Requirements;

(c) subject to any regulatory requirements, agree:

(i) to take such further reasonable action, provide such information (subject to any duty of confidentiality), on a confidential basis, and enter into such other agreements as may reasonably be required to satisfy the Retention Requirements; and

(ii) to provide to the Issuer, on a confidential basis, information in the possession of the Investment Manager relating to its holding of the Retention Notes, at the cost and expense of the party seeking such information, and to the extent such information is not subject to a duty of confidentiality,

in each case, at any time prior to maturity of the Notes;

(d) agree to:

(i) confirm in writing promptly upon the request of the Trustee, the Collateral Administrator, the Initial Purchaser, the Placement Agent or the Issuer, in each case, to such party making such request; and

(ii) confirm in writing to the Collateral Administrator on or before the 8th calendar day of each month commencing in March 2017 for the purposes of inclusion of such confirmation in each Monthly Report,

its continued compliance with the covenants set out at paragraphs (a) and (b) above;

(e) undertake and agree that in relation to every Collateral Debt 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 asset 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 asset;

(f) agree that it shall promptly notify the Issuer, the Trustee and the Collateral Administrator if for any reason it:

(i) ceases to hold the Retention Notes in accordance with paragraph (a) above; or

(ii) fails to comply with the agreements and covenants (as applicable) set out in paragraph (b) or paragraph (e) above in any way or paragraph (c) above in any material way; and

(g) acknowledge and confirm that the Investment Manager established the transaction contemplated by the Transaction Documents and appointed the Initial Purchaser and the Placement Agent to provide certain specific services in order to assist with such establishment.

The Investment Manager's undertakings in respect of the Retention Notes shall be made as of the Issue Date, with such undertakings being binding for so long as any of the Notes remain Outstanding. The Investment Manager shall not have any obligation to change the quantum, method or nature of its holding of the Retention Notes as a result of any changes to the Retention Requirements following the Issue Date.

Notwithstanding the above, the Investment Manager may transfer the Retention Notes only:

(i) if and to the extent such transfer would not cause the transaction described in this Prospectus to cease to be compliant with the Retention Requirements; and

(ii) if such transfer is to a Person which will commit to retain the Retention Notes subject to and in accordance with the Retention Requirements and such Person enters into an agreement on substantially the same terms as the retention undertakings above.

Without limitation to the above, upon a resignation or removal of the Investment Manager pursuant to the Investment Management and Collateral Administration Agreement:

(A) subject to satisfaction of the requirements in paragraphs (i) and (ii) immediately above, the Retention Notes may be transferred to the replacement investment manager on the basis that such replacement investment manager shall be the Retention Holder; or

(B) otherwise, the Investment Manager shall remain the Retention Holder and bound by the retention undertakings described above, notwithstanding that it will no longer act as investment manager with respect to the transaction described in this Prospectus.

Origination Procedures

As of the Issue Date, a proportion of the Collateral Debt Obligations representing approximately 10 per cent. of the Aggregate Principal Balance will be purchased, or committed to be purchased, by the Issuer from the Investment Manager. Furthermore, the Reinvestment Criteria require that, as a condition to acquiring a new Collateral Debt Obligation, the Portfolio includes a Collateral Debt Obligation which was acquired from the Investment Manager.

The Investment Manager may acquire assets which are subsequently sold to the Issuer ("**Originator Assets**"), such Originator Assets being acquired in the primary market or in the secondary market from third parties ("**Market Sellers**").

In relation to any assets it originated, the Investment Manager may from time to time:

(a) hold that Collateral Debt Obligation to maturity;

(b) sell the Collateral Debt Obligation to the market; or

(c) as intended in the majority of cases, sell the Collateral Debt Obligation to a CLO in respect of which it is the investment manager, including the CLO described in this Prospectus, subject to the satisfaction of certain conditions.

The Investment Manager, having due regard to assets and liabilities held on its own balance sheet from time to time, shall have absolute discretion to acquire, hold and sell Originator Assets at any time and, if appropriate, shall also have absolute discretion to nominate the CLO to which any Originator Asset is proposed to be sold to.

Any losses arising in connection with the Investment Manager's ownership of any Originator Assets or in connection with its indirect financing of the Collateral Debt Obligations by way of its holding of the Retention Notes, shall be borne by the Investment Manager and recognised on its own balance sheet.

With a view to effectively managing its exposure to market price volatilities of the Originator Assets, the Investment Manager may from time to time (and is expected to do so in the majority of cases) acquire Originator Assets and immediately enter into a forward purchase agreement (a "**Forward Purchase Agreement**") with the Issuer or another CLO issuer in the future in connection with one of the CLOs managed by it (each, a "**CLO Issuer**"), under which the relevant CLO Issuer shall commit to purchase and settle the relevant Originator Assets from the Investment Manager for the same purchase price as the Investment Manager has committed to purchase and settle that Collateral Debt Obligation from the relevant Market Seller. The settlement date of any such purchase by the relevant CLO Issuer from the Investment Manager shall be no earlier than 15 Business Days after the date of entry into such commitment to purchase by the relevant CLO Issuer. The Investment Manager may also transfer any Originator Assets to a CLO Issuer at the then prevailing market value, however, it is the intention of the Investment Manager that the majority of the Originator Assets will be transferred to the Issuer by way of Forward Purchase Agreement(s).

The CLO Issuer, the Investment Manager and the Market Seller may also enter into a multilateral netting agreement (the "**Netting Agreement**") with respect to the purchase of the such Originator Asset, which shall provide for the relevant Market Seller to enter into the assignment or transfer agreement required to effect the transfer of such Originator Asset directly with the CLO Issuer. Pursuant to the Netting Agreement, the Issuer

shall, on the date of settlement, pay the purchase price of the Collateral Debt Obligation to the Investment Manager, which the Investment Manager shall correspondingly pay to the Market Seller.

In the event that any Originator Asset does not satisfy certain conditions precedent on the settlement date for its sale to the relevant CLO Issuer, including if such obligation becomes defaulted or otherwise credit impaired or otherwise does not satisfy the Eligibility Criteria as at such settlement date, the CLO Issuer will not be obliged to complete the purchase of the relevant asset on the applicable settlement date and the applicable Forward Purchase Agreement will be terminated. As a result, the Investment Manager will be exposed to default and credit risk on such Originator Assets for the period between its purchase and the onward sale under the applicable Forward Purchase Agreement.

Termination of the Investment Management and Collateral Administration Agreement

Subject to the paragraph below, the Investment Management and Collateral Administration Agreement may be terminated, and the Investment Manager may be removed as more particularly described in "*Removal for Cause*" below.

The Investment Management and Collateral Administration Agreement will automatically terminate upon the earliest to occur of (i) the payment in full of all amounts owing under or in respect of the Notes and all other amounts owing to the Secured Parties and the Trust Deed is terminated in accordance with its terms, (ii) the liquidation of the Portfolio and the final distribution of the proceeds of such liquidation as provided in the Transaction Documents, and (iii) the determination in good faith by the Issuer that the Issuer or the Portfolio has become required to be registered under the Investment Company Act, and the Issuer notifies the Investment Manager thereof.

Any rights of the Investment Manager stated to survive the termination of the Investment Management and Collateral Administration Agreement shall remain vested in the Investment Manager after such termination in accordance with the terms of the Investment Management and Collateral Administration Agreement.

Resignation of the Investment Manager

The Investment Manager may resign, subject to the appointment of a successor investment manager, with or without cause in accordance with the terms of the Investment Management and Collateral Administration Agreement upon at least ninety calendar days' prior written notice to the Issuer, the Collateral Administrator, the Trustee, the Noteholders (in accordance with the Conditions), any Hedge Counterparty and each Rating Agency. The Investment Manager may resign its appointment under the Investment Management and Collateral Administration Agreement upon shorter notice whether or not a successor investment manager has been appointed where there is a change in law or the application of any applicable law which makes it illegal for the Investment Manager to carry on its duties under the Investment Management and Collateral Administration Agreement. Any such resignation is without prejudice and subject to fulfilment of the Investment Manager's obligations in respect of the Retention Notes for so long as the Investment Manager is also the Retention Holder (unless the same are transferred in compliance with the provisions of the Investment Management and Collateral Administration Agreement).

Investment Manager Tax Event

The Investment Manager may be removed by the Issuer (regardless of whether or not a successor investment manager has been appointed) if it has not changed the location from which it provides its investment management services under the terms of the Investment Management and Collateral Administration Agreement or otherwise remedied or eliminated the occurrence of an Investment Manager Tax Event, in each case, within ninety calendar days of the date that the Investment Manager first becomes aware of an Investment Manager Tax Event (where "**Investment Manager Tax Event**" means that the Issuer has become subject either to any:

(a) United Kingdom tax liability; or

(b) U.S. federal income tax on a net income basis (or there being a substantial likelihood that the Issuer will become subject such U.S. federal income tax),

where the amount of such tax liability is in a sufficient amount such that the Class F Par Value Test would not be satisfied if calculated assuming payment by the Issuer of such tax liability (in each case, provided that such ninety calendar day period shall be extended by a further ninety calendar days if the Investment Manager has

notified the Issuer and the Trustee in writing before the end of the first ninety calendar day period that it expects to have changed the place from which it provides its investment management services under the terms of the Investment Management and Collateral Administration Agreement or that it is otherwise able to remedy or eliminate the circumstances giving rise to such Investment Manager Tax Event).

Removal for Cause

The Investment Manager may, subject to the appointment of a successor Investment Manager in accordance with the terms of the Investment Management and Collateral Administration Agreement, be removed for Cause upon at least thirty calendar days' prior written notice:

(a) by the Issuer at its discretion; or

(b) if so directed in writing by the holders of:

(i) the Subordinated Notes, acting by way of Extraordinary Resolution; or

(ii) the Controlling Class, acting by way of Extraordinary Resolution,

(in each case, excluding any Notes in the form of IM Non-Voting Exchangeable Notes or IM Non-Voting Notes and any Notes held by or on behalf of the Investment Manager or any Investment Manager Related Person), provided that notice of such removal shall be given to the holders of each Class of Notes by the Issuer or the Trustee, as the case may be, in accordance with the Trust Deed.

For the purposes of determining "**Cause**" with respect to termination of the Investment Management and Collateral Administration Agreement such term shall mean any one of the following events:

(a) the Investment Manager wilfully violates a material provision of the Investment Management and Collateral Administration Agreement or the Trust Deed applicable to it (unrelated to the economic performance of the Collateral Debt Obligations);

(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) which breach: (A) has a material adverse effect on the Issuer or the interests of the Noteholders of any Class; and (ii) either (x) if capable of being cured within thirty calendar days of the Investment Manager becoming aware thereof or the Investment Manager's receipt of written notice of such breach from the Issuer or the Trustee, is not cured within such time period; or (y) if not capable of cure within such thirty calendar day period, the Investment Manager fails to cure such breach within the period in which a reasonably diligent person could cure such breach (but in no event being a period of more than ninety days);

(c) the failure of any representation, warranty, certification or statement made or delivered 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 (A) has a material adverse effect on the Issuer or interests of the Noteholders of any Class; and (B) such failure is not remedied within thirty calendar days after the Investment Manager becoming aware of, or its receipt of written notice from the Issuer or the Trustee of, such failure;

(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 is bound by the terms of the Transaction Documents) or there is appointed over it or a substantial part of its assets a receiver, administrator, administrative receiver, trustee or similar officer;

(e) 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, administrator, 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 in good faith without such authorisation, consent or application and either continue undismissed for sixty calendar days or any such appointment is ordered by a court or regulatory body having jurisdiction;

(iii) authorises or files a voluntary petition in bankruptcy, or applies for or consents (by admission of material allegations of a petition or otherwise) to the application of any bankruptcy, reorganisation, arrangement, readjustment of debt, insolvency, dissolution, or similar law, or authorises such application or consent, or proceedings to such end are instituted against the Investment Manager in good faith without such authorisation, application or consent and remain undismissed for sixty calendar days or result in adjudication of bankruptcy or insolvency or the issuance of an order for relief; or (iv) permits or suffers all or any substantial part of its properties or assets to be sequestered or attached by court order and the order (if contested in good faith) remains undismissed for sixty calendar days;

(f) the occurrence of an Event of Default specified in paragraph (i) (*Non-payment of interest*) or (ii) (*Non-payment of principal*) of Condition 10(a) (*Events of Default*) (except in those circumstances where such Event of Default is solely attributable to the actions or omissions of a third party which the Investment Manager does not control); or

(g) the occurrence of an act by the Investment Manager (or any senior officer of the Investment Manager involved in its leveraged investment business) that constitutes fraud or criminal activity in the performance of the Investment Manager's obligations under the Investment Management and Collateral Administration Agreement or its other investment management activities, or the Investment Manager (or any senior officer of the Investment Manager involved in its leveraged investment business) being found guilty of having committed a criminal offence materially related to the management of investments similar in nature and character to those which comprise the Collateral

Pursuant to the terms of the Investment Management and Collateral Administration Agreement, if any of the events specified in paragraphs (a) to (g) (inclusive) occurs, the Investment Manager shall, upon becoming aware of the same, give prompt written notice thereof to the Issuer, the Trustee, the Rating Agencies, any Hedge Counterparty and the Noteholders (in accordance with the Conditions).

No Voting Rights

Any Notes held in the form of IM Non-Voting Exchangeable Notes or IM Non-Voting Notes shall not have any voting rights in respect of, and shall not be counted for the purposes of determining a quorum and the result of voting on any IM Removal Resolutions or any IM Replacement Resolutions (but shall otherwise carry a right to vote and be so counted).

Notes held by or on behalf of the Investment Manager or any Investment Manager Related Person:

(a) shall not have any voting rights in respect of, and shall not be counted for the purposes of determining a quorum and the result of voting on any IM Removal Resolution; and

(b) shall have voting rights in respect of, and shall be counted for the purposes of determining a quorum and the result of voting on any IM Replacement Resolution,

and, for the avoidance of doubt, shall carry a right to vote and be so counted on all other matters as to which Noteholders have a right to vote and be counted.

Delegation

The Investment Manager, without the prior consent of, or notice to, the Issuer, any Noteholder or the Trustee, may employ third parties and/or any of its Affiliates (a "**delegate**") to render asset management services (including investment advice) and assistance in connection with its obligations under the Investment Management and Collateral Administration Agreement, provided that any such party has the regulatory capacity, as a matter of Irish law, to provide such services to Irish residents such as the Issuer, where it is required to do so by Irish law.

In such event, the Investment Manager shall not be relieved of any of its duties or liabilities under the Investment Management and Collateral Administration Agreement regardless of the performance of any services by each delegate and shall be solely responsible for the fees and expenses payable to any such delegate except to the extent such expenses are payable by the Issuer under the Investment Management and Collateral Administration Agreement. Any such delegate must be legally qualified and have the requisite regulatory capacity to provide such services and the appointment of a delegate shall only be permitted provided that such appointment will not:

(i) cause the Issuer to be subject to net income taxation outside its jurisdiction of incorporation;

(ii) cause the Issuer to be treated as engaged in a trade or business in the United States for U.S. federal income tax purposes;

(iii) result in the Investment Management Fees becoming subject to VAT; or

(iv) otherwise cause any other material adverse tax consequences to the Issuer.

On or about the Issue Date, the Investment Manager intends to delegate some of its management activities to one of its Affiliates.

Assignment or Transfer

The Investment Manager may not assign or transfer its material rights or material responsibilities under the Investment Management and Collateral Administration Agreement, other than to a Permitted Assignee, without the written consent of:

(a) the Issuer;

(b) either:

(i) the holders of the Rated Notes, acting by Ordinary Resolution, voting together as a single class; or

(ii) the holders of the Controlling Class acting by Ordinary Resolution; and

(c) the holders of the Subordinated Notes acting by Ordinary Resolution,

in each case, excluding any Notes in the form of IM Non-Voting Exchangeable Notes or IM Non-Voting Notes and subject to:

(A) receipt by the Issuer of a Rating Agency Confirmation with respect to such assignment or transfer;

(B) such assignee or transferee having the Irish regulatory capacity to provide the services provided under the Investment Management and Collateral Administration Agreement to Irish residents such as the Issuer;

(C) to the extent permitted by the Investment Management and Collateral Administration Agreement, such consents and Rating Agency Confirmation not being required in the case of any assignment to a Permitted Assignee (as defined below); and

(D) if such transferee or assignee is to be the Retention Holder, the appointment of such transferee or assignee being permitted under and contemplated by the Investment Management and Collateral Administration Agreement, permitted under the Retention Requirements and would not cause the transactions described in this Prospectus to cease to be compliant with the Retention Requirements.

A "**Permitted Assignee**" means an Affiliate of the Investment Manager that certifies in writing (upon which certification the Trustee may rely absolutely) to the Trustee and the Issuer that:

(a) it is legally qualified and has the Irish regulatory capacity to act as investment manager under the Investment Management and Collateral Administration Agreement;

(b) it employs (directly or indirectly) the principal personnel performing the duties required under the Investment Management and Collateral Administration Agreement (or persons of similar expertise) prior to such assignment;

(c) its appointment will not cause either of the Issuer or the Collateral to become required to register under the provisions of the Investment Company Act;

(d) its appointment and conduct will not:

(i) cause the Issuer to be subject to net income taxation outside its jurisdiction of incorporation;

(ii) cause the Issuer to be engaged in a trade or business in the United States for U.S. federal income tax purposes;

(iii) result in the Investment Management Fees becoming subject to VAT; or

(iv) otherwise cause any other material adverse tax becoming payable by the Issuer (whether to a tax authority or any counterparty); and

(e) if it is to be the Retention Holder, the transfer of the Retention Notes to such entity is permitted in accordance with the Retention Requirements and would not cause the transactions described in this Prospectus to cease to be compliant with the Retention Requirements.

Notwithstanding the above, any assignment (as defined in Section 202(a)(1) of the Investment Advisers Act) of the Investment Management and Collateral Administration Agreement by the Investment Manager to any person will be deemed null and void unless such assignment is consented to in writing by the Issuer.

The Issuer may not assign or transfer its rights under the Investment Management and Collateral Administration Agreement without the prior written consent of the Investment Manager, the Trustee, the holders of each Class of Notes acting by Ordinary Resolution, each voting as a separate class, and subject to Rating Agency Confirmation and to such assignee or transferee having the requisite Irish regulatory capacity, except in the case of an assignment by the Issuer: (a) to an entity that is a successor to the Issuer permitted under the Trust Deed; or (b) to the Trustee.

Appointment of Successor

Upon any removal or resignation of the Investment Manager (except where the Investment Management and Collateral Administration Agreement is terminated automatically, 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 and except as provided for under an Investment Manager Tax Event as described above), the Investment Manager will continue to act in such capacity until a successor investment manager has been appointed in accordance with the terms of the Investment Management and Collateral Administration Agreement, including receipt of Rating Agency Confirmation in respect thereof. The successor investment manager will be selected by the Issuer subject to:

(a) the approval of the holders of the Subordinated Notes acting by way of Ordinary Resolution; and

(b) for so long as the Rated Notes are outstanding, the holders of the Controlling Class do not object within thirty calendar days after the giving of notice thereof in accordance with the Conditions of such proposed selection by the Issuer,

in each case, excluding any Notes in the form of IM Non-Voting Exchangeable Notes or IM Non-Voting Notes.

If the holders of Subordinated Notes do not approve the successor investment manager pursuant to paragraph (a) above, or the Controlling Class object to the Issuer's selection of successor investment manager pursuant to paragraph (b) above, then the Issuer may propose an alternative successor investment manager. If no successor investment manager has been appointed within 120 calendar days or if the Investment Manager is required to resign as a result of illegality or due to an Investment Manager Tax Event, the Issuer (subject to the approval of the Controlling Class, acting by Ordinary Resolution) shall appoint a successor investment manager which satisfies the criteria specified below subject to receipt of (x) Rating Agency Confirmation and (y) provided that no Retention Event has occurred and is continuing, the approval in writing of the Retention Holder.

Subject to the requirements in paragraph (a) and (b) above, upon resignation or removal of the Investment Manager, or termination of the Investment Management and Collateral Administration Agreement and while any of the Notes are Outstanding and Rating Agency Confirmation has been received, the Issuer shall use its best efforts to appoint a Person which:

(a) has demonstrated an ability to perform professionally and competently duties similar to those imposed upon the Investment Manager under the Investment Management and Collateral Administration Agreement and has a substantially similar (or better) level of expertise;

(b) is legally qualified and has the capacity (including Irish regulatory capacity to provide investment management services to Irish counterparties as a matter of the laws of Ireland) to act as Investment Manager under the Investment Management and Collateral Administration Agreement, as successor to the Investment Manager under the Investment Management and Collateral Administration Agreement in the assumption of all of the responsibilities, duties and obligations of the Investment Manager under the Investment Management and Collateral Administration Agreement;

(c) will not:

(i) cause the Issuer to be subject to net income taxation outside its jurisdiction of incorporation;

(ii) cause the Issuer to be engaged in a trade or business in the United States for U.S. federal income tax purposes;

(iii) result in the Investment Management Fees becoming subject to VAT; or

(iv) otherwise cause any other material adverse tax consequences to the Issuer;

(d) will perform its duties as investment manager hereunder without causing the Issuer or the Noteholders to become subject to tax in any jurisdiction where such successor investment manager is established or doing business;

(e) if it is to be the Retention Holder the transfer of the Retention Notes to such Person:

(i) is permitted under and contemplated by the Investment Management and Collateral Administration Agreement;

(ii) is permitted in accordance with the Retention Requirements; and

(iii) would not cause the transactions described in this Prospectus to cease to be compliant with the Retention Requirements;

(f) will not cause the Issuer or the Portfolio to be required to be registered as an "investment company" under the Investment Company Act; and

(g) will not cause the Issuer, its officers or Directors, the Investment Manager or its Affiliates or the Portfolio to become or to register as a CPO and/or CTA with the CFTC and/or the NFA.

Upon notice of removal or resignation of the Investment Manager

If the Investment Manager has received notice that it will be removed or has given notice of its resignation, until a successor investment manager has been appointed and has accepted such appointment in accordance with the terms specified in the Investment Management and Collateral Administration Agreement, the Investment Manager:

(a) will not acquire on behalf of the Issuer any Collateral Debt Obligations (except for trades initiated prior to such removal, termination or resignation); and

(b) will only execute sales of Margin Stock, Credit Impaired Obligations and Defaulted Obligations (in addition to any trades initiated prior to such removal, termination or resignation).

Any such resignation or removal of the Investment Manager or termination of the Investment Management and Collateral Administration Agreement shall be without prejudice and subject to fulfilment of the Investment Manager's obligations in respect of the Retention Notes for so long as the Investment Manager is also the Retention Holder (unless the same have been validly transferred in accordance with the terms of the Investment Management and Collateral Administration Agreement).

Termination and Resignation of Appointment of the Collateral Administrator

Pursuant to the terms of the Investment Management and Collateral Administration Agreement, the Collateral Administrator may be removed: (a) without cause at any time upon at least ninety calendar days' prior written notice by the Issuer at its discretion or the Trustee if so directed by the holders of the Subordinated Notes acting by way of Extraordinary Resolution and subject to the Trustee being secured and/or indemnified and/or prefunded to its satisfaction; or (b) with cause upon at least ten calendar days' prior written notice by the Issuer at its discretion or the Trustee if so directed by the holders of the Subordinated Notes acting by way of Ordinary Resolution and subject to the Trustee being secured and/or indemnified and/or prefunded to its satisfaction. In addition, the Collateral Administrator may also resign its appointment without cause on at least forty-five calendar days' prior written notice and with cause upon at least ten calendar days' prior written notice to the Issuer and the Trustee. No resignation or removal of the Collateral Administrator will be effective until a successor collateral administrator has been appointed pursuant to the terms of the Investment Management and Collateral Administration Agreement.

HEDGING ARRANGEMENTS

The following is a summary of the principal terms of the hedging arrangements to be entered into by the Issuer on either or about the Issue Date and/or thereafter. The following is a summary only and should not be relied upon as an exhaustive description of the detailed provisions of such documents (copies of which are available from the registered office of the Issuer). The following is a general description of the Hedge Agreements. Any Hedge Agreement may include terms which vary from the descriptions set out below.

Hedge Agreements

The Issuer will not be permitted to enter into 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) to hedge interest rate risk and/or currency risk around or after the Issue Date unless on the date of entry into the relevant agreement either:

(a) such agreement complies with the Hedge Agreement Eligibility Criteria; or

(b) the Issuer obtains legal advice (to which the Trustee shall be an addressee) from reputable international legal counsel knowledgeable in such matters to the effect that the entry into such arrangements shall not in respect of a commodity pool operator, and should not with respect to a commodity trading advisor (each such term as defined in the Commodity Exchange Act) require any of the Issuer, its Directors or officers or the Investment Manager or its Affiliates to register with the CFTC and/or the NFA as a commodity pool operator and/or a commodity trading advisor pursuant to the Commodity Exchange Act,

(the "**Hedging Condition**").

