OFFERING MEMORANDUM (IRISH LISTING)

Apidos CLO XXII

Apidos CLO XXII LLC

U.S.$1,750,000 Class X Senior Secured Floating Rate Notes due 2027
U.S.$320,000,000 Class A-1 Senior Secured Floating Rate Notes due 2027
U.S.$33,000,000 Class A-2A Senior Secured Floating Rate Notes due 2027
U.S.$27,000,000 Class A-2B Senior Secured Fixed Rate Notes due 2027
U.S.$27,000,000 Class B Mezzanine Deferrable Floating Rate Notes due 2027
U.S.$28,750,000 Class C Mezzanine Deferrable Floating Rate Notes due 2027
U.S.$25,500,000 Class D Mezzanine Deferrable Floating Rate Notes due 2027
U.S.$8,750,000 Class E Mezzanine Deferrable Floating Rate Notes due 2027
U.S.$41,750,000 Subordinated Notes due 2027
† Combination Securities due 2027

† The Issuer will issue Combination Securities with an initial Aggregate Outstanding Amount and Components representing Underlying Classes as set forth under "Overview—Principal Terms of the Securities."

The Issuer's investment portfolio consists primarily of debt obligations (specifically, interests in bank loans acquired by way of a sale or assignment) and Participation Interests. The portfolio will be managed by CVC Credit Partners, LLC.

See "Risk Factors" beginning on page 25 of this offering memorandum (the "Offering Memorandum") for a discussion of certain risks that you should consider in connection with an investment in the Securities.

No Securities will be issued unless upon issuance (i) the Class X Notes are rated "Aaa (sf)" by Moody's and "AAAsf" by Fitch, (ii) the Class A-1 Notes are rated "Aaa (sf)" by Moody's and "AAAsf" by Fitch, (iii) the Class A-2 Notes are rated at least "Aa2 (sf)" by Moody's, (iv) the Class B Notes are rated at least "A2 (sf)" by Moody's, (v) the Class C Notes are rated at least "Baa3 (sf)" by Moody's, (vi) the Class D Notes are rated at least "Ba3 (sf)" by Moody's, (vii) the Class E Notes are rated at least "B3 (sf)" by Moody's and (viii) the Combination Securities are rated at least "A2 (sf)" by Moody's (which rating will be solely with respect to the ultimate repayment of the Combination Securities Rated Balance by the Stated Maturity). The Subordinated Notes will not be rated.

THE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OR THE SECURITIES LAW OF ANY STATE OF THE UNITED STATES OR OTHER JURISDICTION, AND NEITHER OF THE CO-ISSUERS HAS BEEN REGISTERED UNDER THE INVESTMENT COMPANY ACT. THE SECURITIES ARE BEING OFFERED ONLY (I) TO NON-U.S. PERSONS OUTSIDE THE UNITED STATES IN RELIANCE ON REGULATION S AND (II) TO, OR FOR THE ACCOUNT OR BENEFIT OF, PERSONS THAT ARE QUALIFIED INSTITUTIONAL BUYERS THAT ARE ALSO (A) QUALIFIED PURCHASERS OR (B) ENTITIES THAT ARE BENEFICIALLY OWNED EXCLUSIVELY BY ONE OR MORE QUALIFIED PURCHASERS. EACH ORIGINAL PURCHASER OF A GLOBAL SECURITY WILL BE DEEMED TO MAKE, AND EACH ORIGINAL PURCHASER OF A CERTIFICATED SECURITY, BY ITS EXECUTION OF A SUBSCRIPTION AGREEMENT, WILL MAKE, CERTAIN ACKNOWLEDGMENTS, REPRESENTATIONS, WARRANTIES AND CERTIFICATIONS. FOR A DESCRIPTION OF CERTAIN RESTRICTIONS ON TRANSFER, SEE "TRANSFER RESTRICTIONS" BEGINNING ON PAGE 130.

Application has been made to The Irish Stock Exchange plc (the "Irish Stock Exchange") for the Securities to be admitted to the official list (the "Official List") and to trading on the Global Exchange Market of the Irish Stock Exchange (the "Global Exchange Market"). There can be no assurance that such listing will be maintained. This Offering Memorandum constitutes listing particulars for the purpose of such application and has been approved by the Irish Stock Exchange.

The Securities are being offered by Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Initial Purchaser") from time to time in individually negotiated transactions at varying prices to be determined at the time of sale, subject to prior sale, when, as and if issued. The Initial Purchaser reserves the right to withdraw, cancel or modify such offer and to reject orders in whole or in part. The Initial Purchaser will act as sole manager and bookrunner with respect to the Securities. The Global Securities are expected to be delivered to investors in book-entry form through The Depository Trust Company and its participants and indirect participants, including, without limitation, Euroclear and Clearstream, and the Certificated Securities are expected to be delivered in physical form in New York, New York in each case against payment therefor in immediately available funds on or about October 14, 2015 (the "Closing Date").