The Issuer will obtain Rating Agency Confirmation prior to entering into any hedging arrangements after the Issue Date unless such arrangements are documented by way of a Form Approved Hedge Agreement.

Form Approved Hedge Agreements

If a Rating Agency announces that the rating criteria applicable to Hedge Agreements has been modified such that a Hedge Agreement no longer constitutes a Form Approved Hedge Agreement then the Issuer or the Investment Manager on its behalf shall seek approval of a new form of hedge agreement from the relevant Rating Agencies.

Currency Hedging Arrangements

Asset Swap Agreements

The Issuer (or the Investment Manager on behalf of the Issuer) may purchase Non-Euro Obligations provided that:

(a) such Collateral Debt Obligation is denominated in a Qualifying Currency;

(b) subject to the satisfaction of the Hedging Condition, the Investment Manager, on behalf of the Issuer, enters into an Asset Swap Transaction in respect of each such Collateral Debt Obligation with one or more Asset Swap Counterparties satisfying the applicable Rating Requirement and that has the regulatory capacity, as a matter of Irish law, to enter into derivative transactions with Irish residents, under which the currency risk is reduced or eliminated:

  (i) if such Collateral Debt Obligation is purchased in the Primary Market and denominated in a Qualifying Unhedged Obligation Currency, within 180 calendar days of the settlement date of the acquisition by the Issuer of the relevant Collateral Debt Obligation; and

  (ii) in all other cases, no later than the settlement date of the acquisition by the Issuer of the relevant Collateral Debt Obligation (to become effective on or before the settlement date of such Collateral Debt Obligation); and

(c) not more than 2.5 per cent. of the Aggregate Collateral Balance may consist of obligations that are Unhedged Collateral Debt Obligations at any time.

Pursuant to the terms of such Asset Swap Transactions, an initial principal exchange may be made to fund the Issuer's acquisition of the related Non-Euro Obligation and the final and, if applicable, interim principal exchanges will be made to convert the principal proceeds received in respect thereof at maturity and prior to maturity, respectively and coupon exchanges will be made at the exchange rate specified for such transaction.

Transactions entered into under an Asset Swap Agreement are documented in confirmations to such Asset Swap Agreement. Each transaction will be evidenced by a confirmation entered into pursuant to an Asset Swap Agreement (each an "**Asset Swap Transaction**"). An Asset Swap Transaction, if entered into, will be:

(a) used to hedge the currency (and if applicable, interest rate) mismatch between the Notes and any Non-Euro Obligations and for no other purpose; and

(b) other than in the case of a Form Approved Asset Swap, subject to receipt of Rating Agency Confirmation in respect thereof.

Further, each Asset Swap Counterparty will be required to satisfy the applicable Rating Requirement (taking into account any guarantor thereof) and must have the Irish regulatory capacity to enter into derivatives transactions with Irish residents. No Asset Swap Transaction may be entered into if, at the time of entry into such transaction, there is a withholding or deduction for or on account of any tax required in respect of any payments by either party to such Asset Swap Transaction. The Investment Manager shall be required to terminate any Asset Swap Transaction at the time it sells an Asset Swap Obligation. Upon the sale of an Asset Swap Obligation, the Asset Swap Transaction relating thereto shall be terminated on or prior to such sale in accordance with its terms, resulting in either (a) the Asset Swap Counterparty receiving the proceeds of the sale of the Asset Swap Obligation (or the par value thereof) from the Issuer (which shall be funded outside the Priorities of Payment from the Asset Swap Account) and returning the Sale Proceeds (in accordance with paragraph (b) of the definition thereof) to the Issuer or (b) the Issuer retaining the proceeds of sale of the Asset Swap Obligation (which shall be converted into Euro and paid into the Principal Account in accordance with the Conditions of the Notes) net of any payments due to the Asset Swap Counterparty in connection with the termination of the Asset Swap Transaction in such circumstances (which the Issuer shall pay to the Asset Swap Counterparty on the date such payment is due in accordance with the applicable Hedge Agreement). Furthermore, upon the insolvency of the Issuer and/or the acceleration of the Notes in accordance with Condition 10(b) (*Acceleration*), the Asset Swap Counterparty may, but shall not be obliged to, early terminate any Asset Swap Transaction, in which case any Asset Swap Termination Payment would be paid in accordance with the Post-Acceleration Priority of Payments (other than with respect to any Counterparty Downgrade Collateral which is required to be returned to an Asset Swap Counterparty outside the Priorities of Payment in accordance with the Asset Swap Agreement).

If, following the insolvency of the Issuer and/or the acceleration of the Notes, the Asset Swap Counterparty elects not to early terminate any Asset Swap Transaction, such Asset Swap Transaction shall terminate in accordance with its terms upon the sale of the relevant Non-Euro Obligation, resulting in the Asset Swap Counterparty receiving the proceeds of the sale of the Non-Euro Obligation from the Issuer and returning the Sale Proceeds (in accordance with paragraph (b) of the definition thereof, for the avoidance of doubt, net of any termination cost in respect of the early termination of the Asset Swap Transaction, as determined and incurred by the Asset Swap Counterparty in accordance with the Asset Swap Agreement) to the Issuer.

Replacement Asset Swap Transactions

If any Asset Swap Transaction terminates in whole at any time in circumstances in which the applicable Asset Swap Counterparty is the "Defaulting Party" or sole "Affected Party" (each as defined in the applicable Asset Swap Agreement) the Issuer, or the Investment Manager on its behalf, shall use commercially reasonable efforts to enter into a Replacement Asset Swap Transaction within thirty calendar days of the termination thereof with a counterparty which satisfies, among other things, the applicable Rating Requirement and which has the regulatory capacity, as a matter of Irish law, to enter into derivatives transactions with Irish residents.

If any Asset Swap Transaction terminates in the circumstances referred to above, any Asset Swap Termination Receipt will be paid into the relevant Hedge Termination Account and shall be applied towards the costs of entry into a Replacement Asset Swap Transaction, together with, where necessary, Interest Proceeds and/or Principal Proceeds that are available for such purpose on any Payment Date pursuant to the Priorities of Payment, subject to receipt of Rating Agency Confirmation, save:

(a) where termination of the Asset Swap Transaction occurs on a Redemption Date pursuant to Conditions 7(a) (*Final Redemption*), Condition 7(b) (*Optional Redemption*) (other than in connection with a Refinancing), Condition 7(g) (*Redemption following Note Tax Event*) or Condition 10 (*Events of Default*); or

(b) to the extent that such Asset Swap Termination Receipt is not required for application towards any Asset Swap Replacement Payment,

in which event such Asset Swap Termination Receipt shall be paid into the Principal Account and shall constitute Unscheduled Principal Proceeds.

If the Issuer receives any Asset Swap Replacement Receipt upon entry into a Replacement Asset Swap Transaction, such amount shall be paid into the relevant Hedge Termination Account and applied directly by the Collateral Administrator acting on the instructions of the Investment Manager (acting on behalf of the Issuer) in payment of any Asset Swap Termination Payment payable upon termination of the Asset Swap Transaction being so replaced. To the extent not fully paid out of Asset Swap Replacement Receipts, any Asset Swap Termination Payment payable by the Issuer shall be paid to the applicable Asset Swap Counterparty on the next Payment Date in accordance with the Priorities of Payment. To the extent not required for making any such Asset Swap Termination Payment, such Asset Swap Replacement Receipts shall be paid into the Principal Account and shall constitute Unscheduled Principal Proceeds.

The Issuer (or the Investment Manager on its behalf) shall be required to terminate any Replacement Asset Swap Transaction at the time the Investment Manager sells an Asset Swap Obligation. Upon the sale of an Asset Swap Obligation, the Replacement Asset Swap Transaction relating thereto shall be terminated on or prior to such sale in accordance with its terms.

Subject to paragraph (a) above, if a Replacement Asset Swap Transaction cannot be entered within 30 calendar days of the termination of the Asset Swap Transaction, the Investment Manager, acting on behalf of the Issuer, shall use all reasonable endeavours to sell the applicable Non-Euro Obligation, pay the proceeds thereof to the applicable Asset Swap Counterparty, to the extent required pursuant to the terms of such Asset Swap Transaction and/or to the extent not so required, shall direct the Collateral Administrator to convert all of such proceeds into Euro at the Applicable Exchange Rate and shall procure that such amounts are paid into the Principal Account. If such proceeds are insufficient to pay any Asset Swap Termination Payments in full, such amount, including any Defaulted Hedge Termination Payment, shall be paid out of Interest Proceeds and/or Principal Proceeds on the next following Payment Date in accordance with the Priorities of Payment.

Interest Rate Hedging Arrangements

Replacement Interest Rate Hedge Agreements

The Issuer (or the Investment Manager on its behalf) may enter into Interest Rate Hedge Transactions from time to time in order to hedge any interest rate mismatch between the Rated Notes and the Collateral Debt Obligations and for no other purpose, subject to the receipt of Rating Agency Confirmation in respect thereof and provided that the Interest Rate Hedge Counterparty satisfies the applicable Rating Requirement and has the regulatory capacity, as a matter of Irish law, to enter into derivatives transactions with Irish residents. The Issuer (or the Investment Manager on its behalf) shall be required to terminate any Interest Rate Hedge Transaction at the time the interest rate mismatch is resolved or it sells the related Collateral Debt Obligations. At such time, the Interest Rate Hedge Transaction relating thereto shall be terminated on or prior to such sale in accordance with its terms.

Replacement Interest Rate Hedge Agreements

If an Interest Rate Hedge Transaction terminates in whole at any time in circumstances which the applicable Interest Rate Hedge Counterparty is the "Defaulting Party" or sole "Affected Party" (each such term as defined in the applicable Interest Rate Hedge Agreement), the Issuer, or the Investment Manager on its behalf, shall use commercially reasonable efforts to enter into a Replacement Interest Rate Hedge Transaction within thirty calendar days of termination thereof with an Interest Rate Hedge Counterparty which satisfies the applicable Ratings Requirement and which has the regulatory capacity, as a matter of Irish law, to enter into derivatives transactions with Irish residents.

Hedge Agreement Eligibility Criteria

The Investment Manager shall only cause the Issuer to enter into 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) that satisfies the Hedging Condition.

The "**Hedge Agreement Eligibility Criteria**" shall be contained in the Investment Management and Collateral Administration Agreement.

If a responsible representative of the Investment Manager with knowledge of the Portfolio has actual knowledge of any change in law or regulation that would lead him or her to reasonably question the viability of the Hedge Agreement Eligibility Criteria mentioned above, the Investment Manager shall cause the Issuer to seek a bring-down opinion in respect of such Hedge Agreement Eligibility Criteria opinion delivered on the Issue Date (or, if a prior bring-down opinion or modification opinion has been issued, then a bring-down of such opinion or equivalent opinion, as the case may be). If the Investment Manager cannot obtain such a bring-down or equivalent opinion on the basis of the Hedge Agreement Eligibility Criteria it shall not cause the Issuer to enter into any further Hedge Agreements or Hedge Transactions (or any other agreements that would fall within the definition of "swap" as set out in the Commodity Exchange Act) unless in respect of any such further agreement it obtains legal advice of reputable international legal counsel knowledgeable in such matters that such agreement shall not in respect of a commodity pool operator, and should not in respect of a commodity trading advisor, cause the Issuer, its directors or officers or the Investment Manager or its Affiliates to be required to register with the CFTC and/or the NFA with respect to the Issuer as a commodity pool operator and/or a commodity trading advisor.

Notwithstanding anything in the Investment Management and Collateral Administration Agreement or the Trust Deed to the contrary, the Investment Manager may by notice in writing to the Issuer and the Trustee unilaterally elect to modify the Hedge Agreement Eligibility Criteria without the consent of any other party to any Transaction Document so long as it causes the Issuer to obtain an opinion from reputable international legal counsel knowledgeable in such matters that Hedge Agreements or Hedge Transactions (or any other agreements that would fall within the definition of "swap" as set out in the Commodity Exchange Act) entered into in compliance with such modified Hedge Agreement Eligibility Criteria shall not in respect of a commodity pool operator, and should not in respect of a commodity trading advisor, cause the Issuer, its directors or officers or the Investment Manager or its Affiliates to be required to register with the CFTC and/or the NFA with respect to the Issuer as a commodity pool operator and/or a commodity trading advisor.

In addition, the Investment Manager shall only permit the Issuer to enter into a Hedge Agreement that complies with the requirements of the Hedging Condition. The Issuer will obtain Rating Agency Confirmation prior to entering into any hedging arrangements after the Issue Date unless it is in a form which the Issuer (or the Investment Manager acting on behalf of the Issuer) has previously received Rating Agency Confirmation in respect thereof. Any Hedge Agreement being entered into shall be incidental to the purchase of a specified Collateral Debt Obligation and entered into at the time of such purchase, unless such Hedge Agreement is a Replacement Asset Swap Agreement or a Replacement Interest Rate Hedge Agreement, in which case it shall be entered into as described above in "*Replacement Asset Swap Agreements*" and "*Replacement Interest Rate Hedge Agreement*", respectively. All Hedge Agreements shall be terminated in accordance with their terms no later than the sale or disposal of the related Collateral Debt Obligation.

Standard Terms of the Hedge Agreements

Each Hedge Agreement entered into by or on behalf of the Issuer shall contain the following standard provisions, save to the extent that any change thereto is agreed by the Issuer and the applicable Hedge Counterparty and subject to receipt of Rating Agency Confirmation in respect thereof.

Gross up

Under each Hedge Agreement the Issuer will not be obliged to gross up any payments thereunder, however the applicable Hedge Counterparty may in certain circumstances be obliged to gross up a payment thereunder, if there is any withholding or deduction for or on account of tax required to be paid on such payments. Any such event may however result in a "Tax Event" which is a "Termination Event" for the purposes of the relevant Hedge Agreement. If a Tax Event (as defined in such Hedge Agreement) occurs, each Hedge Agreement will include provision for the relevant Affected Party (as defined therein) to use reasonable endeavours to: (a) (in the case of the Hedge Counterparty) arrange for a transfer of all of its interests and obligations under the Hedge

Agreement and all Transactions (as defined in the applicable Hedge Agreement) thereunder to an Affiliate that is incorporated in another jurisdiction so as to avoid the requirement to withhold or deduct for or on account of tax; or (b) (in the case of the Issuer) transfer its residence for tax purposes to another jurisdiction or if a substitute principal obligor under the Notes has been substituted for the Issuer in accordance with Condition 9 (*Taxation*), arrange for a transfer of all of its interest and obligations under the Hedge Agreement and all Transactions thereunder to that substitute principal obligor so as to avoid the requirement to withhold or deduct for or on account of tax subject to satisfaction of the conditions specified therein (including receipt of Rating Agency Confirmation).

Limited Recourse and Non-Petition

The obligations of the Issuer under each Hedge Agreement will be limited to the proceeds of enforcement of the Collateral as applied in accordance with the Priorities of Payment set out in Condition 3(c) (*Priorities of Payment*). The Issuer will have the benefit of limited recourse and non-petition language similar to the language set out in Condition 4(c) (*Limited Recourse and Non-Petition*).

Termination Provisions

Each Hedge Agreement may terminate by its terms, whether or not the Notes have been paid in full prior to such termination, upon the earlier to occur of the following events (which may include without limitation):

(a) certain events of bankruptcy, insolvency, receivership or reorganisation of the Issuer or the related Hedge Counterparty;

(b) failure on the part of the Issuer or the related Hedge Counterparty to make any payment under the applicable Hedge Agreement after taking into account any applicable grace period;

(c) a change in law making it illegal for either the Issuer or the related Hedge Counterparty to be a party to, or to perform its obligations under, the applicable Hedge Agreement;

(d) the principal due in respect of the Notes is declared to be due and payable in accordance with the terms of the Trust Deed, and/or the Trustee has started to sell all or part of the Collateral as a consequence thereof;

(e) the Notes are redeemed in whole prior to the Maturity Date (otherwise than as a result of an Event of Default thereunder);

(f) a regulatory change occurs or representations related to certain regulatory matters prove incorrect when made, as further described in the relevant Hedge Agreement; and

(g) a material change is made to the Transaction Documents without the consent of a Hedge Counterparty which could have a material adverse effect on rights or obligations of a Hedge Counterparty.

A termination of a Hedge Agreement does not constitute an Event of Default under the Notes, though the repayment in full of the Notes may be an "additional termination event" under a Hedge Agreement.

Asset Swap Agreements may also contain provisions which allow an Asset Swap Transaction to terminate upon the occurrence of certain credit events related to the underlying Non-Euro Obligation. These credit events could potentially be triggered in circumstances where the related Collateral Debt Obligation would not constitute a Defaulted Obligation. In such instances the related Asset Swap Transaction would terminate and the Issuer (or the Investment Manager acting on its behalf) may need to sell the related Non-Euro Obligation unless a new Asset Swap Transaction can be entered into.

Rating Downgrade Requirements

Each Hedge Agreement shall contain the terms and provisions required by the Rating Agencies for the type of derivative transaction represented by the Hedge Transactions if the Hedge Counterparty or, as relevant, its guarantor, is subject to a voting withdrawal or downgrade by a Rating Agency to below the applicable Rating Requirement. Such provisions may include a requirement that a Hedge Counterparty must post collateral or transfer the Hedge Agreement to another entity meeting the applicable Rating Requirement or procure that a guarantor meeting the applicable Rating Requirement guarantees its obligations under the Hedge Agreement or take other actions subject to Rating Agency Confirmation.

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 Agreement following such modification. A Hedge Counterparty may transfer its rights and obligations under a Hedge Agreement to any institution which (or whose credit support provider (as defined in the applicable Hedge Agreement)) satisfies the applicable Rating Requirement and provided that such institution has the regulatory capacity 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 agreements (each a "**Reporting Delegation Agreement**") for the delegation of certain derivative reporting obligations to one or more Hedge Counterparties or third parties (each, in such capacity, a "**Reporting Delegate**").

DESCRIPTION OF THE REPORTS

Terms used and not otherwise defined herein or in this Prospectus as specifically referenced herein shall have the meaning given to them in Condition 1 (*Definitions*) of the Terms and Conditions of the Notes.

Monthly Reports

The Collateral Administrator shall, not later than the 10th London Business Day following the 8th day of each month (or, if such day is not a Business Day, the following Business Day) (save in respect of any month for which a Payment Date Report or Effective Date Report has been prepared) commencing in March 2017, on behalf, and at the expense, of the Issuer and in consultation with the Investment Manager, compile and make available to the Issuer, the Trustee, the Investment Manager, the Initial Purchaser, the Placement Agent, any Hedge Counterparty, each Rating Agency and any Noteholder (upon written request therefor in the form set out in the Trust Deed certifying that it is such a holder), by means of a secured website, a monthly report (the "**Monthly Report**"), which shall be accessible by way of a unique password and which shall contain, without limitation, the information set out below with respect to the Portfolio (and shall include a version in pdf format, with the underlying Portfolio data in excel or CSV format), determined by the Collateral Administrator as of the 8th day of each month (or, if such day is not a Business Day, the following Business Day) in consultation with the Investment Manager.

"**London Business Day**" means a day on which commercial banks and foreign exchange markets settle payments in London (other than a Saturday or a Sunday).

Portfolio

(a) the Aggregate Principal Balance of the Collateral Debt Obligations and Eligible Investments representing Principal Proceeds;

(b) the Aggregate Collateral Balance of the Collateral Debt Obligations;

(c) the Adjusted Collateral Principal Amount of the Collateral Debt Obligations;

(d) whether a Restricted Trading Period applies;

(e) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Debt Obligation, its Principal Balance, LoanX ID, CUSIP number, ISIN or identification thereof, annual interest rate or spread (and EURIBOR floor if any), facility, the designated interest period in respect of each interest rate, the Stated Maturity, Obligor, the Domicile of the Obligor, Fitch Recovery Rate, Fitch Rating, Moody's Rating, Moody's Default Probability Rating and any other public rating (other than any confidential credit estimate), its Fitch industry category and 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 Debt Obligation, whether such Collateral Debt Obligation is a Secured Senior Loan, Secured Senior Bond, Unsecured Senior Obligation, Second Lien Loan, Mezzanine Obligation or High Yield Bond, Fixed Rate Collateral Debt Obligation, Corporate Rescue Loan, PIK Security, Step-Up Coupon Security, Step-Down Coupon Security, Revolving Obligation, Delayed Drawdown Collateral Debt Obligation, Discount Obligation, Cov-Lite Loan or a Swapped Non-Discount Obligation, First-Lien Last-Out Loan and whether such Collateral Debt Obligation would have been a Cov-Lite Loan but for the proviso in the definition of "**Cov-Lite Loan**";

(g) subject to any confidentiality obligations binding on the Issuer, in respect of each Collateral Enhancement Obligation and Exchanged Equity Security (to the extent applicable), its Principal Balance, face amount, annual interest rate, Stated Maturity and Obligor, details of the type of instrument it represents and details of any amounts payable thereunder or other rights accruing pursuant thereto;

(h) subject to any confidentiality obligations binding on the Issuer, the number, identity and, if applicable, Principal Balance of, respectively, any Collateral Debt Obligations, Collateral Enhancement Obligations or Exchanged Equity Securities that were released for sale or other disposition (specifying the reason for such sale or other disposition and the section in the Investment Management and Collateral Administration Agreement pursuant to which such sale or other disposition was made), the

Aggregate Principal Balances of Collateral Debt Obligations released for sale or other disposition at the 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) and the sale price thereof and 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 Debt 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 Debt 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, (i) the identity of each Collateral Debt Obligation which became a Defaulted Obligation or Deferring Security or in respect of which an Exchanged Equity Security has been received since the date of determination of the last Monthly Report; (ii) the identity of all Collateral Debt Obligations which are Defaulted Obligations or Deferring Securities or in respect of which Exchanged Equity Securities have been received; and (iii) the identity and Principal Balance of each Fitch CCC Obligation and Moody's Caa Obligation;

(k) subject to any confidentiality obligations binding on the Issuer, the identity of each Collateral Debt Obligation which became a Restructured Obligation and its Obligor, as well as, where applicable, the name of the Obligor prior to the restructuring and the Obligor's new name after the Restructuring Date;

(l) the Aggregate Principal Balance of Collateral Debt Obligations which were upgraded or downgraded since the most recent Monthly Report and of which the Collateral Administrator or the Investment Manager has actual knowledge;

(m) the approximate Market Value of, respectively any Collateral Debt Obligations and Collateral Enhancement Obligations for which the Market Value needs to be determined in accordance with the Transaction Documents and the CCC/Caa Excess;

(n) in respect of each Collateral Debt Obligation, its Fitch Rating and Moody's 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 Debt Obligations comprising Participations in respect of which the Selling Institutions are not the lenders of record; and

(p) 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;

(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; and

(c) the rating by Fitch and Moody's in respect of each Eligible Investment.

Hedge Transactions

(a) the outstanding notional amount (as defined therein) of each Hedge Transaction, distinguishing between: (i) Asset Swap Transactions (including the Applicable Exchange Rate); and (ii) Interest Rate Hedge Transactions (including the interest spread and the current rate of EURIBOR);

(b) the amount scheduled to be received and paid by the Issuer pursuant to each Hedge Transaction on or before the next Payment Date;

(c) the then current Moody's rating and, if applicable, Fitch rating in respect of each Hedge Counterparty and the Account Bank and whether such Hedge Counterparty and Account Bank satisfies the Rating Requirements, as well as the identity of the Hedge Counterparty; and

(d) the maturity date, the strike price and the underlying currency notional amount of each currency option, the upfront premium paid or payable by the Issuer thereunder and, in relation to each currency option exercised, the date of exercise, the spot foreign exchange rate at the time of exercise, the notional amount of the optional exercised, the aggregate notional amount of the option which remains unexercised and the aggregate premium received.

Frequency Switch Event

Whether a Frequency Switch Event has occurred during the relevant Due Period and the date of such Frequency Switch Event.

Coverage Tests and Collateral Quality Tests

(a) a statement as to whether each of the Class A/B Par Value Test, the Class C Par Value Test, the Class D Par Value Test, the Class E Par Value Test, the Class F Par Value Test is satisfied and details of the relevant Par Value Ratios;

(b) a statement as to whether each of the Class A/B Interest Coverage Test, the Class C Interest Coverage Test, the Class D Interest Coverage Test and the Class E Interest Coverage Test is satisfied and details of the relevant Interest Coverage Ratios;

(c) during the Reinvestment Period, a statement as to whether the Reinvestment Overcollateralisation Test is satisfied;

(d) a statement as to whether each of the Collateral Quality Tests is satisfied and the pass levels thereof, together with details of the relevant Fitch Weighted Average Recovery Rate, Fitch Weighted Average Rating Factor, the Non-Adjusted Weighted Average Spread and the Non-Adjusted Weighted Average Fixed Rate Coupon;

(e) a statement identifying any Collateral Debt 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;

(f) so long as any Notes rated by Moody's are Outstanding, the Adjusted Weighted Average Moody's Rating Factor and a statement as to whether the Moody's Maximum Weighted Average Rating Factor Test is satisfied;

(g) so long as any Notes rated by Moody's are Outstanding, (i) the Weighted Average Moody's Recovery Rate and a statement as to whether the Moody's Minimum Weighted Average Recovery Rate Test is satisfied; and (ii) subject to any confidentiality undertakings binding on the Issuer, with respect to each Collateral Debt Obligation, (A) the name of the Obligor; (B) the Moody's Default Probability Rating (if public); (C) the name of the Collateral Debt Obligation as documented in its Underlying Instrument (or, where it is not practicable to provide this information, such information shall, upon request from Moody's, be provided to Moody's in the event that Moody's is unable to map such name to its database); (D) the seniority of the Collateral Debt Obligation; (E) the Moody's Rating of the Collateral Debt Obligation (if public); and (F) the Moody's assigned recovery rate (if the relevant Collateral Debt Obligation has a Moody's Rating which is public);

(h) 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

(i) the Weighted Average Spread and (separately) the Weighted Average Spread disregarding any EURIBOR floor or floors applicable to any Collateral Debt Obligation.

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 Moody's Rating and Fitch Rating of each Selling Institution, together with any changes in the identity of such entities since the date of determination of the last Monthly Report and details of the aggregate amount of Participations entered into with each such entity; and

(c) a statement as to (i) each individual third party exposure limit and percentage of the Aggregate Principal Balance corresponding thereto and (ii) whether the limits specified in the Bivariate Risk Table are met by reference to the Moody's Ratings and Fitch Ratings of Selling Institutions and, if such limits are not met, a statement as to the nature of the non-compliance.

Risk Retention

Confirmation that the Collateral Administrator has received written confirmation (and upon which confirmation the Collateral Administrator shall be entitled to rely without further enquiry and without liability for so relying) from the Investment Manager (including in circumstances where the Investment Manager has transferred its holding in the Retention Notes to an Affiliate pursuant to the Investment Management and Collateral Administration Agreement), that:

(a) it continues to hold, not less than 5 per cent. of the outstanding nominal value of each Class of Notes (the "**Retention**"); and

(b) neither it nor its Affiliates have transferred the Retention Notes nor has it sold, hedged or otherwise mitigated its credit risk under or associated with the Retention Notes or the underlying portfolio of Collateral Debt Obligations, except to the extent permitted in accordance with the Investment Management and Collateral Administration Agreement.

IM Voting Notes / IM Non-Voting Notes / IM Non-Voting Exchangeable Notes

In respect of each of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes:

(a) the aggregate Principal Amount Outstanding of IM Voting Notes;

(b) the aggregate Principal Amount Outstanding of IM Non-Voting Exchangeable Notes; and

(c) the aggregate Principal Amount Outstanding of IM 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 (the "**Payment Date Report**"), prepared and determined as of each Determination Date, and make available to the Investment Manager, the Issuer, the Trustee, the Initial Purchaser, the Placement Agent, any Hedge Counterparty, any Noteholder and each Rating Agency by means of a secured website and accessible by way of a unique password, not later than the Business Day preceding the related Payment Date. Upon receipt of each Payment Date Report, the Collateral Administrator, in the name and at the expense of the Issuer, shall notify the Irish Stock Exchange of the Principal Amount Outstanding of each Class of Notes after giving effect to the principal payments, if any, on the next Payment Date (in pdf format, with the underlying Portfolio data in excel, or CSV format). The Payment Date Report shall contain the following information:

Portfolio

(a) the Aggregate Principal Balance of the Collateral Debt Obligations as of the close of business on such Determination Date, after giving effect to (i) Principal Proceeds received on the Collateral Debt Obligations with respect to the related Due Period and the reinvestment of such Principal Proceeds in Substitute Collateral Debt Obligations during such Due Period; and (ii) the disposal of any Collateral Debt Obligations during such Due Period;

(b) subject to any confidentiality obligations binding on the Issuer, a list of, respectively, the Collateral Debt Obligations and Collateral Enhancement Obligations indicating the Principal Balance and Obligor of each; and

(c) the information required pursuant to "*Monthly Reports—Portfolio*" above.

Notes

(a) the Principal Amount Outstanding of the Notes of each Class and such aggregate amount as a percentage of the original aggregate Principal Amount Outstanding of the Notes of such Class at the beginning of the Accrual Period, the amount of principal payments to be made on the Notes of each Class on the related Payment Date, and the aggregate amount of the Notes of each Class Outstanding and such aggregate amount as a percentage of the original aggregate amount of the Notes of such Class Outstanding after giving effect to the principal payments, if any, on the next Payment Date;

(b) the interest payable in respect of each Class of Notes (as applicable), including the amount of any Deferred Interest payable on the related Payment Date (in the aggregate and by Class);

(c) the Interest Amount payable in respect of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes, on the next Payment Date;

(d) EURIBOR and the designated maturity for the related Due Period and the Floating Rate of Interest applicable to each Class of Rated Notes during the related Due Period; and

(e) whether a Frequency Switch Event has occurred and the date of such Frequency Switch Event.

Payment Date Payments

(a) the amounts payable pursuant to the Interest Proceeds Priority of Payments, the Principal Proceeds Priority of Payments and the Post-Acceleration Priority of Payments;

(b) the Trustee Fees and Expenses, the amount of any Investment Management Fees and Administrative Expenses payable on the related Payment Date, in each case, on an itemised basis; and

(c) any Asset Swap Termination Payments, any Interest Rate Hedge Termination Payments and any Defaulted Hedge Termination Payments.

Accounts

(a) the Balance standing to the credit of the Interest Account at the end of the related Due Period;

(b) the Balance standing to the credit of the Principal Account at the end of the related Due Period;

(c) the Balance standing to the credit of the Interest Account immediately after all payments and deposits to be made on the next Payment Date;

(d) the Balance standing to the credit of the Principal Account immediately after all payments and deposits to be made on the next Payment Date;

(e) the amounts payable from the Interest Account through a transfer to the Payment Account pursuant to the Priorities of Payment on such Payment Date;

(f) the amounts payable from the Principal Account through a transfer to the Payment Account pursuant to the Priorities of Payment on such Payment Date;

(g) the amounts payable from any other Accounts (through a transfer to the Payment Account) pursuant to the Priorities of Payment on such Payment Date, together with details of whether such amounts constitute Interest Proceeds or Principal Proceeds;

(h) the Balance standing to the credit of each of the other Accounts at the end of the related Due Period;

(i) the purchase price, principal amount, redemption price, annual interest rate, maturity date of and Obligor of each Eligible Investment purchased from funds in the Accounts;

(j) the Principal Proceeds received during the related Due Period;

(k) the Interest Proceeds received during the related Due Period; and

(l) the Collateral Enhancement Obligation Proceeds received during the related Due Period.

Coverage Tests, Collateral Quality Tests and Portfolio Profile Tests

(a) the information required pursuant to "Monthly Reports—Coverage Tests and Collateral Quality Tests" above; and

(b) the information required pursuant to "*Monthly Reports—Portfolio Profile Tests*" above.

Hedge Transactions

The information required pursuant to "*Monthly Reports—Hedge Transactions*" above.

Risk Retention

The information required pursuant to "*Monthly Reports—Risk Retention*" above.

IM Voting Notes / IM Non-Voting Notes / IM Non-Voting Exchangeable Notes

The information required pursuant to "*Monthly Reports—IM Voting Notes / IM Non-Voting Notes / IM Non-Voting Exchangeable 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 Initial Purchaser, the Placement Agent, 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 of Ireland and in respect of the preparation of its financial statements and tax returns.

Further, for so long as any of the Notes are Outstanding, the Monthly Report and the Payment Date Report will each 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 who are in any doubt about their tax position on purchase, ownership, transfer or exercise of any Note should consult their own tax advisers. **In particular, no representation is made as to the manner in which payments under the Notes would be characterised by any relevant tax authority**. Potential investors should be aware that the relevant fiscal rules or their interpretation may change, possibly with retrospective effect, and that this summary is not exhaustive. This summary does not constitute legal or tax advice or a guarantee to any potential investor of the tax consequences of investing in the Notes.

ALL PROSPECTIVE INVESTORS SHOULD READ *"CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS—INFORMATION REPORTING AND BACKUP WITHHOLDING"* AND *"FATCA"* BELOW FOR A DISCUSSION OF POTENTIAL REPORTING OBLIGATIONS AND MATERIAL CONSEQUENCES OF FAILING TO COMPLY WITH SUCH OBLIGATIONS.

2. Irish Taxation

The following is a summary of the principal Irish tax consequences for individuals and companies of ownership of the Notes based on the laws and practice of the Irish Revenue Commissioners currently in force in Ireland and may be subject to change. It deals with Noteholders who beneficially own their Notes as an investment. Particular rules not discussed below may apply to certain classes of taxpayers holding Notes, such as dealers in securities, trusts etc. The summary does not constitute tax or legal advice and the comments below are of a general nature only. Prospective investors in the Notes should consult their professional advisers on the tax implications of the purchase, holding, redemption or sale of the Notes and the receipt of interest thereon under the laws of their country of residence, citizenship or domicile.

Taxation of Noteholders

Withholding Tax

In general, tax at the standard rate of income tax (currently 20 per cent.), is required to be withheld from payments of Irish source interest which should include interest payable on the Notes.

The Issuer will not be obliged to make a withholding or deduction for or on account of Irish income tax from a payment of interest on a Note so long as the interest paid on the relevant Note falls within one of the following categories:

Interest paid on a quoted Eurobond

The Issuer will not be obliged to make a withholding or deduction for or on account of Irish income tax from a payment of interest on a Note where:

(a) the Notes are quoted Eurobonds i.e. securities which are issued by a company (such as the Issuer), which are listed on a recognised stock exchange (such as the Irish Stock Exchange) and which carry a right to interest; and

(b) the person by or through whom the payment is made is not in Ireland, or if such person is in Ireland, either:

  (i) the Notes are held in a clearing system recognised by the Irish Revenue Commissioners; (DTC, Euroclear and Clearstream, Luxembourg are, amongst others, so recognised); or

  (ii) the person who is the beneficial owner of the Notes and who is beneficially entitled to the interest is not resident in Ireland and has made a declaration to a relevant person (such as a paying agent located in Ireland) in the prescribed form; and

(c) one of the following conditions is satisfied:

(i) the Noteholder is resident for tax purposes in Ireland or, if not so resident, is otherwise within the charge to corporation tax in Ireland in respect of the interest; or

(ii) the interest is subject under the laws of a relevant territory, without any reduction computed by reference to the amount of such interest, to a tax in a relevant territory which corresponds to income tax or corporation tax in Ireland and which generally applies to profits, income or gains received in that territory, by persons, from sources outside that territory; or

(iii) the Noteholder is not a company which, directly or indirectly, controls the Issuer, is controlled by the Issuer, or is controlled by a third company which also directly or indirectly controls the Issuer, and neither the Noteholder, nor any person connected with the Noteholder, is a person or persons:

(A) from whom the Issuer has acquired assets;

(B) to whom the Issuer has made loans or advances; or

(C) with whom the Issuer has entered into a Swap Agreement,

where the aggregate value of such assets, loans, advances or Swap Agreements represents not less than 75 per cent. of the aggregate value of the assets of the Issuer; or

(iv) at the time of issue of the Notes, the Issuer was not in possession, or aware, of any information which could reasonably be taken to indicate whether or not the interest would be subject, without any reduction computed by reference to the amount of such interest, to a tax in a relevant territory which corresponds to income tax or corporation tax in Ireland and which generally applies to profits, income or gains received in that territory from sources outside that territory.

where the term:

"**Relevant Territory**" means a member state of the European Union (other than Ireland) or a country with which Ireland has signed a double tax treaty; and

"**Swap Agreement**" means any agreement, arrangement or understanding that:

(i) provides for the exchange, on a fixed or contingent basis, of one or more payments based on the value, rate or amount of one or more interest or other rates, currencies, commodities, securities, instruments of indebtedness, indices, quantitative measures, or other financial or economic interests or property of any kind, or any interest therein or based on the value thereof, and

(ii) transfers to a person who is a party to the agreement, arrangement or understanding or to a person connected with that person, in whole or in part, the financial risk associated with a future change in any such value, rate or amount without also conveying a current or future direct or indirect ownership interest in an asset (including any enterprise or investment pool) or liability that incorporates the financial risk so transferred.

Thus, so long as the Notes continue to be quoted on the Irish Stock Exchange, are held in DTC, Euroclear and/or Clearstream, Luxembourg, and one of the conditions set out in paragraph (c) above is satisfied, interest on the Notes can be paid by any paying agent acting on behalf of the Issuer free of any withholding or deduction for or on account of Irish income tax. If the Notes continue to be quoted but cease to be held in a recognised clearing system, interest on the Notes may be paid without any withholding or deduction for or on account of Irish income tax provided such payment is made through a paying agent outside Ireland and one of the conditions set out in paragraph (c) above is satisfied.

Interest paid by a qualifying company to certain non-residents:

If, for any reason, the exemption referred to above ceases to apply, interest payments may still be made free of withholding tax provided that:

(a) the Issuer remains a "qualifying company" (as defined in Section 110 of the TCA) and the Noteholder is a person which is resident in a Relevant Territory, and, where the recipient is a company, the interest is not paid to it in connection with a trade or business carried on by it in Ireland through a branch or agency. The test of residence is determined by reference to the law of the Relevant Territory in which the Noteholder claims to be resident. The Issuer must be satisfied that the terms of the exemption are satisfied; and

(b) one of the following conditions is satisfied:

(i) the Noteholder is a pension fund, government body or other person, which is resident in a Relevant Territory and which, under the laws of that territory, is exempted from tax that corresponds to income tax or corporation tax in Ireland and which generally applies to profits, income or gains in that territory; or

(ii) the interest is subject, without any reduction computed by reference to the amount of such interest, to a tax in a Relevant Territory which corresponds to income tax or corporation tax in Ireland and which generally applies to profits, income or gains received in that territory, by persons, from sources outside that territory.

Deductibility of Interest

Draft legislation published in Ireland on 20 October 2016 (Finance Bill 2016) seeks, subject to a number of exceptions, to restrict deductibility of interest paid by a qualifying company that is profit dependent or exceeds a reasonable commercial return on or after 6 September 2016 to the extent that the interest is associated with the business of a qualifying company of holding "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, Irish land or (b) a "specified agreement" (effectively a profit dependent derivative) which derives all of its value, or the greater part of its value, directly or indirectly, from Irish land or a loan to which (a) applies. The proposed legislation, if enacted, treats the holding of such specified mortgages as a separate business to the rest of the qualifying company's activities. The qualifying company is taxed on any profit that is attributable to that business at 25% and any such interest that is profit dependent or exceeds a reasonable commercial return is not deductible, subject to a number of exceptions, and potentially subject to Irish withholding tax at 20%.

There is a specific carve out from the new legislation in respect of CLO transactions, provided the transaction is carried out in conformity with:

(a) a prospectus, within the meaning of Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003 ("**Prospectus Directive**");

(b) listing particulars, where any securities issued by the qualifying company are listed on an exchange, other than the main exchange, of a relevant member state of the European Union; or

(c) where the securities issued by the qualifying company will not be listed on an exchange in the state or a relevant member state of the European Union, legally binding documents that provide for:

(i) a warehousing period, which for the purposes of this subsection means a period not exceeding 3 years during which time the qualifying company is preparing to issue securities; and

(ii) investment eligibility criteria that govern the type and quality of assets to be acquired,

and where, based on the documents referred to in paragraphs (a) to (c) above and the activities of the qualifying company, it would not be reasonable to consider that the main purpose, or one of the main purposes, of the qualifying company was to acquire specified mortgages.

Accordingly, on the basis of the current draft legislation, and advice received by the Issuer based on discussions with the Irish Revenue Commissioners, as, upon approval by and filing with the Central Bank, this Prospectus will constitute a "prospectus" for the purposes of the Prospectus Directive (see *General Information* above) and pursuant to a confirmation in the Investment Management and Collateral Administration Agreement that no

party to that agreement has as its main purpose, or one of its main purposes, the acquisition of "specified mortgages" within the meaning of Section 110 of the TCA, the new rules should not apply to this transaction.

Encashment Tax

In certain circumstances, Irish tax will be required to be withheld at the standard rate of income tax (currently 20 per cent.) from interest on any Note, where such interest is collected or realised by a bank or encashment agent in Ireland on behalf of any Noteholder. There is an exemption from encashment tax where the beneficial owner of the interest is not resident in Ireland and has made a declaration to this effect in the prescribed form to the encashment agent or bank.

Income Tax, PRSI and Universal Social Charge

Notwithstanding that a Noteholder may receive interest on the Notes free of withholding tax, the Noteholder may still be liable to pay Irish tax with respect to such interest.

Noteholders resident or ordinarily resident in Ireland who are individuals may be liable to pay Irish income tax, social insurance (PRSI) contributions and the universal social charge in respect of interest they receive on the Notes.

Interest paid on the Notes may have an Irish source and therefore may be within the charge to Irish income tax, notwithstanding that the Noteholder is not resident in Ireland. In the case of Noteholders who are non-resident individuals such Noteholders may also be liable to pay the universal social charge in respect of interest they receive on the Notes.

Ireland operates a self-assessment system in respect of tax and any person, including a person who is neither resident nor ordinarily resident in Ireland, with Irish source income comes within its scope.

There are a number of exemptions from Irish income tax available to certain non-residents. Firstly, interest payments made by the Issuer are exempt from income tax so long as the Issuer is a qualifying company for the purposes of Section 110 of the TCA, the recipient is not resident in Ireland and is resident in a Relevant Territory and the interest is paid out of the assets of the Issuer. Secondly, interest payments made by the Issuer in the ordinary course of its trade or business to a company are exempt from income tax provided the recipient company is not resident in Ireland and is either resident for tax purposes in a Relevant Territory which imposes a tax that generally applies to interest receivable in that territory by companies from sources outside that territory and which tax corresponds to income tax or corporation tax in Ireland or the interest is exempted from the charge to Irish income tax under the terms of a double tax agreement which is either in force or which will come in to force once all ratification procedures have been completed. Thirdly, interest paid by the Issuer free of withholding tax under the quoted Eurobond exemption is exempt from income tax where the recipient is a person not resident in Ireland and resident in a Relevant Territory or is a company not resident in Ireland which is under the control, whether directly or indirectly, of person(s) who by virtue of the law of a Relevant Territory are resident for the purposes of tax in a Relevant Territory and is not under the control of person(s) who are not so resident, or is a company not resident in Ireland where the principal class of shares of the company is substantially and regularly traded on a recognised stock exchange. For the purposes of these exemptions and where not specified otherwise, residence is determined under the terms of the relevant double taxation agreement or in any other case, the law of the country in which the recipient claims to be resident. Interest falling within the above exemptions is also exempt from the universal social charge.

Notwithstanding these exemptions from income tax, a corporate recipient that carries on a trade in Ireland through a branch or agency in respect of which the Notes are held or attributed, may have a liability to Irish corporation tax on the interest.

Relief from Irish income tax may also be available under the specific provisions of a double tax treaty between Ireland and the country of residence of the recipient.

Interest on the Notes which does not fall within the above exemptions is within the charge to income tax, and, in the case of Noteholders who are individuals, the charge to the universal social charge. In the past the Irish Revenue Commissioners have not pursued liability to income tax in respect of persons who are not regarded as being resident in Ireland except where such persons have a taxable presence of some sort in Ireland or seek to claim any relief or repayment in respect of Irish tax. However, there can be no assurance that the Irish Revenue Commissioners will apply this treatment in the case of any Noteholder.

Capital Gains Tax

A Noteholder will not be subject to Irish tax on capital gains on a disposal of Notes unless such Noteholder is either resident or ordinarily resident in Ireland or carries on a trade in Ireland through a branch or agency in respect of which the Notes were used or held.

Capital Acquisitions Tax

A gift or inheritance comprising Notes will be within the charge to capital acquisitions tax (which subject to available exemptions and reliefs, is currently levied at 33 per cent.) if either (i) the disponer or the donee/successor in relation to the gift or inheritance is resident or ordinarily resident in Ireland on the relevant date or (ii) if the Notes are regarded as property situate in Ireland (i.e. if the Notes are physically located in Ireland or if the register of the Notes is maintained in Ireland)).

Stamp Duty

No stamp duty or similar tax is imposed in Ireland (on the basis of an exemption provided for in Section 85(2)(c) of the Stamp Duties Consolidation Act, 1999 so long as the Issuer is a qualifying company for the purposes of Section 110 of the TCA and the proceeds of the Notes are used in the course of the Issuer's business), on the issue, transfer or redemption of the Notes.

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 federal income tax consequences described herein. This summary addresses only holders that purchase Notes at initial issuance for cash (and, in the case of the Rated Notes, at their issue price) and beneficially own such Notes as capital assets and not as part of a "straddle", "hedge", "synthetic security" or a "conversion transaction" for federal income tax purposes, or as part of some other integrated investment. This summary does not discuss all of the tax consequences that may be relevant to particular investors (such as any alternative minimum tax consequences) or to investors subject to special treatment under the federal income tax laws (such as banks, thrifts, or other financial institutions; insurance companies; securities dealers or brokers, or traders in securities electing mark-to-market treatment; mutual funds or real estate investment trusts; small business investment companies; S corporations; partnerships or investors that hold their Notes through a partnership or other entity treated as a partnership for U.S. federal income tax purposes; U.S. Holders whose functional currency is not the U.S. dollar; certain former citizens or residents of the United States; retirement plans or other tax-exempt entities, or persons holding the Notes in tax-deferred or tax-advantaged accounts; or "controlled foreign corporations" or "passive foreign investment companies" for U.S. federal income tax purposes). This summary also does not address the tax consequences to shareholders, or other equity holders in, or beneficiaries of, a holder of Notes, or any state, local or foreign tax consequences of the purchase, ownership or disposition of the Notes. Finally, this summary does not address the tax consequences to a Contributor of a Contribution as described in Condition 2(l) (*Contributions*).

PROSPECTIVE PURCHASERS OF NOTES SHOULD CONSULT THEIR TAX ADVISORS AS TO THE U.S. FEDERAL, STATE AND LOCAL TAX CONSEQUENCES TO THEM OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF NOTES, AS WELL AS ANY CONSEQUENCES ARISING UNDER THE LAWS OF ANY OTHER TAXING JURISDICTION TO WHICH THEY MAY BE SUBJECT.

U.S. Federal Tax Treatment of the Issuer

The Issuer will be treated as a foreign corporation for U.S. federal income tax purposes. The Issuer intends to operate so as not to be subject to U.S. federal income tax on its net income. In this regard, upon the issuance of the Notes, the Issuer will receive an opinion of Cadwalader, Wickersham & Taft LLP to the effect that, although no activity closely comparable to that contemplated by the Issuer has been the subject of any Treasury regulation, revenue ruling or judicial decision, if the Issuer and the Investment Manager comply with the Trust Deed and the Investment Management and Collateral Administration Agreement, including certain tax guidelines referenced therein (the "**U.S. Tax Guidelines**"), and certain other assumptions specified in the opinion are satisfied, the Issuer will not be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes under current law. Failure of the Issuer or the Investment Manager to comply with the U.S. Tax Guidelines, the Trust Deed or the Investment Management and Collateral Administration Agreement 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 treated as engaged in a U.S. trade or business for U.S. federal income tax purposes. In addition, the U.S. Tax Guidelines permit the Issuer (or the Investment Manager acting on its behalf) to receive advice from nationally recognised U.S. tax counsel to the effect that any changes in its structure and operations will not cause the Issuer to be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes. The opinion of Cadwalader, Wickersham & Taft LLP will assume the correctness of any such advice. The opinion of Cadwalader, Wickersham & Taft LLP is not binding on the U.S. Internal Revenue Service (the "**IRS**") or the courts. Moreover, a change in law or its interpretation could result in the Issuer being treated as engaged in a trade or business in the United States for U.S. federal income tax purposes, or otherwise subject to U.S. federal income tax on a net income basis (notwithstanding that the Investment Manager is acting in accordance with the U.S. Tax Guidelines). Finally, the Trust Deed could be amended in a manner that permits or causes the Issuer to be engaged in a trade or business in the United States for U.S. federal income tax purposes.

If it is determined that the Issuer is engaged in a trade or business in the United States for U.S. federal income tax purposes, and the Issuer has taxable income that is effectively connected with such U.S. trade or business, the Issuer will be subject under the Code to the regular U.S. federal corporate income tax on its effectively connected taxable income, possibly on a gross basis, and possibly to a 30 per cent. branch profits tax and state and local taxes as well. The imposition of such a tax liability could materially adversely affect the Issuer's ability to make payments on the Notes. The balance of this summary assumes that the Issuer is not subject to U.S. federal income tax on its net income.