BofA Merrill Lynch

The date of this Offering Memorandum is October 14, 2015.

IMPORTANT NOTICE REGARDING THE SECURITIES

THE INITIAL PURCHASER DESCRIBED IN THESE MATERIALS MAY FROM TIME TO TIME PERFORM INVESTMENT BANKING SERVICES FOR, OR SOLICIT INVESTMENT BANKING BUSINESS FROM, ANY COMPANY NAMED IN THESE MATERIALS. THE INITIAL PURCHASER AND/OR ITS RESPECTIVE EMPLOYEES EXPECT FROM TIME TO TIME TO HOLD A LONG OR SHORT POSITION IN ANY SECURITY OR CONTRACT DISCUSSED IN THESE MATERIALS.

NOTICE TO NEW HAMPSHIRE RESIDENTS

NEITHER THE FACT THAT A REGISTRATION STATEMENT OR AN APPLICATION FOR A LICENSE HAS BEEN FILED UNDER CHAPTER 421-B OF THE NEW HAMPSHIRE REVISED STATUTES ANNOTATED ("RSA 421-B") WITH THE STATE OF NEW HAMPSHIRE NOR THE FACT THAT A SECURITY IS EFFECTIVELY REGISTERED OR A PERSON IS LICENSED IN THE STATE OF NEW HAMPSHIRE CONSTITUTES A FINDING BY THE SECRETARY OF STATE OF NEW HAMPSHIRE THAT ANY DOCUMENT FILED UNDER RSA 421-B IS TRUE, COMPLETE AND NOT MISLEADING. NEITHER ANY SUCH FACT NOR THE FACT THAT AN EXEMPTION OR EXCEPTION IS AVAILABLE FOR A SECURITY OR A TRANSACTION MEANS THAT THE SECRETARY OF STATE HAS PASSED IN ANY WAY UPON THE MERITS OR QUALIFICATIONS OF, OR RECOMMENDED OR GIVEN APPROVAL TO, ANY PERSON, SECURITY, OR TRANSACTION. IT IS UNLAWFUL TO MAKE, OR CAUSE TO BE MADE, TO ANY PROSPECTIVE PURCHASER, CUSTOMER, OR CLIENT ANY REPRESENTATION INCONSISTENT WITH THE PROVISIONS OF THIS PARAGRAPH.

IMPORTANT INFORMATION REGARDING
THIS OFFERING MEMORANDUM AND THE SECURITIES

In making your decision to invest in the Securities, you should rely only on the information contained in this Offering Memorandum. No person has been authorized to give you any information or to make any representation other than as contained in this Offering Memorandum. If you receive any other information, you should not rely on it.

You should not assume that the information contained in this Offering Memorandum is accurate as of any date other than the date of this Offering Memorandum.

No action is being taken or is contemplated by the Co-Issuers or the Initial Purchaser that would permit a public offering of the Securities or possession or distribution of this Offering Memorandum or any amendment thereof or supplement thereto or any other offering material relating to the Co-Issuers or the Securities in any jurisdiction where, or in any other circumstances in which, action for those purposes is required. The distribution of this Offering Memorandum and the offering of the Securities may also be restricted by law in certain jurisdictions. Consequently, nothing contained herein will constitute an offer to sell, or a solicitation of an offer to buy, (i) any securities other than the Securities offered hereby or (ii) any securities in any jurisdiction in which it is unlawful for such person to make such an offer or solicitation. Persons into whose possession this Offering Memorandum comes are required by the Co-Issuers and the Initial Purchaser to inform themselves about, and to observe, any such restrictions.

The Initial Purchaser reserves the right, for any reason, to reject any offer to purchase in whole or in part, to allot to you less than the full amount of Securities sought by you or to sell less than the stated initial principal amount of any Class of Securities.

Payments on the Securities will be made solely from the Collateral pledged by the Issuer pursuant to the Indenture, which will be the only source of payments on the Securities.

The Securities do not represent interests in or obligations of, and are not insured or guaranteed by, the Initial Purchaser, the Collateral Manager, the Trustee, the Collateral Administrator, the Administrator or any of their respective affiliates.

The Securities have not been and will not be registered under the Securities Act, the securities laws of any state of the United States or the securities laws of any other relevant jurisdiction and may not be offered, sold or otherwise transferred unless an exemption from registration under the Securities Act and applicable state securities laws and the laws of any other relevant jurisdiction is available.