U.S. Federal 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 A Notes, Class B Notes, Class C Notes, and Class D Notes will be treated, and the Class E Notes should be treated, as indebtedness for U.S. federal income tax purposes. No opinion will be received with respect to the Class F Notes. The Issuer intends to treat each Class of the Rated Notes as indebtedness for U.S. federal, state, and local income and franchise tax purposes. The Issuer's characterisations will be binding on all Noteholders, and the Trust Deed requires the Noteholders to treat the Rated Notes as indebtedness for U.S. federal, state and local income and franchise tax purposes. Nevertheless, the IRS could assert, and a court could ultimately hold, that one or more Classes of Rated Notes are equity in the Issuer. If any Rated Notes were treated as equity in, rather than debt of, the Issuer for U.S. federal income tax purposes, then the Noteholders of those Notes would be subject to the special and potentially adverse U.S. tax rules applicable to U.S. equity owners in passive foreign investment companies ("**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 A Notes and Class B Notes.

Stated Interest. U.S. Holders of Class A Notes and Class B Notes will include in gross income the U.S. dollar value of payments of stated interest accrued or received on their Notes, in accordance with their usual method of tax accounting, as ordinary interest income.

In general, U.S. Holders of Class A Notes or Class B Notes that use the cash method of accounting will calculate the U.S. dollar value of payments of stated interest based on the euro-to-U.S. dollar spot exchange rate at the time a payment is received.

In general, U.S. Holders of Class A Notes or Class B Notes that use the accrual method of accounting or that otherwise are required to accrue stated interest before receipt will calculate the U.S. dollar value of accrued interest based on the average euro-to-U.S. dollar spot exchange rate during the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the average euro-to-U.S. dollar spot exchange rate for the partial period within the U.S. Holder's taxable year). Alternatively, a U.S. Holder of Class A Notes or Class B Notes can elect to calculate the U.S. dollar value of accrued interest based on the euro-to-U.S. dollar spot exchange rate on the last day of the applicable Accrual Period (or, in the case of an Accrual Period that spans two taxable years, at the euro-to-U.S. dollar spot exchange rate on the last day of the U.S. Holder's taxable year) or, if the last day of the Accrual Period is within five business days of the U.S. Holder's receipt of the payment, the spot exchange rate on the date of receipt. Any such election must be applied to all debt instruments held by the U.S. Holder and is irrevocable without the consent of the IRS.

Accrual basis U.S. Holders of Class A Notes or Class B Notes also will recognise foreign currency exchange gain or loss on the receipt of interest payments on their Class A Notes or Class B Notes to the extent that the U.S. dollar value of such payments (based on the euro-to-U.S. dollar spot exchange rate on the date such payments are received) differs from the U.S. dollar value of such payments when they were accrued. The foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Original Issue Discount. In addition, if the discount at which a substantial amount of the Class A Notes or Class B Notes is first sold to investors is at least 0.25 per cent. of the principal amount of the Class, multiplied

by the number of complete years to the weighted average maturity of the Class, then the Issuer will treat the Class as issued with OID for U.S. federal income tax purposes. The total amount of OID with respect to a Note within the Class will equal the excess of the principal amount of the Note over its issue price (the first price at which a substantial amount of Notes within the Class was sold to investors). U.S. Holders of Notes that are issued with OID will be required to include the U.S. dollar value of OID in advance of the receipt of cash attributable to such income. In general, U.S. Holders of the Class A Notes 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 A Notes or Class B Notes can elect to calculate the U.S. dollar value of OID based on the euro-to-U.S. dollar spot exchange rate on the last day of the applicable Accrual Period (or, in the case of an Accrual Period that spans two taxable years, at the euro-to-U.S. dollar spot exchange rate on the last day of the U.S. Holder's taxable year) or, if the last day of the Accrual Period is within five business days of the U.S. Holder's receipt of the payment of accrued OID, the spot exchange rate on the date of receipt. Any such election must be applied to all debt instruments held by the U.S. Holder and is irrevocable without the consent of the IRS.

A U.S. Holder will be required to include OID in income as it accrues (regardless of the U.S. Holder's method of accounting) under a constant yield method. Accruals of any such OID will be based on the weighted average life of the applicable Class rather than its stated maturity. It is possible, however, that the IRS could assert and a court could ultimately hold that some other method of accruing OID should apply.

U.S. Holders of Class A Notes or Class B Notes that are issued with OID also will recognise foreign currency exchange gain or loss on the receipt of interest payments on their Class A Notes or Class B Notes to the extent that the U.S. dollar value of such payments (based on the euro-to-U.S. dollar spot exchange rate on the date such payments are received) differs from the U.S. dollar value of the corresponding amounts of OID when they were accrued. The foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Sale, Exchange or Retirement. In general, a U.S. Holder will have a basis in its Note equal to the U.S. dollar value of the cost of such Note (based, in the case of a Class A Note or a Class B Note, on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired, or the settlement date for the purchase of the Note if the Note is treated under applicable Treasury regulations as a security traded on an established securities market and the U.S. Holder either uses the cash method of accounting, or uses the accrual method of accounting and so elects (which election must be applied consistently from year to year)), (i) increased by the U.S. dollar value of any such amount includable in income as OID (as described above), and (ii) reduced by the U.S. dollar value of payments of principal on such Note (based, in the case of a Class A Note or a Class B Note, on the euro-to-U.S. dollar spot exchange rate on the date any such payments were received).

A U.S. Holder will generally recognise foreign currency exchange gain or loss on the receipt of any principal payments on a Class A Note or Class B Note prior to a sale, exchange, or retirement of such Note to the extent that the U.S. dollar value of each such principal payment (based on the euro-to-U.S. dollar spot exchange rate on the date any such payment was received) differs from the U.S. dollar value of the equivalent principal amount of the Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired). Any such foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Upon a sale, exchange, or retirement of a Class A Note or Class B Note, a U.S. Holder will generally recognise gain or loss equal to the difference between the U.S. dollar value of the amount realised on the sale, exchange, or retirement (less any accrued and unpaid interest, which will be taxable as described above) and the holder's tax basis in such Note. In the case of a Class A Note or Class B Note, any such gain or loss will be foreign currency exchange gain or loss to the extent that the U.S. dollar value of the principal amount of the Note on the date of the sale, exchange, or retirement (based on the euro-to-U.S. dollar spot exchange rate on such date) differs from the U.S. dollar value of the equivalent principal amount of the Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired). Any such foreign currency exchange gain or loss generally will be treated as ordinary income or loss. Any gain or loss in excess of foreign currency exchange gain or loss will be capital gain or loss, and generally will be treated as long-term capital gain or loss if the U.S. Holder held the Note for more than one year at the time of disposition. In certain circumstances, U.S. Holders who are individuals may be entitled to preferential tax rates for net long-term capital gains; however, the ability of U.S. Holders to offset capital losses against ordinary income is limited.

Class C Notes, Class D Notes, Class E Notes and Class F Notes.

Original Issue Discount. Because interest payments on the Class C Notes, the Class D Notes, the Class E Notes and the Class F Notes are deferrable, the Issuer will treat such Notes as issued with OID for U.S. federal income tax purposes. The total amount of OID with respect to a Class C Note, Class D Note, Class E Note or Class F Note will equal the sum of all payments to be received under such Note less its issue price (the first price at which a substantial amount of Notes within the applicable Class was sold to investors). U.S. Holders of the Class C Notes, Class D Notes, Class E Notes, or Class F Notes will be required to include the U.S. dollar value of OID in advance of the receipt of cash attributable to such income. In general, U.S. Holders will calculate the U.S. dollar value of OID based on the average euro-to-U.S. dollar spot exchange rate during the applicable Accrual Period (or, with respect to an Accrual Period that spans two taxable years, at the average euro-to-U.S. dollar spot exchange rate for the partial period within the U.S. Holder's taxable year). Alternatively, a U.S. Holder can elect to calculate the U.S. dollar value of OID based on the euro-to-U.S. dollar spot exchange rate on the last day of the applicable Accrual Period (or, in the case of an Accrual Period that spans two taxable years, at the euro-to-U.S. dollar spot exchange rate on the last day of the U.S. Holder's taxable year) or, if the last day of the Accrual Period is within five business days of the U.S. Holder's receipt of the payment of accrued OID, the euro-to-U.S. dollar spot exchange rate on the date of receipt. Any such election must be applied to all debt instruments held by the U.S. Holder and is irrevocable without the consent of the IRS.

A U.S. Holder of Class C Notes, Class D Notes, Class E Notes, or Class F Notes will be required to include OID in income as it accrues (regardless of the U.S. Holder's method of accounting) under a constant yield method. Accruals of any such OID will be based on the weighted average life of the applicable Class rather than its stated maturity. Accruals of OID on the Class C Notes, Class D Notes, Class E Notes and Class F Notes will be calculated by assuming that interest will be paid over the life of the applicable Class based on the value of EURIBOR used in setting the interest rate for the first Payment Date, and then adjusting the accrual for each subsequent Payment Date based on the difference between the value of EURIBOR used in setting interest for that subsequent Payment Date and the assumed rate. It is possible, however, that the IRS could assert, and a court could ultimately hold, that some other method of accruing OID on the Class C Notes, Class D Notes, Class E Notes and Class F Notes should apply.

U.S. Holders of Class C Notes, Class D Notes, Class E Notes, or Class F Notes also will recognise foreign currency exchange gain or loss on the receipt of interest payments on their Notes to the extent that the U.S. dollar value of such payments (based on the euro-to-U.S. dollar spot exchange rate on the date such payments are received) differs from the U.S. dollar value of the corresponding amounts of OID when they were accrued. The foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Sale, Exchange or Retirement. In general, a U.S. Holder of a Class C Note, Class D Note, Class E Note or Class F Note will have a basis in such Note equal to the U.S. dollar value of the cost of such Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired, or the settlement date for the purchase of the Note if the Note is treated under applicable Treasury regulations as a security traded on an established securities market and the U.S. Holder either uses the cash method of accounting, or uses the accrual method of accounting and so elects (which election must be applied consistently from year to year)), (i) increased by any amount includable in income by such U.S. Holder as OID (as described above), and (ii) reduced by the U.S. dollar value of any payments received on such Note (based on the euro-to-U.S. dollar spot exchange rate on the date any such payments were received). A U.S. Holder will generally recognise foreign currency exchange gain or loss on the receipt of any principal payments on a Class C Note, Class D Note, Class E Note or Class F Note prior to a sale, exchange, or retirement of such Note to the extent that the U.S. dollar value of each such principal payment (based on the euro-to-U.S. dollar spot exchange rate on the date any such payment was received) differs from the U.S. dollar value of the equivalent principal amount of the Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired). Any such foreign currency exchange gain or loss generally will be treated as ordinary income or loss.

Upon a sale, exchange, or retirement of a Class C Note, Class D Note, Class E Note or Class F Note, a U.S. Holder will generally recognise gain or loss equal to the difference between the U.S. dollar value of the amount realised on the sale, exchange, or retirement and the holder's tax basis in such Note. Any such gain or loss will be foreign currency exchange gain or loss to the extent that the U.S. dollar value of the principal amount of the Note on the date of the sale, exchange, or retirement (based on the euro-to-U.S. dollar spot exchange rate on such date) differs from the U.S. dollar value of the equivalent principal amount of the Note (based on the euro-to-U.S. dollar spot exchange rate on the date the Note was acquired). Any such foreign currency exchange gain or loss generally will be treated as ordinary income or loss. Any gain or loss in excess of foreign currency exchange gain or loss will be capital gain or loss, and generally will be treated as long-term capital gain or loss

if the U.S. Holder held the Note for more than one year at the time of disposition. In certain circumstances, U.S. Holders who are individuals may be entitled to preferential tax rates for net long-term capital gains; however, the ability of U.S. Holders to offset capital losses against ordinary income is limited.

Alternative Characterisation.

It is possible that the Rated Notes could be treated as "contingent payment debt instruments" for U.S. federal income tax purposes. In this event, the timing of a U.S. Holder's OID inclusions could differ from that described above and any gain recognised on the sale, exchange, or retirement of such Notes would be treated as ordinary income and not as capital gain.

Receipt of Euro.

U.S. Holders will have a tax basis in any euro received in respect of the Notes on a sale, redemption, or other disposition of the Notes equal to the U.S. dollar value of the euro on that date. Any gain or loss recognised on a sale, exchange, or other disposition of those euro generally will be ordinary income or loss. A U.S. Holder that converts the euro into U.S. dollars on the date of receipt generally should not recognise ordinary income or loss in respect of the conversion.

Possible Treatment of Class E Notes and Class F Notes as Equity for U.S. Federal Tax Purposes.

As described above under "*U.S. Federal Tax Treatment of the Notes*", the Issuer intends to treat the Class E Notes and Class F Notes as indebtedness for U.S. federal, state, and local income and franchise tax purposes, and the Trust Deed requires Noteholders to treat the Class E Notes and Class F Notes as indebtedness for U.S. federal, state and local income and franchise tax purposes. Nevertheless, the IRS could assert, and a court could ultimately hold, that the Class E Notes and Class F Notes are equity in the Issuer for U.S. federal income tax purposes.

If the Class E Notes or Class F Notes are treated as equity in the Issuer, because the Issuer will be a PFIC for U.S. federal income tax purposes, the U.S. dollar value of gain on the sale of the Class E Notes and/or the Class F Notes could be treated as ordinary income and subject to an additional tax in the nature of interest, and the U.S. dollar value of certain interest on such Notes could be subject to the additional tax. A U.S. Holder of such Notes might be able to avoid the ordinary income treatment and additional tax by writing "Protective QEF Election" on the top of an IRS Form 8621, filling out the form, checking Box A (Election to Treat the PFIC as a QEF) and filing the form with the IRS with respect to their Class E Notes and the Class F Notes, or by filing a protective statement with the IRS preserving the U.S. Holder's ability to elect retroactively to treat the Issuer as a "qualified electing fund" (a "**QEF**") and so electing at the appropriate time. The Issuer will provide, upon request and at the Issuer's expense, all information and documentation that a U.S. Holder of Class E Notes or Class F Notes is required to obtain for U.S. federal income tax purposes in order to make and maintain a "protective" QEF election. Any such information and documentation so requested shall be provided by the Issuer to the requesting U.S. Holder by 30 June in the year following the Issuer's financial year in which such request was received by the Issuer. If the Class E Notes or Class F Notes are treated as equity, a U.S. Holder also will be required to file an annual PFIC report.

If the Issuer holds any Collateral Debt Obligations that are treated as equity in a foreign corporation for U.S. federal income tax purposes, and if the Class E Notes or Class F Notes are treated as equity in the Issuer, U.S. Holders of Class E Notes or Class F Notes could be treated as owning an indirect equity interest in a PFIC or a controlled foreign corporation ("**CFC**") and could be subject to certain adverse tax consequences. In particular, a U.S. Holder of an indirect equity interest in a PFIC is treated as owning the PFIC directly. The U.S. Holder, and not the Issuer, would be required to make a QEF election with respect to each indirect interest in a PFIC. However, certain PFIC information statements are necessary for U.S. Holders that have made QEF elections, and there can be no assurance that the Issuer can obtain such statements from a PFIC. Thus, there can be no assurance that a U.S. Holder would be able to make the election with respect to any indirectly held PFIC.

In addition, if the Class E Notes or Class F Notes represent equity in the Issuer for U.S. federal income tax purposes, a U.S. Holder of such Notes would be required to file an IRS Form 926 with the IRS if (i) such person is treated as owning, directly or by attribution, immediately after the U.S. Holder's purchase of Notes, at least 10 per cent. by value of the Issuer or (ii) the amount of cash transferred by such person (or any related person) to the Issuer during the 12-month period ending on the date of such purchase exceeds $100,000. U.S. Holders may wish to file a "protective" IRS Form 926 with respect to their Class E Notes and Class F Notes.

Finally, if the Class E Notes or Class F Notes represent equity in the Issuer, a U.S. Holder of such Notes will be required to file an IRS Form 5471 with the IRS if the U.S. Holder is treated as owning (actually or constructively) at least 10 per cent. by value of the equity of the Issuer for U.S. federal income tax purposes, and may be required to provide additional information regarding the Issuer annually on IRS Form 5471 if the U.S. Holder is treated as owning (actually or constructively) more than 50 per cent. by value of the equity of the Issuer for U.S. federal income tax purposes. U.S. Holders may wish to file a "protective" IRS Form 5471 with respect to their Class E Notes and Class F Notes.

Prospective U.S. Holders of Class E Notes and Class F Notes should consult with their tax advisors regarding whether to make protective filings of IRS Forms 8621, 926 and 5471 with respect to such Notes and the consequences to them if the Class E Notes or Class F Notes are treated as equity in the Issuer.

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

Investment in a Passive Foreign Investment Company. The Issuer will constitute a PFIC for U.S. federal income tax purposes, and U.S. Holders of Subordinated Notes will be subject to the PFIC rules, except for certain U.S. Holders that are subject to the rules applicable to a CFC (as described below under "*Investment in a Controlled Foreign Corporation*"). U.S. Holders should consider making an election to treat the Issuer as a QEF. Generally, a U.S. Holder makes a QEF election on IRS Form 8621, attaching a copy of that form to its U.S. federal income tax return for the first taxable year for which it held its Subordinated Notes. If a U.S. Holder makes a timely QEF election with respect to the Issuer, the electing U.S. Holder will be required in each taxable year to include in gross income (i) as ordinary income, the U.S. dollar value of the U.S. Holder's *pro rata* share of the Issuer's ordinary earnings and (ii) as long-term capital gain, the U.S. dollar value of the U.S. Holder's *pro rata* share of the Issuer's net capital gain, whether or not distributed. A U.S. Holder will not be eligible for the dividends received deduction in respect of such income or gain. In addition, any losses of the Issuer in a taxable year will not be available to the U.S. Holder and may not be carried back or forward in computing the Issuer's ordinary earnings and net capital gain in other taxable years. If applicable, the rules pertaining to a CFC, discussed below generally override those pertaining to a PFIC with respect to which a QEF election is in effect.

In certain cases in which a QEF does not distribute all of its earnings in a taxable year, the electing U.S. Holder may also be permitted to elect to defer payment of some or all of the taxes on the QEF's income, subject to a nondeductible interest charge on the deferred amount. In this respect, prospective purchasers of Subordinated Notes should be aware that it is expected that the Collateral Debt Obligations will include high-yield debt obligations and such instruments may have substantial OID, the cash payment of which may be deferred, perhaps for a substantial period of time. In addition, the Issuer may use proceeds from the sale of Collateral Debt Obligations to retire other classes of Notes. As a result, in any given year, the Issuer may have substantial amounts of earnings for U.S. federal income tax purposes that are not distributed on the Subordinated Notes. Thus, absent an election to defer payment of taxes, U.S. Holders that make a QEF election with respect to the Issuer may owe tax on significant "phantom" income.

The Issuer will provide, upon request and at the Issuer's expense, all information and documentation that a U.S. Holder of Subordinated Notes making a QEF election with respect to the Issuer is required to obtain for U.S. federal income tax purposes.

A U.S. Holder of Subordinated Notes (other than certain U.S. Holders that are subject to the rules pertaining to a CFC, described below) that does not make a timely QEF election will be required to report the U.S. dollar value of any gain on the disposition of its Subordinated Notes as ordinary income, rather than capital gain, and to compute the tax liability on such gain and any "Excess Distribution" (as defined below) received in respect of the Subordinated Notes as if such items had been earned ratably over each day in the U.S. Holder's holding period (or a certain portion thereof) for the Subordinated Notes. The U.S. Holder will be subject to tax on such gain or Excess Distributions at the highest ordinary income tax rate for each taxable year in which such gain or Excess Distributions are treated as having been earned, other than the current year (for which the U.S. Holder's regular ordinary income tax rate will apply), regardless of the rate otherwise applicable to the U.S. Holder. Further, such U.S. Holder will also be liable for a nondeductible interest charge as if such income tax liabilities had been due with respect to each such prior year. For purposes of these rules, gifts, exchanges pursuant to corporate reorganisations and use of the Subordinated Notes as security for a loan may be treated as taxable dispositions of such Subordinated Notes. In addition, a stepped-up basis in the Subordinated Notes will not be available upon the death of an individual U.S. Holder who has not made a timely QEF election with respect to the Issuer.

An "**Excess Distribution**" is the amount by which the U.S. dollar value of distributions during a taxable year in respect of a Note exceeds 125 per cent. of the average amount of distributions in respect thereof during the three preceding taxable years (or, if shorter, the U.S. Holder's holding period for the Note).

In many cases, the U.S. federal income tax on any gain on disposition or receipt of Excess Distributions is likely to be substantially greater than the tax if a timely QEF election is made. A U.S. HOLDER OF A SUBORDINATED NOTE SHOULD STRONGLY CONSIDER MAKING A QEF ELECTION WITH RESPECT TO THE ISSUER.

Investment in a Controlled Foreign Corporation. The Issuer will be a CFC if more than 50 per cent. of the equity interests in the Issuer, measured by reference to combined voting power or value, are owned directly, indirectly, or constructively by 10 per cent. United States shareholders. For this purpose, a "**10 per cent. United States shareholder**" is any United States person that possesses directly, indirectly, or constructively 10 per cent. or more of the combined voting power of all classes of equity in the Issuer. It is likely that the Subordinated Notes will be treated as voting securities. In this case, a U.S. Holder of Subordinated Notes owning directly, indirectly, or constructively 10 per cent. or more of the sum of the aggregate outstanding principal amount of the Subordinated Notes would be treated as a 10 per cent. United States shareholder. If more than 50 per cent. of the Subordinated Notes (and any Rated Notes that are treated as equity in the Issuer for U.S. federal income tax purposes), determined with respect to aggregate value or aggregate outstanding principal amount, are owned directly, indirectly, or constructively by such 10 per cent. United States shareholders, the Issuer will be treated as a CFC. If, for any given taxable year, the Issuer is treated as a CFC, a 10 per cent. United States shareholder of the Issuer will be required to include as ordinary income an amount equal to the U.S. dollar value of that person's *pro rata* share of the Issuer's "subpart F income" at the end of such taxable year. Among other items, and subject to certain exceptions, "subpart F income" includes dividends, interest, annuities, gains from the sale of shares and securities, certain gains from commodities transactions, certain types of insurance income and income from certain transactions with related parties. It is likely that, if the Issuer were to constitute a CFC, all of its income would be subpart F income.

If the Issuer is treated as a CFC and a U.S. Holder is treated as a 10 per cent. United States shareholder of the Issuer, the Issuer will not be treated as a PFIC with respect to the U.S. Holder for the period during which the Issuer remains a CFC and the U.S. Holder remains a 10 per cent. United States shareholder of the Issuer (the "qualified portion" of the U.S. Holder's holding period for the Subordinated Notes). As a result, to the extent the Issuer's subpart F income includes net capital gains, such gains will be treated as ordinary income to the 10 per cent. United States shareholder under the CFC rules, notwithstanding the fact that the character of such gains generally would otherwise be preserved under the QEF rules. If the qualified portion of the U.S. Holder's holding period for the Subordinated Notes subsequently ceases (either because the Issuer ceases to be a CFC or the U.S. Holder ceases to be a 10 per cent. United States shareholder), then solely for purposes of the PFIC rules, the U.S. Holder's holding period for the Subordinated Notes will be treated as beginning on the first day following the end of such qualified portion, unless the U.S. Holder has owned any Subordinated Notes for any period of time prior to such qualified portion and has not made a QEF election with respect to the Issuer. In that case, the Issuer will again be treated as a PFIC which is not a QEF with respect to the U.S. Holder and the beginning of the U.S. Holder's holding period for the Subordinated Notes will continue to be the date upon which the U.S. Holder acquired the Subordinated Notes, unless the U.S. Holder makes an election to recognise gain with respect to the Subordinated Notes and a QEF election with respect to the Issuer. In the event that the Issuer is a CFC, then, at the request and expense of any U.S. Holder that is a 10 per cent. United States shareholder with respect to the Issuer, the Issuer will provide the information necessary for the U.S. Holder to comply with any filing requirements that arise as a result of the Issuer's classification as a CFC.

Indirect Interests in PFICs and CFCs. If the Issuer owns a Collateral Debt Obligation that is treated as equity in a foreign corporation for U.S. federal income tax purposes, U.S. Holders of Subordinated Notes could be treated as owning an indirect equity interest in a PFIC or a CFC and could be subject to certain adverse tax consequences.

In particular, a U.S. Holder of an indirect equity interest in a PFIC is treated as owning the PFIC directly. The U.S. Holder, and not the Issuer, would be required to make a QEF election with respect to each indirect interest in a PFIC. However, certain PFIC information statements are necessary for U.S. Holders that have made QEF elections, and there can be no assurance that the Issuer can obtain such statements from a PFIC, and thus there can be no assurance that a U.S. Holder will be able to make the election with respect to any indirectly held PFIC.

Accordingly, if the U.S. Holder has not made a QEF election with respect to the indirectly held PFIC, the U.S. Holder would be subject to the adverse consequences described above under "*—Investment in a Passive Foreign Investment Company*" with respect to any Excess Distributions of such indirectly held PFIC, any gain indirectly realised by such U.S. Holder on the sale by the Issuer of such PFIC, and any gain indirectly realised by such U.S. Holder with respect to the indirectly held PFIC on the sale by the U.S. Holder of its Subordinated Notes (which may arise even if the U.S. Holder realises a loss on such sale). Moreover, if the U.S. Holder has made a QEF election with respect to the indirectly held PFIC, the U.S. Holder will be required to include in income the U.S. dollar value of its *pro rata* share of the indirectly held PFIC's ordinary earnings and net capital gain as if the indirectly held PFIC were held directly (as described above), and the U.S. Holder will not be permitted to use any losses or other expenses of the Issuer to offset such ordinary earnings and/or net capital gains. Accordingly, if any of the Collateral Debt Obligations are treated as equity interests in a PFIC, U.S. Holders could experience significant amounts of "phantom" income with respect to such interests.

If a Collateral Debt Obligation is treated as an indirect equity interest in a CFC and a U.S. Holder owns directly, indirectly, or constructively 10 per cent. or more of the CFC's voting power for U.S. federal income tax purposes, the U.S. Holder generally will be required to include the U.S. dollar value of its *pro rata* share of the CFC's "subpart F income" as ordinary income at the end of each taxable year, as described above under "*—Investment in a Controlled Foreign Corporation*", regardless of whether the CFC distributed any amounts to the Issuer during such taxable year or whether the U.S. Holder made a QEF election with respect to the indirectly held CFC. In addition, the U.S. dollar value of gain realised by the U.S. Holder on the sale by the Issuer of the CFC, and the U.S. dollar value of gain realised by the U.S. Holder on the sale by the U.S. Holder of its Subordinated Notes (as described below), generally will be treated as ordinary income to the extent of the U.S. Holder's *pro rata* share of the CFC's current and accumulated earnings and profits, reduced by any amounts previously taxed pursuant to the CFC rules. U.S. Holders should consult their own tax advisors regarding the tax issues associated with such investments in light of their own individual circumstances.

Phantom Income. U.S. Holders may be subject to U.S. federal income tax on the amounts that exceed the distributions they receive on the Subordinated Notes. For example, if the Issuer is a CFC and a U.S. Holder is a 10 per cent. United States shareholder with respect to the Issuer, or a U.S. Holder makes a QEF election with respect to the Issuer, the U.S. Holder will be subject to federal income tax with respect to its share of the Issuer's income and gain (to the extent of the Issuer's "earnings and profits"), which may exceed the Issuer's distributions. It is expected that the Issuer's income and gain (and earnings and profits) will exceed cash distributions with respect to (i) debt instruments that were issued with OID and are held by the Issuer, and (ii) the acquisition at a discount of the Rated Notes by the Issuer (including by reason of a Refinancing or any deemed exchange that occurs for U.S. federal income tax purposes as a result of a modification of the Trust Deed). U.S. Holders should consult their tax advisors regarding the timing of income and gain on the Subordinated Notes.

Distributions. The treatment of actual distributions of cash on the Subordinated Notes will vary depending on whether a U.S. Holder has made a timely QEF election with respect to the Issuer (as described under "*Investment in a Passive Foreign Investment Company*"). If a timely QEF election has been made, distributions should be allocated first to amounts previously taxed pursuant to the QEF election (or pursuant to the CFC rules, if applicable) and to this extent will not be taxable to such U.S. Holder. Distributions in excess of such previously taxed amounts will be treated first as a nontaxable return of capital, to the extent of the U.S. Holder's adjusted tax basis in the Subordinated Notes (as described below under "*Sale, Redemption, or Other Disposition*"), and then as a disposition of a portion of the Subordinated Notes. In addition, a U.S. Holder will recognise exchange gain or loss with respect to amounts previously taxed pursuant to the QEF election (or pursuant to the CFC rules, if applicable) equal to the difference, if any, between the U.S. dollar value of the distribution on the date received and the U.S. dollar value of the previously taxed amount. Any exchange gain or loss will generally be treated as ordinary income or loss.

If a U.S. Holder has not made a timely QEF election with respect to the Issuer then, except to the extent that distributions are attributable to amounts previously taxed pursuant to the CFC rules, some or all of any distributions with respect to the Subordinated Notes may constitute Excess Distributions, taxable as described above under the heading "*Investment in a Passive Foreign Investment Company*." In addition, distributions in excess of a U.S. Holder's adjusted tax basis in the Subordinated Notes would be treated as a disposition of a portion of the Subordinated Notes and subject to an additional tax reflecting a deemed interest charge, as described below under "*—Sale, Redemption, or Other Disposition*".

Distributions on the Subordinated Notes will not be eligible for the dividends received deduction, and will not qualify as "qualified dividend income."

Sale, Redemption, or Other Disposition. In general, a U.S. Holder of Subordinated Notes will recognise gain or loss upon the sale, redemption, or other disposition of the Subordinated Notes (including a distribution that is treated as a disposition of the Subordinated Notes, as described above under "*Distributions*") equal to the difference between the U.S. dollar value of the amount realised and the U.S. Holder's adjusted tax basis in the Subordinated Notes. The U.S. dollar value of the amount realised generally is based on the euro-to-U.S. dollar spot exchange rate on the date of the disposition. However, if the Subordinated Notes are treated under applicable Treasury regulations as stock or securities traded on an established securities market and the U.S. Holder uses the cash method of accounting, then the U.S. dollar value of the amount realised is based instead on the euro-to-U.S. dollar spot exchange rate on the settlement date for the sale. U.S. Holders that use the accrual method of accounting also may elect to use the settlement date valuation, provided that they apply it consistently from year to year.

A U.S. Holder's tax basis in its Subordinated Notes initially will equal the U.S. dollar value of the amount paid by the U.S. Holder for the Subordinated Notes, determined under rules analogous to the rules for determining the U.S. dollar value of the amount realised. The U.S. Holder's tax basis in the Subordinated Notes will be increased by amounts taxable to the U.S. Holder by reason of any QEF election, or by reason of the CFC rules, as applicable, and decreased by the U.S. dollar value of actual distributions by the Issuer that are deemed to consist of such previously taxed amounts or are treated as a nontaxable return of capital, as described above under "*Distributions*".

If the U.S. Holder has made a timely QEF election with respect to the Issuer, then, except to the extent that the Issuer is treated as a CFC and the U.S. Holder is treated as a 10 per cent. United States shareholder of the Issuer, gain or loss upon the sale, redemption, or other disposition of the Subordinated Notes generally will be treated as foreign currency exchange gain or loss, and taxable as ordinary income or loss, to the extent of the positive or negative change in the U.S. dollar value of any amounts previously taxed pursuant to the QEF election from the date of each deemed distribution pursuant to the election (based on the euro-to-U.S. dollar spot exchange rate on that date) to the date of the disposition. Any gain or loss in excess of foreign currency exchange gain or loss will be capital gain or loss, and generally will be long-term capital gain or loss if the U.S. Holder has held the Subordinated Notes for more than one year at the time of the disposition. In certain circumstances, U.S. Holders who are individuals may be entitled to preferential tax rates for net long-term capital gains; however, the ability of U.S. Holders to offset capital losses against ordinary income is limited.

If a U.S. Holder does not make a timely QEF election with respect to the Issuer as described above and is not subject to the CFC rules, any gain realised on the sale, redemption, or other disposition of a Subordinated Note (or any gain deemed to accrue prior to the time a non-timely QEF election is made) will be taxed as ordinary income and subject to an additional tax reflecting a deemed interest charge under the special tax rules described under "*—Investment in a Passive Foreign Investment Company.*"

If the Issuer is treated as a CFC and a U.S. Holder is treated as a 10 per cent. United States shareholder of the Issuer, then any gain or loss realised by the U.S. Holder upon a sale, redemption, or other disposition of the Subordinated Notes, other than gain or loss subject to the PFIC rules, if applicable, generally will be treated as foreign currency exchange gain or loss, and taxable as ordinary income or loss, to the extent of the positive or negative change in the U.S. dollar value of any amounts previously taxed pursuant to the CFC rules from the date of each deemed distribution pursuant to the CFC rules (based on the euro-to-U.S. dollar spot exchange rate on that date) to the date of the disposition. Any gain in excess of foreign currency exchange gain will be treated as ordinary income to the extent of the U.S. dollar value of the U.S. Holder's *pro rata* share of the Issuer's previously untaxed earnings and profits.

In addition, as described above under "*Indirect Interests in PFICs and CFCs*", the U.S. dollar value of any gain attributable to interests in PFICs or CFCs owned by the Issuer may be treated as ordinary income to a U.S. Holder upon the sale, redemption, or other disposition of the U.S. Holder's Subordinated Notes.

Receipt of Euro. U.S. Holders will have a tax basis in any euro received in respect of the Notes on a sale, redemption, or other disposition of the Notes equal to the U.S. dollar value of the euro on that date. Any gain or loss recognised on a sale, exchange, or other disposition of those euro generally will be ordinary income or loss. A U.S. Holder that converts the euro into U.S. dollars on the date of receipt generally should not recognise ordinary income or loss in respect of the conversion.

Transfer and Information Reporting Requirements. A U.S. Holder that purchases the Subordinated Notes for cash will be required to file an IRS Form 926 or similar form with the IRS if (i) such person is treated as owning, directly or by attribution, immediately after the transfer, at least 10 per cent. by vote or value of the

Issuer or (ii) the amount of cash transferred by such person (or any related person) to the Issuer during the 12-month period ending on the date of such transfer exceeds $100,000.

A U.S. Holder that is treated as owning (actually or constructively) at least 10 per cent. by vote or value of the equity of the Issuer for U.S. federal income tax purposes may be required to file an information return on IRS Form 5471, and provide additional information regarding the Issuer annually on IRS Form 5471 if it is treated as owning (actually or constructively) more than 50 per cent. by vote or value of the equity of the Issuer for U.S. federal income tax purposes.

In addition, U.S. Holders of Subordinated Notes generally will be required to file an annual PFIC report.

U.S. Holders that fail to comply with these reporting requirements may be subject to adverse tax consequences, including a "tolling" of the statute of limitations with respect to their U.S. tax returns. U.S. Holders should consult their tax advisors with respect to these and any other reporting requirements that may apply with respect to their acquisition or ownership of the Subordinated Notes.

Specified Foreign Financial Asset Reporting

Certain U.S. Holders may be subject to reporting obligations with respect to their Notes if they do not hold their Notes in an account maintained by a financial institution and the aggregate value of their Notes and certain other "specified foreign financial assets" 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. Medicare 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 2016, is $12,400). The 3.8 per cent. Medicare tax is determined in a different manner than the regular income tax and special rules apply with respect to the PFIC and CFC rules described above. U.S. Holders should consult their advisors with respect to the 3.8 per cent. Medicare tax.

FBAR Reporting

A U.S. Holder of Subordinated Notes (or any Class of Notes that are treated as equity in the Issuer for U.S. federal income tax purposes) may be required to file FinCEN Form 114 with respect to foreign financial accounts in which the Issuer has a financial interest if the U.S. Holder holds more than 50 per cent. of the aggregate outstanding principal amount of such Notes or is otherwise treated as owning more than 50 per cent. of the total value or voting power of the Issuer's outstanding equity.

Reportable Transactions

A participant in a "reportable transaction" is required to disclose its participation in such a transaction on IRS Form 8886. Any foreign currency exchange loss in excess of $50,000 recognised by a U.S. Holder may be subject to this disclosure requirement. Failure to comply with this disclosure requirement can result in substantial penalties. U.S. Holders should consult their advisors with respect to the requirement to disclose reportable transactions.

U.S. Federal Tax Treatment of Non-U.S. Holders of Notes

In general, payments on the Notes to a Non-U.S. Holder that provides appropriate tax certifications to the Issuer and gain realised on the sale, exchange or retirement of the Notes by the Non-U.S. Holder will not be subject to U.S. federal income or withholding tax unless (i) such income is effectively connected with a trade or business conducted by such Non-U.S. Holder in the United States, or (ii) in the case of gain, such Non-U.S. Holder is a nonresident alien individual who holds the Notes as a capital asset and is present in the United States for more than 182 days in the taxable year of the sale and certain other conditions are satisfied.

Information Reporting and Backup Withholding

Under certain circumstances, the Code requires "information reporting" annually to the IRS and to each holder, and "backup withholding", with respect to certain payments made on or with respect to the Notes. Backup withholding will apply to a U.S. Holder only if the U.S. Holder (i) fails to furnish its Taxpayer Identification Number ("**TIN**") which, for an individual, would be his or her Social Security Number, (ii) furnishes an incorrect TIN, (iii) is notified by the IRS that it has failed to properly report payments of interest and dividends, or (iv) under certain circumstances, fails to certify, under penalties of perjury, that it has furnished a correct TIN and has not been notified by the IRS that it is subject to backup withholding for failure to report interest and dividend payments. The exemption generally is available to U.S. Holders that provide a properly completed IRS Form W-9.

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, the intergovernmental agreement or the implementing Irish regulations could be amended to require the Issuer to withhold on "passthru" payments to holders that fail to provide certain information to the Issuer or are certain "foreign financial institutions" that do not comply with FATCA.

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

Future Legislation and Regulatory Changes Affecting Noteholders

Future legislation, regulations, rulings or other authority could affect the federal income tax treatment of the Issuer and Noteholders. The Issuer cannot predict whether and to what extent any such legislative or administrative changes could change the tax consequences to the Issuer and to the Noteholders. Prospective Noteholders should consult their tax advisors regarding possible legislative and administrative changes and their effect on the federal tax treatment of the Issuer and their investment in the Notes.

THE DISCUSSION ABOVE IS A GENERAL SUMMARY. IT DOES NOT COVER ALL TAX MATTERS THAT MAY BE OF IMPORTANCE TO A PARTICULAR NOTEHOLDER. EACH PROSPECTIVE NOTEHOLDER IS STRONGLY URGED TO CONSULT ITS OWN TAX ADVISER ABOUT THE TAX CONSEQUENCES OF AN INVESTMENT IN THE NOTES UNDER THE NOTEHOLDER'S OWN CIRCUMSTANCES.

4. EU Directive on the Taxation of Savings Income

Under Council Directive 2003/48/EC (as amended) on the taxation of savings income (the "**EU Savings Directive**"), Member States of the European Union have been required to provide to the tax authorities of other Member States details of certain payments of interest or similar income paid or secured by a person established in a Member State to or for the benefit of an individual resident in another Member State or certain limited types of entities established in another Member State. For a transitional period, Austria has been required (unless during that period it elects otherwise) to operate a withholding system in relation to such payments. A number of non-EU countries and territories including Switzerland have adopted similar measures (a withholding system in the case of Switzerland).

However, in order to prevent overlap between the EU Savings Directive and provisions relating to a common reporting standard framework (being the Standard for Automatic Exchange of Financial Account Information in Tax Matters published on 21 July 2014 by the OECD and Council Directive 2014/107/EU on Administrative Co-operation in the Field of Taxation), the Council of the European Union, on 10 November 2015, published a directive which repealed the EU Savings Directive from 1 January 2017 in the case of Austria and 1 January 2016 in the case of all other Member States (in each case subject to transitional arrangements). The repeal is subject to transitional provisions imposing on-going requirements to fulfil certain administrative obligations such as reporting and exchange of information relating to, or accounting for withholding taxes, on payments made before those dates.

If a payment were to be made or collected through a Member State of the European Union which operates a withholding system and an amount of, or in respect of, tax were to be withheld from that payment, neither the Issuer nor the Principal Paying Agent nor any other person would be obliged to pay additional amounts with respect to any Note as a result of the imposition of such withholding tax. Pursuant to Condition 8(d) (*Principal Paying Agent and Transfer Agent*), the Issuer is required to maintain a paying agent in a Member State that is not obliged to withhold or deduct tax pursuant to, the EU Savings Directive, or any other directive implementing the conclusions of the ECOFIN Council meeting of 26-27 November 2000 or any other law implementing or complying with, or introduced in order to conform to, the EU Savings Directive or any arrangement entered into between the Member States and certain third countries and territories in connection with such Directive.

CERTAIN ERISA CONSIDERATIONS

ERISA imposes certain requirements on "employee benefit plans" subject thereto including entities (such as collective investment funds, insurance company separate accounts and some insurance company general accounts) the underlying assets of which include the assets of such plans (collectively, "**ERISA Plans**"), and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirement of prudence, diversification and investments being made in accordance with the documents governing the plan. The prudence of a particular investment must be determined by the responsible fiduciary of an ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan, as well as assets of those plans that are not subject to ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts and Keogh plans, and entities the underlying assets of which include the assets of such plans (together with ERISA Plans, "**Plans**") and certain persons (referred to as "parties in interest" under ERISA or "disqualified persons" under the Code (collectively, "**Parties in Interest**")) having certain relationships to such Plans, unless a statutory or administrative exception or exemption is applicable to the transaction. A Party in Interest who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code and the transaction may have to be rescinded at significant cost to the Issuer.

Governmental plans (as defined in section 3(32) of ERISA), certain church plans (as defined in section 3(33) of ERISA) and non-U.S. plans (as defined 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 entity, and any other parties with authority or control with respect to the Issuer, could be deemed to be Plan fiduciaries or otherwise parties in interest or disqualified persons by virtue of their provision of such services (and there could be an improper delegation of authority to such providers).

The Plan Asset Regulation defines an "equity interest" as any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and that has no substantial equity features. Although it is not free from doubt, the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes offered hereby will be treated by the Issuer as indebtedness with no substantial equity features for purposes of ERISA. The treatment of the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes as not being equity interests in the Issuer could, however, be affected, subsequent to their issuance, by certain changes in the structure or financial condition of the Issuer. However, the characteristics of the Class E Notes, the Class F Notes and the Subordinated Notes for purposes of the Plan Asset Regulation are less certain. The Class E Notes and Class F Notes may and the Subordinated Notes will likely be considered "equity interests" for purposes of the Plan Asset Regulation. Accordingly, the Issuer intends to limit investments by Benefit Plan Investors in such Class E Notes, Class F Notes and Subordinated Notes. In reliance on representations made by investors in the

Class E Notes, Class F Notes and Subordinated Notes, the Issuer intends to limit investment by Benefit Plan Investors in Class E Notes, Class F Notes and Subordinated Notes to less than 25 per cent. of the total value of the Class E Notes, Class F Notes or Subordinated Notes (determined separately by class) at all times (excluding for purposes of such calculation Class E Notes, Class F Notes and Subordinated Notes held by Controlling Persons). Each prospective purchaser (including a transferee) of a Class E Note, Class F Note or Subordinated Note will be required to or deemed to make certain representations regarding its status as a Benefit Plan Investor or Controlling Person and other ERISA matters as described under "*Transfer Restrictions*" below. No Class E Note, Class F Note or Subordinated Note will be sold or transferred to purchasers that have represented that they are Benefit Plan Investors or Controlling Persons to the extent that such sale may result in Benefit Plan Investors owning 25 per cent. or more of the total value of the Class E Notes, Class F Notes or Subordinated Notes (determined separately by class in accordance with the Plan Asset Regulation and the Trust Deed). Except as otherwise provided by the Plan Asset Regulation, each Class E Note, Class F Note and Subordinated Note held by persons that have represented that they are Controlling Persons will be disregarded and will not be treated as outstanding for purposes of determining compliance with such 25 per cent. Limitation.

Even if the Class A Notes, the Class B Notes, the Class C Notes and the Class D Notes would not be treated as equity interests in the Issuer for purposes of ERISA, it is possible that an investment in such Notes by a Benefit Plan Investor (or with the use of the assets of a Benefit Plan Investor) could be treated as a prohibited transaction under ERISA and/or Section 4975 of the Code. Such a prohibited transaction, however, may be subject to a statutory or administrative exemption. Even if an exemption were to apply, such exemption may not, however, apply to all of the transactions that could be deemed prohibited transactions in connection with an investment in the Notes by a Benefit Plan Investor.

Each of the Issuer, the Initial Purchaser, the Placement Agent, the Investment Manager, any 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 Initial Purchaser, the Placement Agent, the Investment Manager, any 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 circumstances, e.g., where a Plan purchases an annuity contract issued by such an insurance company, based on the reasoning of the United States Supreme Court in *John Hancock Mutual Life Ins. Co. v Harris Trust and Savings Bank*, 510 U.S. 86 (1993). An insurance company considering the purchase of Notes with assets of its general account should consider such purchase and the insurance company's ability to make the representations described above in light of *John Hancock Mutual Life Ins. Co. v. Harris Trust and Savings Bank*, section 401(c) of ERISA and a regulation promulgated by the U.S. Department of Labor under that section of ERISA, 29 C.F.R. Section 2550.401c-1.

Each purchaser and transferee of a Class A Note, Class B Note, Class C Note or Class D Note or any interest in such Note will be required or deemed to have represented, warranted and agreed that (i) either (A) it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or a governmental, church, non-U.S. or other plan which is subject to any federal, state, local or non-U.S. law or regulation that is similar to the prohibited transaction provisions of Section 406 of ERISA and/or Section 4975 of the Code ("**Other Plan Law**"), and no part of the assets to be used by it to acquire or hold such Note or any interest therein constitutes the assets of any Benefit Plan Investor or such governmental, church, non-U.S. or other plan, or (B) its acquisition, holding and disposition of such Note (or interests therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or, in the case of a governmental, church, non-U.S. or other plan, a non-exempt violation of any Other Plan Law, and (ii) it will not sell or transfer such Note (or interests therein) to a transferee acquiring such Note (or interests therein) unless the transferee makes the foregoing representations, warranties and agreements described in paragraph (i) hereof.

On the Issue Date, each purchaser 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 will be deemed to represent, warrant and agree that: (i) it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein

will not be, and will not be acting on behalf of), a Benefit Plan Investor or Controlling Person unless it receives the written consent of the Issuer and provides an ERISA certificate (in or substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed) to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person; (ii) (A) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (B) if it is a governmental, church, non-U.S. or other plan, (1) it is not, and for so long as it holds such Note or interest therein will not be, subject to any federal, state, local or non-U.S. law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or 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 Other Plan Law ("**Similar Law**") and (2) its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a non-exempt violation of any Other Plan Law; and (iii) it will agree to certain transfer restrictions regarding its interest in such Note. Other than on the Issue Date, each purchaser of a Class E Note, Class F Note or Subordinated Note in the form of a Regulation S Global Certificate or a Rule 144A Global Certificate will be deemed to represent, warrant and agree that: (i) it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or Controlling Person unless it receives the written consent of the Issuer, provides an ERISA certificate (in or substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed) to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person and, other than with respect to Retention Notes, holds such Class E Note, Class F Note or Subordinated Note, as applicable, in the form of a Definitive Certificate; (ii) (A) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (B) if it is a governmental, church, non-U.S. or other plan, (1) it is not, and for so long as it holds such Note or interest therein will not be, subject to any Similar Law and (2) its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a non-exempt violation of any Other Plan Law; and (iii) it will agree to certain transfer restrictions regarding its interest in such Note. Any purported transfer of the Class E Notes, 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 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 paragraph in accordance with the terms of the Trust Deed.

Each purchaser or transferee of a Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate will be required to: (i) represent and warrant in writing to the Issuer (A) whether or not, for so long as it holds such Note or interest therein, it is, or is acting on behalf of, a Benefit Plan Investor, (B) whether or not, for so long as it holds such Note or interest therein, it is a Controlling Person and (C) that (1) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code and (2) if it is a governmental, church, non-U.S. or other plan, (x) it is not, and for so long as it holds such Note or interest therein will not be, subject to any Similar Law and (y) its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a non-exempt violation of any Other Plan Law; (ii) agree to certain transfer restrictions regarding its interest in such Note; and (iii) provide a completed ERISA certificate (in or substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed) to the Issuer and a Transfer Agent. 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 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 paragraph in accordance with the terms of the Trust Deed.

No purchase or 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 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 similar provisions of Other Plan Law, and the scope of any available exemption relating to such investment.

The sale of Notes to a Plan or an employee benefit plan not subject to ERISA or Section 4975 of the Code is in no respect a representation or warranty by the Issuer, or any other person that this investment meets all relevant

legal requirements with respect to investments by Plans or such other plans generally or any particular plan, that any prohibited transaction exemption would apply to the acquisition, holding, or disposition of this investment by such plans in general or any particular plan, or that this investment is appropriate for such plans generally or any particular plan.

PLAN OF DISTRIBUTION

Morgan Stanley & Co. International plc, in its capacity as Initial Purchaser and Placement Agent, has agreed with the Issuer, subject to the satisfaction of certain conditions, to facilitate the sale by the Issuer of each Class of the Notes pursuant to the Subscription and Placement Agency Agreement. The Subscription and Placement Agency Agreement entitles the Initial Purchaser and/or the Placement Agent to terminate it in certain circumstances prior to payment being made to the Issuer.

The Initial Purchaser shall procure the transfer of the Retention Notes to the Retention Holder as soon as possible on 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 and which may be different to the issue price of the Notes.

It is a condition of the issue of the Notes of each Class that the Notes of each Class be issued in the following principal amounts: Class A-1 Notes: €207,000,000, Class A-2 Notes €10,000,000, Class B Notes: €43,900,000, Class C Notes: €17,700,000, Class D Notes: €17,300,000, Class E Notes: €19,200,000, Class F Notes: €7,700,000 and Subordinated Notes: €41,200,000.

The Issuer has agreed to indemnify the Initial Purchaser, the Placement Agent, the Investment Manager, the Collateral Administrator, the Trustee and certain other participants against certain liabilities or to contribute to payments they may be required to make in respect thereof.

Certain of the Collateral Debt Obligations may have been originally underwritten or placed by the Initial Purchaser, the Placement Agent or their Affiliates. In addition, the Initial Purchaser, the Placement Agent or their Affiliates may have in the past performed and may in the future perform investment banking services or other services for issuers of the Collateral Debt Obligations. In addition, the Initial Purchaser, the Placement Agent and their Affiliates may from time to time, as a principal or through one or more investment funds that it or they manage, make investments in the equity securities of one or more of the issuers of the Collateral Debt Obligations, with a result that one or more of such issuers may be or may become controlled by the Initial Purchaser, the Placement Agent or their Affiliates.

In addition, in the ordinary course of their business activities, the Initial Purchaser, the Placement Agent and their Affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments (including the Notes) of the Issuer. The Initial Purchaser, the Placement Agent and their Affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

No action has been or will be taken by the Issuer or the Initial Purchaser, the Placement Agent or the Investment Manager that would permit a public offering of the Notes or possession or distribution of this Prospectus or any other offering material in relation to the Notes in any jurisdiction where action for the purpose is required. No offers, sales or deliveries of any Notes, or distribution of this Prospectus or any other offering material relating to the Notes, may be made in or from any jurisdiction, except in circumstances which will result in compliance with any applicable laws and regulations and will not impose any obligations on the Issuer or the Initial Purchaser or the Placement Agent.

The Notes have not been and will not be registered under the Securities Act and may not be offered, sold or delivered within the United States or to, or for the account or benefit of, U.S. Persons or to U.S. Residents except in certain transactions exempt from, or not subject to, the registration requirements of the Securities Act and in the manner so as not to require the registration of the Issuer as an "investment company" pursuant to the Investment Company Act.

The 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) within the United States to U.S. Persons (directly or through its U.S. broker dealer Affiliate) in reliance on Rule 144A only to or for their own account or for the accounts of, in each case, QIB/QPs.

The Notes sold in reliance on Regulation S will be issued in minimum denominations of €100,000 and integral multiples of €1,000 in excess thereof.

The Notes sold in reliance on Rule 144A will be issued in minimum denominations of €250,000 each 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 and/or the Placement Agent (or its broker dealer Affiliates).

The Initial Purchaser and Placement Agent have 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 Prospectus has been prepared by the Issuer for use in connection with the offer and sale of the Notes and for the listing of the Notes of each Class on the Main Securities Market of the Irish Stock Exchange. The Issuer, the Initial Purchaser and the Placement Agent reserve the right to reject any offer to purchase, in whole or in part, for any reason, or to sell less than the principal amount of Notes which may be offered. This Prospectus does not constitute an offer to any person in the United States or to any U.S. Person. Distribution of this Prospectus to any such U.S. Person or to any person within the United States, other than in accordance with the procedures described above, is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited.

The Initial Purchaser and Placement Agent have represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000 (as amended) ("**FSMA**") received by it in connection with the issue or sale of the Notes in circumstances in which section 21(1) of the FSMA does not apply to the Issuer; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

The Initial Purchaser and Placement Agent have also agreed to comply with the following selling restrictions:

(a) State of Connecticut: The Notes have not been registered under the Connecticut Securities Law. The Notes are subject to restrictions on transferability and sale.

(b) State of Florida: The Notes offered hereby will be sold to, and acquired by, the holder in a transaction exempt under Section 517.061 of the Florida Securities Act. The Notes have not been registered under the Florida Securities 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 Florida Securities Act 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.

(c) State of Georgia: The Notes have been issued or sold in reliance on paragraph (13) of Code Section 10-5-9 of the Georgia Securities Act of 1973, and will therefore not be sold or transferred except in a transaction which is exempt under such Act or pursuant to an effective registration under such Act.

(d) 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 and Placement Agent have 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 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 the expression "**Prospectus Directive**" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU and includes any relevant implementing measure in each Relevant Member State).

(e) Australia: Neither this Prospectus nor any other prospectus or disclosure document (as defined in the Corporations Act 2001 (the "**Corporations Act**")) in relation to the Notes has been or will be lodged with the Australian Securities and Investments Commission. The Initial Purchaser and the Placement Agent have therefore represented and agreed that:

(i) the Notes will not be offered or sold, directly or indirectly, in Australia, its territories or possessions, or to any resident of Australia, except by way of an offer or sale not required to be disclosed pursuant to Part 6D.2 or Part 7.9 of the Corporations Act; and

(ii) no recommendation to acquire, offer or invitation for issue or sale, offer or invitation to arrange the issue or sale, or issue or sale, has been or will be made to a 'retail client' (as defined in Section 761G of the Corporations Act and applicable regulations) in Australia. This document will only be provided to 'professional investors' as defined in the Corporations Act.

(f) Austria: No prospectus has been or will be approved and/or published pursuant to the Austrian Capital Markets Act (Kapitalmarktgesetz – KMG) (the "**KMG**") as amended. Neither this Prospectus nor any other document connected therewith constitutes a prospectus according to the KMG and neither this Prospectus nor any other document connected therewith may be distributed, passed on or disclosed to any other person in Austria, save as specifically agreed with the Initial Purchaser and the Placement Agent. No document pursuant to Directive 2003/71/EC has been or will be drawn up and approved in Austria and no document pursuant to Directive 2003/71/EC has been or will be passported into Austria as the Notes will be offered in Austria in reliance an on exemption from the document publication requirement under the KMG. The Initial Purchaser and the Placement Agent have represented and agreed that it will offer the Notes in Austria only in compliance with the provisions of the KMG, and Notes will therefore not be publicly offered or (re)sold in Austria without a document being published or an applicable exemption from such requirement being relied upon.

(g) Bahrain: This Prospectus has not been approved by the Central Bank of Bahrain which takes no responsibility for its contents. The Initial Purchaser and the Placement Agent have represented and agreed that no offer to the public to purchase the Notes will be made in the Kingdom of Bahrain and this Prospectus is intended to be read by the addressee only and will not be passed to, issued to, or shown to the public generally.

(h) Belgium: The offering of Notes has not been and will not be notified to the Belgian Financial Services and Markets Authority (*autoriteit voor financiële diensten en markten/autorité des services et marchés financiers*) nor has this Prospectus been, nor will it be, approved by the Belgian Financial Services and Markets Authority. The Notes may not be distributed in Belgium by way of an offer of the Notes to the public, as defined in Article 3, §1 of the Act of 16 June 2006 relating to public offers of investment instruments, as amended or replaced from time to time and taking into account the provisions of Directive 2010/73/EU that are sufficiently clear, precise and unconditional to be capable of vertical direct effect, save in those circumstances (commonly called 'private placement') set out in Article 3 §2 of the Act of 16 June 2006 relating to public offers of investment instruments, as amended or replaced from time to time and taking into account the provisions of Directive 2010/73/EU that are sufficiently clear, precise and unconditional to be capable of vertical direct effect. This document will be

distributed in Belgium only to such investors for their personal use and exclusively for the purposes of this offering of Notes. The Initial Purchaser and Placement Agent have represented and agreed that it will not:

(i) offer for sale, sell or market the Notes in Belgium otherwise than in conformity with the Act of 16 June 2006 taking into account the provisions of Directive 2010/73/EU that are sufficiently clear, precise and unconditional to be capable of vertical direct effect; and

(ii) offer for sale, sell or market the Notes to any person qualifying as a consumer within the meaning of Article I.1 of the Code of Economic Law, as modified, otherwise than in conformity with such code and its implementing regulations.

(i) Cayman Islands: The Initial Purchaser and Placement Agent have represented and agreed that it will not make any invitation to the public in the Cayman Islands to subscribe for the Notes.

(j) Cyprus: This document does not constitute an offer or solicitation to the public in Cyprus or to anyone in Cyprus other than a firm offering investment services, an insurance company or an undertaking for collective investment in transferable securities. This document does not constitute an offer or solicitation to any person to whom it is unlawful to make such an offer or solicitation.

(k) Denmark: The Initial Purchaser and Placement Agent have represented and agreed that it has not offered or sold and will not offer or sell, directly or indirectly, any of the Notes to the public in Denmark unless in accordance with Chapter 6 or Chapter 12 of the Danish Notes Trading Act (Consolidated Act No. 883 of 9 August 2011, as amended from time to time) and the Danish Executive Order No. 223 of 10 March 2010 or the Danish Executive Order No. 222 of 10 March 2010, as amended from time to time, issued pursuant thereto.

For the purposes of this provision, an offer of the Notes in Denmark means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes.

(l) France: Neither this Prospectus nor any other offering material relating to the Notes has been submitted to the clearance procedures of the Autorité des Marchés Financiers ("**AMF**") or to the competent authority of another member state of the European Economic Area and subsequently notified to the AMF.

The Initial Purchaser and Placement Agent have represented and agreed that:

(i) the Notes have not been offered or sold and will not be offered or sold, directly or indirectly, to the public in France;

(ii) neither this Prospectus nor any other offering material relating to the Notes has been or will be:

(A) released, issued, distributed or caused to be released, issued or distributed to the public in France; or

(B) used in connection with any offer for subscription or sale of the Notes to the public in France; and

(iii) such offers, sales and distributions will be made in France only:

(A) to qualified investors (*investisseurs qualifiés*) and/or to a restricted circle of investors (*cercle restreint d'investisseurs*), in each case investing for their own account, all as defined in, and in accordance with, Articles l.411-2, D.411-1, D.411-2, D.734-1, D.744-1, D.754-1 and D.764-1 of the French Code Monétaire et Financier ("**CMF**");

(B) to investment services providers authorised to engage in portfolio management on behalf of third parties; or

(C) in a transaction that, in accordance with Article l.411-2 of the CMF and Article 211-2 of the *Règlement Général* of the AMF, does not constitute a public offer.

(m) Germany: The Notes will not be registered for public distribution in Germany. This Prospectus does not constitute a sales document pursuant to the German Capital Investment Act (*Vermögensanlagengesetz*). Accordingly, the Initial Purchaser and the Placement Agent have represented and agreed that no offer of the Notes will be made to the public in Germany. This Prospectus and any other document relating to the Notes, as well as information or statements contained therein, will not be supplied to the public in Germany or used in connection with any offer for subscription of the Notes to the public in Germany or any other means of public marketing.

(n) Hong Kong: The contents of this Prospectus have not been reviewed by any regulatory authority in Hong Kong. The Initial Purchaser and the Placement Agent have therefore represented and agreed that:

(i) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes (except for Notes which are a 'structured products' as defined in the Securities and Futures Ordinance (cap. 571) of Hong Kong) other than (a) to 'professional investors' as defined in the Securities and Futures Ordinance and any rules made under that ordinance ("**professional investors**"); or (b) in other circumstances which do not result in the document being a 'prospectus' as defined in the Companies Ordinance (cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that ordinance; and

(ii) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the Securities Laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors.

(o) India: This Prospectus has not been and will not be registered as a prospectus with the Registrar of Companies in India or with the Securities and Exchange Board of India. This Prospectus or any other material relating to these Notes is for information purposes only and may not be circulated or distributed, directly or indirectly, to the public or any members of the public in India and in any event to not more than 50 persons in India. Further, persons into whose possession this Prospectus comes are required to inform themselves about and to observe any such restrictions. Each prospective investor is advised to consult its advisors about the particular consequences to it of an investment in these Notes. Each prospective investor is also advised that any investment in these Notes by it is subject to the regulations prescribed by the Reserve Bank of India and the Foreign Exchange Management Act and any regulations framed thereunder.

(p) Ireland: The Initial Purchaser and the Placement Agent have represented and agreed 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), including, without limitation, Regulations 7 and 152 thereof or any codes of conduct used in connection therewith and the provisions of the Investor Compensation Act 1998;

(ii) it will not underwrite the issue of, or place, the Notes, otherwise than in conformity with the provisions of the Irish Companies Act 2014 (as amended), the Central Bank Acts 1942 to 2015 (as amended) and any codes of practice made under Section 117(1) of the Central Bank Act 1989; and

(iii) 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 the Market Abuse Regulation ((EU) No 596/2014), the European Union (Market Abuse) Regulations 2016 of Ireland and any rules and guidance issued by the Central Bank under Section 1370 of the Irish Companies Act 2014.

(q) Israel: This Prospectus has not been approved by the Israeli Securities Authority and will only be distributed to Israeli residents in a manner that will not constitute 'an offer to the public' under sections 15 and 15a of the Israel Securities Law, 5728-1968 (the "**Securities Law**").

The Initial Purchaser and Placement Agent have represented and agreed that the Notes will be offered to a limited number of investors (35 investors or fewer during any given 12 month period) and/or those categories of investors listed in the First Addendum (the "**Addendum**") to the Securities Law ("**Sophisticated Investors**"), namely joint investment funds or mutual trust funds, provident funds, insurance companies, banking corporations (purchasing the Notes for themselves or for clients who are Sophisticated Investors), portfolio managers (purchasing the Notes for themselves or for clients who are Sophisticated Investors), investment advisors or investment marketers (purchasing the Notes for themselves), members of the Tel-Aviv Stock Exchange (purchasing the Notes for themselves or for clients who are Sophisticated Investors), underwriters (purchasing the Notes for themselves), venture capital funds engaging mainly in the capital market, an entity which is wholly-owned by Sophisticated Investors, corporations, other than formed for the specific purpose of an acquisition pursuant to an offer, with a shareholder's equity in excess of NIS 50 million, and individuals in respect of whom the terms of item 9 in the Schedule to the Investment Advice Law hold true, investing for their own account, each as defined in the said Addendum, as amended from time to time, and who in each case have provided written confirmation that they qualify as Sophisticated Investors, and that they are aware of the consequences of such designation and agree thereto; in all cases under circumstances that will fall within the private placement or other exemptions of the Securities Law and any applicable guidelines, pronouncements or rulings issued from time to time by the Israeli Securities Authority.

(r) Italy: The sale of the Notes has not been cleared by CONSOB (the Italian Securities Exchange Commission) and the Bank of Italy pursuant to Italian Securities Legislation and, accordingly, the Initial Purchaser and Placement Agent have represented and agreed that no Notes will be offered, sold or delivered, nor will copies of this Prospectus or of any other document relating to the Notes be distributed in the Republic of Italy, except:

(i) to qualified investors (*investitori qualificati*) as defined under Article 34, paragraph 1, letter b), of CONSOB Regulation No. 11971 of 14 May 1999, as amended ("**Regulation 11971/1999**"); or

(ii) in circumstances which are exempted from the rules on offers of notes to be made to the public pursuant to Article 100 of Legislative Decree No. 58 of 24 February 1998 ("**Financial Services Act**") and Article 34, first paragraph, of Regulation 11971/1999.

The Initial Purchaser and Placement Agent acknowledge that any offer, sale or delivery of the Notes in the Republic of Italy or distribution of copies of this Prospectus or any other document relating to the Notes in the Republic of Italy under (i) and (ii) above must be:

(iii) made by an investment firm, bank or financial intermediary permitted to conduct such activities in the Republic of Italy in accordance with the Financial Services Act, CONSOB Regulation No. 16190 of 29 October 2007 and Legislative Decree no. 385 of 1 September 1993, as amended; and

(iv) in compliance with any other applicable laws and regulations.

Investors should also note that in accordance with Article 100-BIS of the Financial Services Act, where no exemption under (ii) above applies, any subsequent distribution of the Notes on the secondary market in Italy must be made in compliance with the rules on offers of notes to be made to the public provided under the Financial Services Act and the regulation 11971/1999. Failure to comply with such rules may result, *inter alia*, in the sale of such Notes being declared null and void and in the liability of the intermediary transferring the Notes for any damages suffered by the investors.

(s) Japan: The Notes have not been and will not be registered pursuant to Article 4, paragraph 1 of the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, the Initial Purchaser and Placement Agent have represented and agreed that none of the Notes nor any interest therein will be offered or sold, directly or indirectly, in Japan or to, or for the benefit of, any Japanese person or to others for re-offering or resale, directly or indirectly, in Japan or to any Japanese person except under circumstances which will result in compliance with all applicable laws, regulations and guidelines promulgated by the relevant Japanese governmental and regulatory authorities and in effect at the relevant time. For this purpose, a "**Japanese person**" means any person resident in Japan, including any corporation or other entity organised under the laws of Japan.

(t) Jersey: The Notes may not be offered to, sold to or purchased or held by persons (other than financial institutions) resident for income tax purposes in Jersey.

The Notes may only be issued or allotted exclusively to:

(i) a person whose ordinary activities involve him in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of his business or who it is reasonable to expect will acquire, hold, arrange or dispose of investments (as principal or agent) for the purposes of his business; or

(ii) a person who has received and acknowledged a warning to the effect that (a) the securities are only suitable for acquisition by a person who (i) has a significantly substantial asset base such as would enable him to sustain any loss that might be incurred as a result of acquiring the securities; and (ii) is sufficiently financially sophisticated to be reasonably expected to know the risks involved in acquiring the securities and (b) neither the issue of the securities nor the activities of any functionary with regard to the issue of the Notes are subject to all the provisions of the Financial Services (Jersey) Law 1998.

Each person who acquires securities will be deemed, by such acquisition, to have represented that he or it is one of the foregoing persons.

(u) The Grand Duchy of Luxembourg:

The Notes may not be offered to the public in Luxembourg, except that they may be offered in Luxembourg in the following circumstances:

(i) in the period beginning on the date of publication of a prospectus in relation to those Notes which have been approved by the Commission de surveillance du secteur financier (the "**CSSF**") in Luxembourg or, where appropriate, approved in another relevant European Union Member State and notified to the CSSF, all in accordance with the Prospectus Directive and ending on the date which is 12 months after the date of such publication;

(ii) at any time to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in securities;

(iii) at any time to any legal entity which has two or more of (1) an average of at least 250 employees during the last financial year; (2) a total balance sheet of more than €43,000,000 and (3) an annual net turnover of more than €50,000,000, as shown in its last annual or consolidated accounts; or

(iv) at any time in any other circumstances which do not require the publication by the Issuers of a prospectus pursuant to Article 3 of the Prospectus Directive.

For the purposes of this provision, the expression an "**offer of Securities to the public**" in relation to any Notes in Luxembourg 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 the Notes, as defined in the Law of 10 July 2005 on prospectuses for securities and implementing Directive 2003/71/EC on the prospectus to be published when securities are offered to the public or admitted to trading (the "**Prospectus Directive**"), or any variation thereof or amendment thereto.

(v) Netherlands: The Notes may only be offered, sold or delivered in The Netherlands to qualified investors (as defined in the Dutch Financial Supervision Act (*Wet op het financieel toezicht*), as amended from time to time) that do not qualify as "public" (within the meaning of the article 4(1) Capital Requirements Regulation (Regulation (EU) 575/2013) and the rules promulgated thereunder, as amended or any subsequent legislation replacing that regulation).

(w) New Zealand: This offer of Notes does not constitute an 'offer of securities to the public' for the purposes of the Securities Act 1978 and, accordingly, there is neither a registered prospectus nor an investment statement available in respect of the offer. The Initial Purchaser and Placement Agent have therefore represented and agreed that the Notes will only be offered to persons whose principal

business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money in accordance with the Securities Act 1978 and the Securities Regulations 2009.

(x) Norway: The Initial Purchaser and Placement Agent have represented and agreed that with effect from and including the date on which the Prospectus Directive is implemented in Norway (the "**Relevant Implementation Date**") it has not made and will not make an offer of Notes to the public in Norway except that it may, with effect from and including the Relevant Implementation Date, make an offer of the Notes to the public in Norway at any time:

(i) to legal entities which are authorised or regulated to operate in the financial markets or, if not so authorised or regulated, whose corporate purpose is solely to invest in notes;

(ii) to professional investors as defined in Section 1 of Annex II to Directive 2004/29/EC (as implemented in Norway); or

(iii) in any other circumstances which do not require the publication by the Issuer or any other entity of a document pursuant to Article 3 of the Prospectus Directive.

For the purposes of the provision above, the expression an 'offer of notes to the public' in relation to any Notes in Norway means the communication in any form and by any means of sufficient information on the terms of the offer and the Notes to be offered so as to enable an investor to decide to purchase or subscribe for the Notes, as the same may be varied in Norway by any measure implementing the Prospectus Directive in Norway and the expression 'Prospectus Directive' means Directive 2003/71/EC (as amended) and includes any relevant implementing measure in Norway.

(y) Portugal: The Initial Purchaser and Placement Agent have represented and agreed with the Issuers that: (i) it has not advertised, offered or sold and will not, directly or indirectly, advertise, offer or sell the Notes in circumstances which could qualify as a public offer of Notes pursuant to the Portuguese Securities Code (Código dos Valores Mobiliários, the "**CVM**") which would require the publication by the Issuer of a prospectus under the Prospectus Directive or in circumstances which would qualify as an issue or public placement of Notes in the Portuguese market; (ii) it has not distributed or caused to be distributed to the public in the Republic of Portugal this Prospectus or any other offering material relating to the Notes; (iii) all applicable provisions of the CVM, any applicable Comissão do Mercado de Valores Mobiliários (Portuguese Securities Market Commission, the "**CMVM**") Regulations and all applicable provisions of the Directive 2003/71/EC of the European Parliament and of the Council of 4 November 2003/Prospectus Directive have been complied with regarding the Notes, in any matters involving the Republic of Portugal.

(z) Qatar: The Initial Purchaser and Placement Agent have represented and agreed that the Notes will only be offered to a limited number of investors who are willing and able to conduct an independent investigation of the risks involved in an investment in such Notes.

(aa) Saudi Arabia: This Prospectus may not be distributed in the Kingdom of Saudi Arabia except to such persons as are permitted under the Offers of Securities Regulations issued by the Saudi Arabian Capital Market Authority.

(bb) Singapore: This Prospectus has not been and will not be registered as a prospectus with the Monetary Authority of Singapore. Accordingly, the Initial Purchaser and Placement Agent have represented and agreed that the Notes will not be offered or sold or made the subject of an invitation for subscription or purchase, nor will this Prospectus or any other offering document or material in connection with the offer or sale, or invitation for subscription or purchase of such Notes be circulated or distributed, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act (the "**SFA**"), (ii) to a relevant person pursuant to Section 275(1) of the SFA or any person pursuant to Section 275(1a) of the SFA, and in each case in accordance with the conditions specified in Section 275 of the SFA or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where notes are subscribed or purchased under Section 275 by a relevant person which is:

(i) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(ii) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

'securities' (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within 6 months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(A) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA or to any person where the transfer arises from an offer referred to in Section 275(1a) or Section 276(4)(i)(b) of the SFA;

(B) where no consideration is or will be given for the transfer;

(C) where the transfer is by operation of law; or

(D) as specified in Section 276(7) of the SFA.

(cc) South Korea: The Notes have not been registered with the Financial Services Commission of Korea for a public offering in Korea. The Initial Purchaser and Placement Agent have therefore represented and agreed that the Notes have not been and will not be offered, sold or delivered directly or indirectly, or offered, sold or delivered to any person for re-offering or resale, directly or indirectly, in 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.

(dd) Spain: Neither the Notes nor this Prospectus have been approved or registered with the Spanish Notes Markets Commission (Comisión Nacional del Mercado de Valores). Accordingly, the Initial Purchaser and Placement Agent have represented and agreed that the Notes will not be offered or sold in Spain except in circumstances which do not constitute a public offering of notes within the meaning of Article 30-BIS of the Spanish Notes Market Law of 28 July 1988 (LEY 24/1988, *de 28 de julio, del Mercado de Valore*s), as amended and restated, and supplemental rules enacted thereunder.

(ee) Switzerland: The Notes are neither registered with nor supervised by the Swiss Financial Market Supervisory Authority ("**FINMA**") and are not authorised for public offering and distribution in, into or from Switzerland. Distribution of this Prospectus and the Notes in and from Switzerland is not permitted and the Notes may be offered in Switzerland exclusively to qualified investors pursuant to Article 10 para 3 lit a. or b. of the Collective Investment Schemes Act, ("**CISA**"), its Ordinance of application ("**CISO**") and FINMA's Circular 2013/9 on Distribution of Collective Investment Schemes. This Prospectus may neither be distributed, made available nor disclosed to investors which are not Qualified Investors per Article 10 para 3 lit a or b CISA in Switzerland. "Qualified Investors pursuant to Article 10 para 3 lit. a or b CISA" are defined as being: (i) financial intermediaries subject to supervision such as banks, securities dealers, fund management companies; and (ii) insurance companies subject to supervision.

(ff) Taiwan: The Notes may be made available outside Taiwan for purchase by investors residing in Taiwan (either directly or through properly licensed Taiwan intermediaries acting on behalf of such investors) but may not be offered or sold in Taiwan.

(gg) Turkey: The offered Notes have not been and will not be registered with the Turkish Capital Market Board (the "**CMB**") under the provisions of the Capital Market Law (Law No. 2499). Accordingly neither this Prospectus nor any other offering material related to the offering may be utilised in connection with any offering to the public within the Republic of Turkey without the prior approval of the CMB. However, according to Article 15(d)(ii) of the Decree No. 32 there is no restriction on the purchase or sale of the offered Notes by residents of the Republic of Turkey, provided that: they purchase or sell such offered Notes in the financial markets outside of the Republic of Turkey; and such sale and purchase is made through banks and/or licensed brokerage institutions in the Republic of Turkey.

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 Prospectus, will be deemed to have represented and agreed that such person acknowledges that this Prospectus 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 Prospectus, or disclosure of any of its contents to any person other than such offeree and those persons, if any, retained to advise it with respect thereto is unauthorised and any disclosure of any of its contents, without the prior written consent of the Issuer, is prohibited.

Each purchaser of Notes represented by a Rule 144A Global Certificate will be deemed to have represented and agreed, and each purchaser of Notes represented by Definitive Certificates will be required to represent and agree, as follows:

1. The purchaser (a) is a QIB, (b) is aware that the sale of such Rule 144A Notes to it is being made in reliance on Rule 144A, (c) is acquiring such Notes for its own account or for the account of a QIB as to which the purchaser exercises sole investment discretion, and in a principal amount of not less than €250,000 for the purchaser and for each such account and (d) will provide notice of the transfer restrictions described in the "Important Notice" to any subsequent transferees.

2. The purchaser understands that such Rule 144A Notes have not been and will not be registered under the Securities Act, and may be reoffered, resold or pledged or otherwise transferred only (a) to a person (i) 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 and (ii) that constitutes a QP; or (b) 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 exclusion from registration by virtue of Section 3(c)(7) of the Investment Company Act. The purchaser understands that the Issuer has not been registered under the Investment Company Act. The purchaser understands that before any interest in a Rule 144A Note may be offered, sold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in the Regulation S Notes, the Registrar is required to receive a written certification from the purchaser (in the form provided in the Trust Deed) as to compliance with the transfer restrictions described herein. The purchaser understands and agrees that any purported transfer of the Rule 144A Notes to a purchaser that does not comply with the requirements of this paragraph (2) shall be null and void *ab initio*.

3. The purchaser is not purchasing such Rule 144A Notes with a view toward the resale, distribution or other disposition thereof in violation of the Securities Act. The purchaser understands that an investment in the Rule 144A Notes involves certain risks, including the risk of loss of its entire

investment in the Rule 144A Notes under certain circumstances. The purchaser has had access to such financial and other information concerning the Issuer and the Notes as it deemed necessary or appropriate in order to make an informed investment decision with respect to its purchase of the Rule 144A Notes, including an opportunity to ask questions of, and request information from, the Issuer.

4. In connection with the purchase of the Rule 144A Notes: (a) none of the Issuer, the Initial Purchaser, the Placement Agent, the Trustee, the Investment Manager or the Collateral Administrator is acting as a fiduciary or financial or investment manager for the purchaser; (b) the purchaser is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Issuer, the Initial Purchaser, the Placement Agent, the Trustee, the Investment Manager or the Collateral Administrator other than in this Prospectus for such Notes and any representations expressly set forth in a written agreement with such party; (c) none of the Issuer, the Initial Purchaser, the Placement Agent, 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 Initial Purchaser, the Placement Agent, 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; and (f) the purchaser is a sophisticated investor.

5. The purchaser and each account for which the purchaser is acquiring such Rule 144A Notes is a QP. The purchaser is acquiring the Rule 144A Notes in a principal amount of not less than €250,000. The purchaser and each such account is acquiring the Rule 144A Notes as principal for its own account for investment and not for sale in connection with any distribution thereof. The purchaser and each such account: (a) was not formed for the specific purpose of investing in the Rule 144A Notes (except when each beneficial owner of the purchaser and each such account is a QP); (b) to the extent the purchaser is a private investment company formed before 30 April 1996, the purchaser has received the necessary consent from its beneficial owners; (c) is not a pension, profit sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants, as applicable, may designate the particular investments to be made; and (d) is not a broker dealer that owns and invests on a discretionary basis less than $25,000,000 in securities of unaffiliated issues. Further, the purchaser agrees with respect to itself and each such account: (x) that it shall not hold such Rule 144A Notes for the benefit of any other person and shall be the sole beneficial owner thereof for all purposes; (y) that it shall not sell participation interests in the Rule 144A Notes or enter into any other arrangement pursuant to which any other person shall be entitled to a beneficial interest in the distributions on the Rule 144A Notes; and (z) that the Rule 144A Notes purchased directly or indirectly by it constitute an investment of no more than 40 per cent. of the purchaser's and each such account's assets (except when each beneficial owner of the purchaser and each such account is a QP). The purchaser understands and agrees that any purported transfer of the Rule 144A Notes to a purchaser that does not comply with the requirements of this paragraph (5) will be of no force and effect, will be void *ab initio* and the Issuer will have the right to direct the purchaser to transfer its Rule 144A Notes to a Person who meets the foregoing criteria.

6. (a) With respect to the purchase, holding and disposition of any 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 acquirer acquiring such Note (or interests therein) unless the acquirer makes the foregoing

representations, warranties and agreements described in paragraph (i) hereof. Any purported transfer of the Notes in violation of the requirements set forth in this paragraph shall be null and void *ab initio* and the acquirer understands that the Issuer will have the right to cause the sale of such Note to another acquirer that complies with the requirements of this paragraph in accordance with the terms of the Trust Deed.

(b) (i) With respect to Class E Notes, Class F Notes or Subordinated Notes in the form of a Rule 144A Global Certificate on the Issue Date, each purchaser of a Class E Note, Class F Note or Subordinated Note in the form of a Rule 144A Global Certificate will be deemed to represent, warrant and agree that: (A) it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or Controlling Person unless it receives the written consent of the Issuer and provides an ERISA certificate (in or substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed) to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person; (B) (1) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (2) if it is a governmental, church, non-U.S. or other plan, (x) it is not, and for so long as it holds such Note or interest therein will not be, subject to any Similar Law and (y) its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a non-exempt violation of any Other Plan Law; and (C) it will agree to certain transfer restrictions regarding its interest in such Note. With respect to Class E Notes, Class F Notes or Subordinated Notes in the form of a Rule 144A Global Certificate other than on the Issue Date, each purchaser of a Class E Note, Class F Note or Subordinated Note in the form of a Rule 144A Global Certificate will be deemed to represent, warrant and agree that: (A) it is not, and is not acting on behalf of (and for so long as it holds any such Note or interest therein will not be, and will not be acting on behalf of), a Benefit Plan Investor or Controlling Person unless it receives the written consent of the Issuer, provides an ERISA certificate (in or substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed) to the Issuer and a Transfer Agent as to its status as a Benefit Plan Investor or Controlling Person and, other than with respect to Retention Notes, holds such Class E Note, Class F Note or Subordinated Note, as applicable, in the form of a Definitive Certificate; (B) (1) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (2) if it is a governmental, church, non-U.S. or other plan, (x) it is not, and for so long as it holds such Note or interest therein will not be, subject to any Similar Law and (y) its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a non-exempt violation of any Other Plan Law; and (C) it will agree to certain transfer restrictions regarding its interest in such Note. Any purported transfer of the Class E Notes, 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 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 paragraph in accordance with the terms of the Trust Deed.

(ii) With respect to Class E Notes, Class F Notes or Subordinated Notes in the form of a Definitive Certificate, each purchaser or transferee of a Class E Note, Class F Note or Subordinated Note in the form of a Definitive Certificate will be required to: (A) represent and warrant in writing to the Issuer (1) whether or not, for so long as it holds such Note or interest therein, it is, or is acting on behalf of, a Benefit Plan Investor, (2) whether or not, for so long as it holds such Note or interest therein, it is a Controlling Person and (3) that (x) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code and (y) if it is a governmental, church, non-U.S. or other plan, (i) it is not, and for so long as it holds such Note or interest therein will

not be, subject to any Similar Law and (ii) its acquisition, holding and disposition of such Note or interest therein will not constitute or result in a non-exempt violation of any Other Plan Law; (B) agree to certain transfer restrictions regarding its interest in such Note; and (C) provide a completed ERISA certificate (in or substantially in the form of Annex A (*Form of ERISA Certificate*) and as set out in the Trust Deed) to the Issuer and a Transfer Agent. 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 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 paragraph in accordance with the terms of the Trust Deed.

7. In respect of a purchase or transfer of an interest in an IM Voting Note, the purchaser or transferee (i) understands that such Note carries a right to vote and be counted towards the quorum with respect to IM Removal Resolutions and IM Replacement Resolutions as set out in the Conditions of the Notes and the Investment Management and Collateral Administration Agreement and (ii) in the case of a transfer or exchange from an IM Non-Voting Exchangeable Note, shall be required to represent that it is not an Affiliate of the relevant transferor.

8. In respect of a purchase or transfer of an interest in an IM Non-Voting Exchangeable Note or an IM Non-Voting Note, the purchaser or transferee will represent that it understands that such Note does not carry a right to vote or be counted in the quorum with respect to IM Removal Resolutions and IM Replacement Resolutions as set out in the Conditions of the Notes and the Investment Management and Collateral Administration Agreement.

9. In respect of a purchase or transfer of an IM Non-Voting Note, the purchaser or transferee understands that such Note cannot be transferred or exchanged for an IM Non-Voting Exchangeable Note or an IM Voting Note at any time.

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, and will be represented by one or more Rule 144A Global Certificates or Rule 144A Definitive Certificates, as applicable. The Rule 144A Global Certificates may not at any time be held by or on behalf of, within the United States, persons, or outside the United States, U.S. Persons that are not QIB/QPs. Before any interest in a Rule 144A Global Certificate may be offered, resold, pledged or otherwise transferred to a person who takes delivery in the form of an interest in a Regulation S Global Certificate, the transferor will be required to provide the Transfer Agent with a written certification (in the form provided in the Trust Deed) as to compliance with the transfer restrictions.

ANY LOSSES IN THE ISSUER WILL BE BORNE SOLELY BY INVESTORS IN THE ISSUER AND NOT BY THE INVESTMENT MANAGER OR ITS AFFILIATES; THEREFORE, THE INVESTMENT MANAGER'S LOSSES IN THE ISSUER WILL BE LIMITED TO LOSSES ATTRIBUTABLE TO THE "OWNERSHIP INTERESTS" (AS DEFINED IN THE VOLCKER RULE) IN THE ISSUER HELD BY THE INVESTMENT MANAGER AND ANY AFFILIATE IN ITS CAPACITY AS INVESTOR IN THE ISSUER. PROSPECTIVE INVESTORS IN THE ISSUER SHOULD READ THE FINAL PROSPECTUS BEFORE INVESTING IN THE ISSUER. THE OWNERSHIP INTERESTS IN THE COVERED FUND ARE NOT INSURED BY THE UNITED STATES FEDERAL DEPOSIT INSURANCE CORPORATION AND ARE NOT DEPOSITS, OBLIGATIONS OF, OR ENDORSED OR GUARANTEED IN ANY WAY, BY ANY BANKING ENTITY. THE ROLE OF THE INVESTMENT MANAGER AND ITS AFFILIATES AND EMPLOYEES IN SPONSORING AND PROVIDING SERVICES TO THE COVERED FUND IS DESCRIBED HEREIN.

THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON

WHOM THE SELLER REASONABLY BELIEVES IS BOTH (I) 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 AND (II) A QUALIFIED PURCHASER FOR THE PURPOSE OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY 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 (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER-DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN $25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR IN THE CASE OF CLAUSE (2), €100,000 AND (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID *AB INITIO* AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE TRANSFER AGENT OR ANY INTERMEDIARY. IN ADDITION TO THE FOREGOING, IF A VIOLATION OF (V) TO (Z) OCCURS, THE ISSUER MAINTAINS THE RIGHT TO DIRECT THE RESALE OF ANY NOTES PREVIOUSLY TRANSFERRED TO NON-PERMITTED HOLDERS (AS DEFINED IN THE TRUST DEED) IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE TRUST DEED. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE TRUST DEED TO ITS TRANSFEREE.

TRANSFERS OF THIS NOTE OR OF PORTIONS OF THIS NOTE SHOULD BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE TRUST DEED REFERRED TO HEREIN.

PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE REGISTRAR.

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR INTEREST HEREIN SHALL BE REQUIRED OR DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), AN EMPLOYEE BENEFIT PLAN, AS DEFINED IN SECTION 3(3) OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), THAT IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, A PLAN TO WHICH SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), APPLIES, OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY ("**BENEFIT PLAN INVESTOR**"), OR A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"), AND NO PART OF THE ASSETS TO BE USED BY IT TO ACQUIRE OR HOLD THIS NOTE OR INTEREST HEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, OR (B) ITS ACQUISITION,

HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A NON-EXEMPT VIOLATION OF ANY OTHER PLAN LAW, AND (II) IT WILL NOT SELL OR TRANSFER THIS NOTE (OR INTEREST HEREIN) TO AN ACQUIRER ACQUIRING THIS NOTE (OR INTEREST HEREIN) UNLESS THE ACQUIRER MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF THIS NOTE TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, CLASS F NOTES AND SUBORDINATED NOTES IN THE FORM OF RULE 144A GLOBAL CERTIFICATES ONLY*] [ON THE ISSUE DATE, EACH PURCHASER OF THIS NOTE WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT: (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER AND PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AND A TRANSFER AGENT AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON; AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE 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 APPLICABLE FEDERAL, STATE, LOCAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). OTHER THAN ON THE ISSUE DATE, EACH PURCHASER OF THIS NOTE WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT: (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER, PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AND A TRANSFER AGENT AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON AND, OTHER THAN WITH RESPECT TO THE RETENTION NOTES, HOLDS THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE, AS APPLICABLE, IN THE FORM OF A DEFINITIVE CERTIFICATE; AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY SIMILAR LAW, AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL

NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY OTHER PLAN LAW. "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF 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 THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF THIS NOTE TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRANSFER AGENT WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, 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 NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE 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 SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER AND THE TRANSFER AGENTS (1) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (2) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, 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 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 (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 APPLICABLE FEDERAL, STATE, LOCAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, THAT TAKES DELIVERY OF AN INTEREST IN THE CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES IN THE FORM OF A DEFINITIVE CERTIFICATE 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 THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF THIS NOTE TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRANSFER AGENT WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, 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 NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE 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*] [THIS NOTE IS ISSUED WITH ORIGINAL ISSUE DISCOUNT ("**OID**"). THE ISSUE PRICE, TOTAL AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY MAY BE OBTAINED BY CONTACTING THE ISSUER.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE NOTES IN THE FORM OF IM NON-VOTING NOTES OR IM NON-VOTING EXCHANGEABLE NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL NOT CARRY ANY RIGHT TO VOTE IN RESPECT OF, OR BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON AN IM REMOVAL RESOLUTION OR AN IM REPLACEMENT RESOLUTION.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE NOTES IN THE FORM OF IM VOTING NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL CARRY A RIGHT TO VOTE IN RESPECT OF, AND BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON 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 understands and acknowledges that sellers of the Notes may be relying on the exemption from the provisions of section 5 of the Securities Act provided by Rule 144A.

13. The purchaser will treat the Issuer and the Notes as described in the "*Tax Considerations—Certain U.S. Federal Income Tax Considerations*" section of the Prospectus for all U.S. federal, state and local income tax purposes and will take no action inconsistent with such treatment unless required by law.

14. The purchaser will timely furnish the Issuer or its agents with any tax form or certification (including, without limitation, IRS Form W-9, an applicable IRS Form W-8, or any successors to such IRS forms) that the Issuer or its agents may reasonably request (A) to permit the Issuer or its agents to make payments to the purchaser without, or at a reduced rate of, deduction or withholding, (B) to enable the Issuer or its agents to qualify for a reduced rate of withholding or deduction in any jurisdiction from or through which the Issuer or its agents receive payments, and (C) to enable the Issuer or its agents to satisfy reporting and other obligations under the Code and Treasury Regulations or under any other applicable law (including the Common Reporting Standard), and will update or replace any documentation, agreements, certifications, and information as appropriate or in accordance with its terms or subsequent amendments thereto. The purchaser acknowledges that the failure to provide, update or replace any such documentation, agreements, certifications, or information may result in the imposition of withholding or back-up withholding upon payments to the purchaser, or to the Issuer. Amounts withheld from payments to the purchaser by the Issuer or its agents that are, in their sole judgement, required to be withheld pursuant to applicable tax laws will be treated as having been paid to the purchaser by the Issuer.

15. The purchaser will provide the Issuer or its agents with any correct, complete and accurate information and will take any other actions that may be required for the Issuer to comply with FATCA and/or the Common Reporting Standard 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 take such actions, 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 (and any agent acting on its behalf) is authorised to withhold amounts otherwise distributable to the purchaser as compensation for any amounts withheld from payments to or for the benefit of the Issuer as a result of such failure or such ownership, and (B) (other than with respect to the Retention Notes) to the extent necessary to avoid an adverse effect on the Issuer as a result of such failure or such ownership, the Issuer will have the right to compel the purchaser to sell its Notes and, if the purchaser does not sell its Notes within 10 Business Days after notice from the Issuer or its agents, the Issuer will have the right to sell such Notes at a public or private sale called and conducted in any manner permitted by law, and to remit the net proceeds of such sale (taking into account any taxes incurred by the Issuer in connection with such sale) to such 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. The purchaser agrees that the Issuer, the Trustee or their agents or representatives may (1) provide any information and documentation concerning its investment in its Notes to the Office of the Revenue Commissioners of Ireland, the U.S. Internal Revenue Service and any other relevant tax authority and (2) take such other steps as they deem necessary or helpful to ensure that the Issuer complies with FATCA and/or the Common Reporting Standard.

16. If it is a purchaser of Class E Notes, Class F Notes, or Subordinated Notes and is not a "United States person" (as defined in Section 7701(a)(30) of the Code), it represents that either:

(a) it is not a bank (within the meaning of Section 881(c)(3)(A) of the Code) or an affiliate of a bank;

(b) (x) 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) and (y) it has not purchased the Notes in whole or in part to avoid any U.S. federal tax liability (including, without limitation, any U.S. withholding tax that would be imposed on payments on the Collateral Debt Obligations if the Collateral Debt Obligations were held directly by the purchaser); 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.

17. If it is a purchaser of Subordinated Notes and owns more than 50% of the Subordinated Notes by value or is otherwise treated as a member of the Issuer's "expanded affiliated group" (as defined in Treasury regulations section 1.1471-5T(i) (or any successor provision)), it represents that it will (A) confirm that any member of such expanded affiliated group (assuming that the Issuer is a "participating FFI" within the meaning of Treasury regulations section 1.1471-1T(b)(91) (or any successor provision)) that is treated as a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Code and any Treasury regulations promulgated thereunder is either a "participating FFI", a "registered deemed-compliant FFI" or an "exempt beneficial owner" within the meaning of Treasury regulations section 1.1471-4T(e) (or any successor provision), and (B) promptly notify the Issuer in the event that any member of such expanded affiliated group that is treated as a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Code and any Treasury regulations promulgated thereunder is not either a "participating FFI", a "registered deemed-compliant FFI" or an "exempt beneficial owner" within the meaning of Treasury regulations section 1.1471-4T(e) (or any successor provision), in each case except to the extent that the Issuer or its agents have provided the purchaser with an express waiver of this requirement.

18. 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.

19. The purchaser understands and acknowledges that the Issuer has the right, under the Trust Deed, (1) to compel any beneficial owner of an interest in the Notes that fails to comply with the requirements of paragraph (15) above, to sell its interest in such Notes, or may sell such interest on behalf of such owner and (2) to make any amendments to the Trust Deed to enable the Issuer to comply with FATCA.

20. The purchaser understands and acknowledges that the Issuer has the right, under the Conditions of the Notes, to withhold up to 30 per cent. on all payments made to any beneficial owner of an interest in the Notes that fails to comply with the requirements of paragraph (15) above.

21. The purchaser understands and acknowledges that the Issuer has the right under the Trust Deed to compel any Non-Permitted Holder or Non-Permitted ERISA Holder to sell its interest in the Notes, or may sell such interest in its Notes on behalf of such Non-Permitted Holder or Non-Permitted ERISA Holder.

22. The purchaser acknowledges that the Issuer, the Initial Purchaser, the Placement Agent, 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) to (9) (inclusive), (11) and (13) to (22) (inclusive) above (except that references to Rule 144A Notes shall be deemed to be references to Regulation S Notes) and to have further represented and agreed as follows:

1. The purchaser is located outside the United States and is not a U.S. Person.

2. The purchaser understands that the Notes have not been and will not be registered under the Securities Act and that the Issuer has not registered and will not register under the Investment Company Act. The purchaser understands that the Issuer has not been registered under the Investment Company Act and that the Issuer intends to rely on an exclusion from registration by virtue of Section 3(c)(7) of the Investment Company Act. It agrees, for the benefit of the Issuer, the Initial Purchaser, the Placement Agent and any of their Affiliates, that, if it decides to resell, pledge or otherwise transfer such Notes (or any beneficial interest or participation therein) purchased by it, any offer, sale or transfer of such Notes (or any beneficial interest or participation therein) will be made in compliance with the Securities Act and only (i) to a person (A) it reasonably believes is a QIB purchasing for its own account or for the account of a QIB in a nominal amount of not less than €250,000 for it and each such account, in a transaction that meets the requirements of Rule 144A and takes delivery in the form of a Rule 144A Note and (B) that constitutes a QP; or (ii) to a non-U.S. Person in an offshore transaction in accordance with Rule 903 or Rule 904 (as applicable) under Regulation S.

3. The purchaser understands that unless the Issuer determines otherwise in compliance with applicable law, such Notes will bear a legend set forth below.

   ANY LOSSES IN THE ISSUER WILL BE BORNE SOLELY BY INVESTORS IN THE ISSUER AND NOT BY THE INVESTMENT MANAGER OR ITS AFFILIATES; THEREFORE, THE INVESTMENT MANAGER'S LOSSES IN THE ISSUER WILL BE LIMITED TO LOSSES ATTRIBUTABLE TO THE "OWNERSHIP INTERESTS" (AS DEFINED IN THE VOLCKER RULE) IN THE ISSUER HELD BY THE INVESTMENT MANAGER AND ANY AFFILIATE IN ITS CAPACITY AS INVESTOR IN THE ISSUER. PROSPECTIVE INVESTORS IN THE ISSUER SHOULD READ THE FINAL PROSPECTUS BEFORE INVESTING IN THE ISSUER. THE OWNERSHIP INTERESTS IN THE COVERED FUND ARE NOT INSURED BY THE UNITED STATES FEDERAL DEPOSIT INSURANCE CORPORATION AND ARE NOT DEPOSITS, OBLIGATIONS OF, OR ENDORSED OR GUARANTEED IN ANY WAY, BY ANY BANKING ENTITY. THE ROLE OF THE INVESTMENT MANAGER AND ITS AFFILIATES AND EMPLOYEES IN SPONSORING AND PROVIDING SERVICES TO THE COVERED FUND IS DESCRIBED HEREIN.

   THE NOTES HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), AND THE ISSUER HAS NOT BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). THE HOLDER HEREOF, BY PURCHASING THE NOTES IN RESPECT OF WHICH THIS NOTE HAS BEEN ISSUED, AGREES FOR THE BENEFIT OF THE ISSUER THAT THE NOTES MAY BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, ONLY (A)(1) TO A PERSON WHOM THE SELLER REASONABLY BELIEVES IS BOTH (I) 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 AND (II) A QUALIFIED PURCHASER FOR THE PURPOSE OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY 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 (W) WAS NOT FORMED FOR THE PURPOSE OF INVESTING IN THE ISSUER (EXCEPT WHEN EACH BENEFICIAL OWNER OF THE PURCHASER IS A QUALIFIED PURCHASER), (X) HAS RECEIVED THE NECESSARY CONSENT FROM ITS BENEFICIAL OWNERS WHEN THE PURCHASER IS A PRIVATE INVESTMENT COMPANY FORMED BEFORE APRIL 30, 1996, (Y) IS NOT A BROKER-DEALER THAT OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN $25,000,000 IN SECURITIES OF UNAFFILIATED ISSUERS AND (Z) IS NOT A PENSION, PROFIT SHARING OR OTHER RETIREMENT TRUST FUND OR PLAN IN WHICH THE PARTNERS, BENEFICIARIES OR PARTICIPANTS, AS APPLICABLE, MAY DESIGNATE THE PARTICULAR INVESTMENTS TO BE MADE, AND IN A TRANSACTION THAT MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION OR IN THE CASE OF CLAUSE (2), €100,000 AND (B) IN

ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF THE STATES OF THE UNITED STATES. ANY TRANSFER IN VIOLATION OF THE FOREGOING WILL BE OF NO FORCE AND EFFECT, WILL BE VOID AB INITIO AND WILL NOT OPERATE TO TRANSFER ANY RIGHTS TO THE TRANSFEREE, NOTWITHSTANDING ANY INSTRUCTIONS TO THE CONTRARY TO THE ISSUER, THE TRANSFER AGENT OR ANY INTERMEDIARY. IN ADDITION TO THE FOREGOING, IF A VIOLATION OF (V) TO (Z) OCCURS, THE ISSUER MAINTAINS THE RIGHT TO DIRECT THE RESALE OF ANY NOTES PREVIOUSLY TRANSFERRED TO NON-PERMITTED HOLDERS (AS DEFINED IN THE TRUST DEED) IN ACCORDANCE WITH AND SUBJECT TO THE TERMS OF THE TRUST DEED. EACH TRANSFEROR OF THIS NOTE WILL PROVIDE NOTICE OF THE TRANSFER RESTRICTIONS SET FORTH HEREIN AND IN THE TRUST DEED TO ITS TRANSFEREE.

TRANSFERS OF THIS NOTE OR OF PORTIONS OF THIS NOTE SHOULD BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE TRUST DEED REFERRED TO HEREIN.

PRINCIPAL OF THIS NOTE IS PAYABLE AS SET FORTH HEREIN. ACCORDINGLY, THE OUTSTANDING PRINCIPAL OF THIS NOTE AT ANY TIME MAY BE LESS THAN THE AMOUNT SHOWN ON THE FACE HEREOF. ANY PERSON ACQUIRING THIS NOTE MAY ASCERTAIN ITS CURRENT PRINCIPAL AMOUNT BY INQUIRY OF THE REGISTRAR.

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS A NOTES, CLASS B NOTES, CLASS C NOTES AND CLASS D NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR INTEREST HEREIN SHALL BE REQUIRED OR DEEMED TO HAVE REPRESENTED, WARRANTED AND AGREED THAT (I) EITHER (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), AN EMPLOYEE BENEFIT PLAN, AS DEFINED IN SECTION 3(3) OF THE UNITED STATES EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("**ERISA**"), THAT IS SUBJECT TO THE PROVISIONS OF PART 4 OF SUBTITLE B OF TITLE I OF ERISA, A PLAN TO WHICH SECTION 4975 OF THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "**CODE**"), APPLIES, OR AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE PLAN ASSETS BY REASON OF SUCH AN EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN SUCH ENTITY ("**BENEFIT PLAN INVESTOR**"), OR A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"), AND NO PART OF THE ASSETS TO BE USED BY IT TO ACQUIRE OR HOLD THIS NOTE OR INTEREST HEREIN CONSTITUTES THE ASSETS OF ANY BENEFIT PLAN INVESTOR OR SUCH GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE (OR INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, A NON-EXEMPT VIOLATION OF ANY OTHER PLAN LAW, AND (II) IT WILL NOT SELL OR TRANSFER THIS NOTE (OR INTEREST HEREIN) TO AN ACQUIRER ACQUIRING THIS NOTE (OR INTEREST HEREIN) UNLESS THE ACQUIRER MAKES THE FOREGOING REPRESENTATIONS, WARRANTIES AND AGREEMENTS DESCRIBED IN CLAUSE (I) HEREOF. ANY PURPORTED TRANSFER OF THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID AB INITIO AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF THIS NOTE TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE CLASS E NOTES, CLASS F NOTES AND SUBORDINATED NOTES IN THE FORM OF REGULATION S GLOBAL CERTIFICATES ONLY*] [ON THE ISSUE DATE, EACH PURCHASER OF THIS NOTE WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT: (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE

WRITTEN CONSENT OF THE ISSUER AND PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AND A TRANSFER AGENT AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON; AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE 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 APPLICABLE FEDERAL, STATE, LOCAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). OTHER THAN ON THE ISSUE DATE, EACH PURCHASER OF THIS NOTE WILL BE DEEMED TO REPRESENT, WARRANT AND AGREE THAT: (1) IT IS NOT, AND IS NOT ACTING ON BEHALF OF (AND FOR SO LONG AS IT HOLDS THIS NOTE OR INTEREST HEREIN WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF), A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON UNLESS SUCH PURCHASER OR TRANSFEREE RECEIVES THE WRITTEN CONSENT OF THE ISSUER, PROVIDES AN ERISA CERTIFICATE TO THE ISSUER AND A TRANSFER AGENT AS TO ITS STATUS AS A BENEFIT PLAN INVESTOR OR CONTROLLING PERSON AND, OTHER THAN WITH RESPECT TO THE RETENTION NOTES, HOLDS THIS CLASS E NOTE, CLASS F NOTE OR SUBORDINATED NOTE, AS APPLICABLE, IN THE FORM OF A DEFINITIVE CERTIFICATE; AND (2) (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY SIMILAR LAW, AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE OR INTEREST HEREIN WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY OTHER PLAN LAW. "**BENEFIT PLAN INVESTOR**" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF 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 THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID AB INITIO AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF THIS NOTE TO ANOTHER

ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRANSFER AGENT WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, 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 NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE 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 SUBORDINATED NOTES IN THE FORM OF DEFINITIVE CERTIFICATES ONLY*] [EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE ISSUER AND THE TRANSFER AGENTS (1) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (2) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, 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 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 (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 APPLICABLE FEDERAL, STATE, LOCAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("**OTHER PLAN LAW**"). EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, THAT TAKES DELIVERY OF AN INTEREST IN THE CLASS E NOTES, CLASS F NOTES OR SUBORDINATED NOTES IN THE FORM OF A DEFINITIVE CERTIFICATE 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 THIS NOTE IN VIOLATION OF THE REQUIREMENTS SET FORTH IN THIS PARAGRAPH SHALL BE NULL AND VOID *AB INITIO* AND THE ACQUIRER UNDERSTANDS THAT THE ISSUER WILL HAVE THE RIGHT TO CAUSE THE SALE OF THIS NOTE TO ANOTHER ACQUIRER THAT COMPLIES WITH THE REQUIREMENTS OF THIS PARAGRAPH IN ACCORDANCE WITH THE TERMS OF THE TRUST DEED.

NO TRANSFER OF A NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRANSFER AGENT WILL NOT RECOGNISE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25 PER CENT. OR MORE OF THE TOTAL VALUE OF THE CLASS E NOTES, 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 NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25 PER CENT. LIMITATION TO SELL ITS INTEREST IN THE 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*] [THIS NOTE IS ISSUED WITH ORIGINAL ISSUE DISCOUNT ("**OID**"). THE ISSUE PRICE, TOTAL AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY MAY BE OBTAINED BY CONTACTING THE ISSUER.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE NOTES IN THE FORM OF IM NON-VOTING NOTES OR IM NON-VOTING EXCHANGEABLE NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL NOT CARRY ANY RIGHT TO VOTE IN RESPECT OF, OR BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON AN IM REMOVAL RESOLUTION OR AN IM REPLACEMENT RESOLUTION.]

[*LEGEND TO BE INCLUDED IN RELATION TO THE NOTES IN THE FORM OF IM VOTING NOTES ONLY*] [EACH PERSON ACQUIRING OR HOLDING THIS NOTE OR INTEREST HEREIN SHALL BE DEEMED TO HAVE ACKNOWLEDGED AND AGREED THAT SUCH NOTE OR INTEREST HEREIN SHALL CARRY A RIGHT TO VOTE IN RESPECT OF, AND BE COUNTED FOR THE PURPOSES OF DETERMINING A QUORUM AND THE RESULT OF VOTING ON AN IM REMOVAL RESOLUTION OR AN IM REPLACEMENT RESOLUTION.]

4. The purchaser understands that the Regulation S Notes may not, at any time, be held by, or on behalf of, U.S. Persons.

A transferor who transfers an interest in a Regulation S Note to a transferee who will hold the interest in the same form is not required to make any additional representation or certification.

GENERAL INFORMATION

Clearing Systems

The Notes of each Class have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The Common Code and International Securities Identification Number ("**ISIN**") for the Notes of each Class:

	Regulation S Notes		Rule 144 A Notes	
	ISIN	**Common Code**	**ISIN**	**Common Code**
Class A-1 IM Voting Notes	XS1516362255	151636225	XS1516362412	151636241
Class A-1 IM Non-Voting Exchangeable Notes	XS1517301328	151730132	XS1517301757	151730175
Class A-1 IM Non-Voting Notes	XS1517301245	151730124	XS1517301674	151730167
Class A-2 IM Voting Notes	XS1516363576	151636357	XS1516362503	151636250
Class A-2 IM Non-Voting Exchangeable Notes	XS1517302136	151730213	XS1517302300	151730230
Class A-2 IM Non-Voting Notes	XS1517301914	151730191	XS1517302219	151730221
Class B IM Voting Notes	XS1516362685	151636268	XS1516363659	151636365
Class B IM Non-Voting Exchangeable Notes	XS1517302565	151730256	XS1517302722	151730272
Class B IM Non-Voting Notes	XS1517302482	151730248	XS1517302649	151730264
Class C IM Voting Notes	XS1516362768	151636276	XS1516362842	151636284
Class C IM Non-Voting Exchangeable Notes	XS1517303027	151730302	XS1517303530	151730353
Class C IM Non-Voting Notes	XS1517302995	151730299	XS1517303456	151730345
Class D IM Voting Notes	XS1516363733	151636373	XS1516362925	151636292
Class D IM Non-Voting Exchangeable Notes	XS1517303373	151730337	XS1517303969	151730396
Class D IM Non-Voting Notes	XS1517303290	151730329	XS1517303704	151730370
Class E Notes	XS1516363063	151636306	XS1516363816	151636381
Class F Notes	XS1516363147	151636314	XS1516363220	151636322
Subordinated Notes	XS1516363907	151636390	XS1516363493	151636349

Listing

Application will be made to the Irish Stock Exchange for the Notes to be admitted to the Official List and trading on its Main Securities Market. The Main Securities Market is a regulated market for the purposes of the Markets in Financial Instruments Directive. Such approval relates only to the Notes which are to be admitted to trading on a regulated market for the purposes of Directive 2004/39/EC and/or which are to be offered to the public in any member state of the European Economic Area. It is anticipated that listing and admission to trading will take place on or about the Issue Date. There can be no assurance that such listing and admission to trading will be granted. Upon approval by and filing with the Central Bank, this document will constitute a "prospectus" for the purposes of the Prospectus Directive. The final copy of the "prospectus" prepared pursuant to the Prospectus Directive will be available from the website of the Central Bank. It is expected that the total expenses related to admission to trading will be approximately €11,500.

Consents and Authorisations

The Issuer has obtained all necessary consents, approvals and authorisations in Ireland (if any) in connection with the issue of and performance of its obligations under the Notes. The issue of the Notes was authorised by resolutions of the board of Directors of the Issuer passed on 7 December 2016.

No Significant or Material Change

There has been no significant change in the financial or trading position or prospects of the Issuer since its incorporation on 11 August 2015 and there has been no material adverse change in the financial position or prospects of the Issuer since its incorporation on 11 August 2015.

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 and profitability.

Accounts

Since the date of its incorporation, other than entering into certain documentation, without any net assets or liabilities for the Issuer relating to a transaction which did not proceed, the Issuer has not commenced operations other than (if applicable) in respect of any warehouse agreements, any asset/forward sale or purchase agreements or trade confirmations which may be entered into in respect of the acquisition of (or commitment to acquire) certain assets to be comprised in the Portfolio on or prior to the Issue Date and has not produced accounts.

So long as any Note remains outstanding, copies of the most recent annual audited financial statements of the Issuer can be obtained at the specified offices of the Issuer during normal business hours. The first financial statements of the Issuer will be in respect of the period from incorporation to 31 December 2016. The annual accounts of the Issuer will be audited. The Issuer will not prepare interim financial statements.

The Trust Deed requires the Issuer to provide written confirmation to the Trustee on an annual basis and otherwise promptly on request that no Event of Default or Potential Event of Default (as defined in the Trust Deed) or other matter which is required to be brought to the Trustee's attention has occurred.

Listing Agent

Matheson is acting solely in its capacity as listing agent for the Issuer in relation to the Notes and is not itself seeking admission of the Notes to the Official List of the Irish Stock Exchange or to trading on the Main Securities Market of the Irish Stock Exchange for the purposes of the Prospectus Directive.

Documents Available

Copies of the following documents may be inspected in electronic format (and, in the case of each of (e) and (f) below, will be available for collection free of charge) at the registered offices of Issuer during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) for the term of the Notes:

(a) the constitution of the Issuer;

(b) the Trust Deed (which includes the form of each Note of each Class);

(c) the Agency Agreement;

(d) the Investment Management and Collateral Administration Agreement;

(e) each Monthly Report;

(f) each Payment Date Report;

(g) the Corporate Services Agreement; and

(h) each Hedge Agreement.

Enforceability of Judgments

The Issuer is a designated activity company incorporated under the laws of Ireland. None of the Directors are residents of the United States, and all or a substantial portion of the assets of the Issuer and such persons are located outside of the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuer or such persons or to enforce against any of them in the United States courts judgments obtained in United States courts, including judgments predicated upon civil liability provisions of the securities laws of the United States or any State or territory within the United States.

As the United States is not a party to a convention with Ireland in respect of the enforcement of judgments, common law rules apply in order to determine whether a judgment of the United States courts is enforceable in Ireland. A judgment of the United States courts will be enforced by the courts of Ireland if the following general requirements are satisfied:

(i) 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

(ii) 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; or

(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.

Foreign Language

The language of the Prospectus is English. Certain legislative references and technical terms have been cited in their original language in order that the correct meaning may be ascribed to them under applicable law.

INDEX OF DEFINED TERMS

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ANNEX A

FORM OF ERISA CERTIFICATE

The purpose of this ERISA certificate (this "**Certificate**") is, among other things, to (i) endeavour to ensure that less than 25 per cent. of the total value of the [Class E Notes] [Class F Notes] [Subordinated Notes] (determined separately by class) issued by GLG Euro CLO II D.A.C. (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 to which Section 4975 of the Internal Revenue Code of 1986 (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 (collectively, "**Benefit Plan Investors**"), (ii) obtain from you certain representations and agreements and (iii) provide you with certain related information with respect to your acquisition, holding or disposition of [Class E Notes] [Class F Notes] [Subordinated Notes]. By signing this Certificate, you agree to be bound by its terms.

Please be aware that the information contained in this Certificate is not intended to constitute advice and the examples given below are not intended to be, and are not, comprehensive. You should contact your own counsel if you have any questions in completing this Certificate. Capitalised terms not defined in this Certificate shall have the meanings ascribed to them in the Trust Deed.

By checking a box, you are representing, warranting and agreeing as to your status for so long as you hold a Note or interest therein. If a box is not checked, you are representing, warranting and agreeing that the applicable Section does not, and will not, apply to you.

1. ☐ **Employee Benefit Plans Subject to ERISA or the Code**. We, or the entity on whose behalf we are acting, are an "employee benefit plan" within the meaning of Section 3(3) of ERISA that is subject to the fiduciary responsibility provisions of Title I of ERISA or a "plan" within the meaning of Section 4975(e)(1) of the Code that is subject to Section 4975 of the Code.

   Examples: (i) tax qualified retirement plans such as pension, profit sharing and section 401(k) plans, (ii) welfare benefit plans such as accident, life and medical plans, (iii) individual retirement accounts or "IRAs" and "Keogh" plans and (iv) certain tax-qualified educational and savings trusts.

2. ☐ **Entity Holding Plan Assets**. We, or the entity on whose behalf we are acting, are an entity or fund whose underlying assets include "plan assets" by reason of a Benefit Plan Investor's investment in such entity.

   Examples: (i) an insurance company separate account, (ii) a bank collective trust fund and (iii) a hedge fund or other private investment vehicle where 25 per cent. or more of the total value of any class of its equity is held by Benefit Plan Investors.

   If you check Box 2, please indicate the maximum percentage of the entity or fund that will constitute "plan assets" for purposes of Title I of ERISA or Section 4975 of the Code: _____ per cent.

   AN ENTITY OR FUND THAT CANNOT PROVIDE THE FOREGOING PERCENTAGE HEREBY ACKNOWLEDGES THAT FOR PURPOSES OF DETERMINING WHETHER BENEFIT PLAN INVESTORS OWN LESS THAN 25 PER CENT. OF THE TOTAL VALUE OF [CLASS E NOTES] [CLASS F NOTES] [SUBORDINATED NOTES], 100 PER CENT. OF THE ASSETS OF THE ENTITY OR FUND WILL BE TREATED AS "PLAN ASSETS".

   ERISA and the regulations promulgated thereunder are technical. Accordingly, if you have any questions regarding whether you may be an entity described in this Section 2, you should consult with your counsel.

3. ☐ **Insurance Company General Account**. We, or the entity on whose behalf we are acting, are an insurance company purchasing the [Class E Notes] [Class F Notes] [Subordinated Notes] with funds from our or their general account (i.e., the insurance company's corporate investment portfolio), whose assets, in whole or in part, constitute "plan assets" under Section 401(a) of ERISA for purposes of 29 C.F.R. Section 2510.3-101 as modified by Section 3(42) of ERISA (the "**Plan Asset Regulations**").

If you check Box 3, please indicate the maximum percentage of the insurance company general account that will constitute "plan assets" under Section 401(a) of ERISA for purposes of conducting the 25 per cent. test under the Plan Asset Regulations: ____ per cent. **IF YOU DO NOT INCLUDE ANY PERCENTAGE IN THE BLANK SPACE, YOU WILL BE COUNTED AS IF YOU FILLED IN 100 PER CENT. IN THE BLANK SPACE.**

4. ☐ **None of Sections (1) Through (3) Above Apply**. We, or the entity on whose behalf we are acting, are a person that does not fall into any of the categories described in Sections (1) to (3) above. If, after the date hereof, any of the categories described in Sections (1) to (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) to (3) above, we represent, warrant and agree that our acquisition, holding and disposition of the [Class E Notes] [Class F Notes] [Subordinated Notes] or interest therein 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 any Similar Law and No Violation of any 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 or Section 4975 of the Code, and (b) our acquisition, holding and disposition of the [Class E Notes] [Class F Notes] [Subordinated Notes] or interest therein do not and will not constitute or result in a non-exempt violation of any law or regulation that is similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code.

7. ☐ **Controlling Person**. We are, or we are acting on behalf of any of: (i) the 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 value of the [Class E Notes] [Class F Notes] [Subordinated Notes], the [Class E Notes] [Class F Notes] [Subordinated Notes] held by Controlling Persons (other than Benefit Plan Investors) are required to be disregarded.

Compelled Disposition. We acknowledge and agree that:

(i) if any representation that we made hereunder is subsequently shown to be false or misleading or our beneficial ownership otherwise causes a violation of the 25 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 Holder within ten calendar days after the date of such notice;

(ii) if we fail to transfer our [Class E Notes] [Class F Notes] [Subordinated Notes], the Issuer shall have the right, without further notice to us, to sell our [Class E Notes] [Class F Notes] [Subordinated Notes] or our interest in the [Class E Notes] [Class F Notes] [Subordinated Notes] to a purchaser that is not a Non-Permitted ERISA Holder on such terms as the Issuer may choose;

(iii) the Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the [Class E Notes] [Class F Notes] [Subordinated Notes] and selling such securities to the highest such bidder. However, the Issuer may select a purchaser by any other means determined by it in its sole discretion;

(iv) by our acceptance of an interest in the [Class E Notes] [Class F Notes] [Subordinated Notes], we agree to cooperate with the Issuer to effect such transfers;

(v) the proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to us; and

(vi) the terms and conditions of any sale under this sub-section shall be determined in the sole discretion of the Issuer, and the Issuer shall not be liable to us as a result of any such sale or the exercise of such discretion.

8. **Continuing Representation; Reliance**. We acknowledge and agree that the representations, warranties and agreements contained in this Certificate shall be deemed made on each day from the date we make such representations, warranties and agreements through and including the date on which we dispose of our interests in the [Class E Notes] [Class F Notes] [Subordinated Notes]. We understand and agree that the information supplied in this Certificate will be used and relied upon by the Issuer to determine that Benefit Plan Investors own or hold less than 25 per cent. of the total value of the [Class E Notes] [Class F Notes] [Subordinated Notes] upon any subsequent transfer of the [Class E Notes] [Class F Notes] [Subordinated Notes] in accordance with the Trust Deed.

9. **Further Acknowledgement and Agreement**. We acknowledge and agree that (i) all of the representations, warranties and assurances contained in this Certificate are for the benefit of the Issuer, the Trustee, Morgan Stanley & Co. International plc, the Investment Manager and any Investment Manager Related Person as third party beneficiaries hereof, (ii) copies of this Certificate and any information contained herein may be provided to the Issuer, the Trustee, Morgan Stanley & Co. International plc, the Investment Manager, affiliates of any of the foregoing parties and to each of the foregoing parties' respective counsel for purposes of making the determinations described above and (iii) any acquisition or transfer of [Class E Notes] [Class F Notes] [Subordinated Notes] by us that is not in accordance with the provisions of this Certificate shall be null and void from the beginning, and of no legal effect.

10. **Future Transfer Requirements**.

Transferee Letter and its Delivery. We acknowledge and agree that we may not transfer any [Class E Notes] [Class F Notes] [Subordinated Notes] to any person that takes delivery of such interest in the form of a Definitive Certificate unless the Issuer has received a certificate substantially in the form of this Certificate. Any attempt to transfer in violation of this section will be null and void from the beginning, and of no legal effect.

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Certificate.

_____ [Insert Purchaser's Name]
By:
Name:
Title:
Dated:

This Certificate relates to EUR_____ of [Class E Notes] [Class F Notes] [Subordinated Notes]

Based upon the representations and certifications contained herein, the Issuer by countersigning this certificate, hereby consents to the purchase by [Insert Purchaser's Name] of EUR _____ of [Class E Notes] [Class F Notes] [Subordinated Notes].

_____
By:
Name:
Title:
Dated:

ANNEX B

MOODY'S RECOVERY RATES

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

(a) if the Collateral Debt Obligation has been specifically assigned a recovery rate by Moody's (for example, in connection with the assignment by Moody's of an estimated rating), such recovery rate;

(b) if the preceding paragraph (a) does not apply to the Collateral Debt Obligation, except with respect to Corporate Rescue Loan, the rate determined pursuant to the table below based on the number of rating sub-categories difference between the Collateral Debt Obligation's Moody's Rating and its Moody's Default Probability Rating (for purposes of clarification, if the Moody's Rating is higher than the Moody's Default Probability Rating, the rating sub-categories difference will be positive and if it is lower, negative):

Number of Moody's Ratings Sub-categories Difference Between the Moody's Rating and the Moody's Default Probability Rating	Moody's Secured Senior Loans	Secured Senior Loans that are not Moody's Secured Senior Loans; Secured Senior Bonds; Second Lien Loans; Mezzanine Obligations*	All other Collateral Debt Obligations
+2 or more	60%	55%	45%
+1	50%	45%	35%
0	45%	35%	30%
-1	40%	25%	25%
-2	30%	15%	15%
-3 or less	20%	5%	5%

(c) if the Collateral Debt Obligation is a Corporate Rescue Loan (other than a Corporate Rescue Loan which has been specifically assigned a recovery rate by Moody's), 50 per cent.

* If such Collateral Debt Obligation is publicly rated by Moody's and does not have both a CFR and an Assigned Moody's Rating, such Collateral Debt Obligation will be deemed to be an Unsecured Senior Obligation or High Yield Bond for purposes of this table.

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