The Securities are subject to restrictions on resale and transfer as described under "Plan of Distribution," "Certain Selling Restrictions" and "Transfer Restrictions" and set forth in the Indenture. By purchasing any Securities, you will be deemed to have made (or, in certain cases, will be required to make) certain acknowledgments, representations and agreements as described in "Transfer Restrictions." Any resale or other transfer, or attempted resale or attempted other transfer, of Securities that is not made in compliance with the applicable transfer restrictions will be treated by the Co-Issuers and the Trustee as null and void *ab initio*.

An investment in the Securities is not suitable for all investors and will be appropriate only for financially sophisticated investors capable of analyzing and assessing the risks associated with collateralized debt obligations. An investor in the Securities should have no need for liquidity with respect to its investment in the Securities and no need to dispose of its Securities or any portion thereof to satisfy any existing or contemplated indebtedness or obligation or for any other purpose.

You may be required to bear the financial risks of investing in the Securities for an indefinite period of time.

This Offering Memorandum is being provided only to prospective purchasers of the Securities. You should read this Offering Memorandum before making a decision whether to purchase any Securities. You must not:

- use this Offering Memorandum for any other purpose;
- make copies of any part of this Offering Memorandum or give a copy of it to any other person; or
- disclose any information in this Offering Memorandum to any other person.

Regardless of the foregoing, however, you (and your employees, representatives and agents) may disclose to any and all persons, without limitation of any kind, the U.S. federal income "tax treatment" and "tax structure" (in each case, within the meaning of Treasury Regulation Section 1.6011-4 and applicable U.S. state and local law) of the transactions described in this Offering Memorandum and all materials of any kind related to such tax treatment or tax structure (including opinions or other tax analyses) that are provided to you (or your employees, representative or agents).

The Co-Issuers have prepared this Offering Memorandum solely for use in connection with the offering of the Securities and for listing purposes. The Co-Issuers accept responsibility for the information contained in this Offering Memorandum other than the Collateral Manager Information. The "Collateral Manager Information" constitutes solely the information contained under the headings "Risk Factors—Relating to the Collateral Manager" and "The Collateral Manager." To the best of the knowledge and belief of the Co-Issuers (who have taken reasonable care to ensure that such is the case), the information contained in this Offering Memorandum (other than the Collateral Manager Information) is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Collateral Manager accepts responsibility for the Collateral Manager Information. To the best of the knowledge and belief of the Collateral Manager (who has taken reasonable care to ensure that such is the case), the Collateral Manager Information is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Bank of New York Mellon Trust Company, National Association, in each of its capacities (including as Trustee, Paying Agent and Collateral Administrator) has not participated in the preparation of this Offering Memorandum and assumes no responsibility for its content.

You are responsible for making your own examination of the Co-Issuers and the Collateral Manager and your own assessment of the merits and risks of investing in the Securities. By purchasing any Securities, you will be deemed to have acknowledged that:

- you have reviewed this Offering Memorandum;
- you have had an opportunity to request any additional information that you need from the Co-Issuers and the Collateral Manager;
- you have consulted with your own financial, legal and tax advisors regarding investment in the Securities as you have deemed necessary and that your investment in the Securities is within your powers and authority, is permissible under applicable laws governing such purchase, has been duly authorized by you and complies with applicable securities laws and other laws;
- none of the Initial Purchaser, the Trustee, the Collateral Administrator, the Administrator or (except with respect to the Collateral Manager Information) the Collateral Manager is making any representation to you concerning the accuracy or completeness of this Offering Memorandum or the future performance of the Co-Issuers or the value or validity of the collateral; and
- you have not relied on the Initial Purchaser, the Collateral Manager, the Trustee, the Collateral Administrator, the Administrator or any of their respective Affiliates in connection with the accuracy of such information or your investment decision.

None of the Co-Issuers, the Collateral Manager, the Initial Purchaser, the Collateral Administrator, the Administrator or the Trustee is providing you with any legal, business, tax or other advice in this Offering Memorandum. You should consult with your own advisors as needed to assist you in making an investment decision and to advise you as to whether you are legally permitted to purchase the Securities.

The Securities have not been recommended by the U.S. Securities and Exchange Commission or any other federal, state or other regulatory authority, nor has any such authority determined that this Offering Memorandum is accurate or complete. Any representation to the contrary is a criminal offense.

You must comply with all laws that apply to you in any place where you buy, offer or sell any Securities or possess this Offering Memorandum. You must also obtain any consents or approvals that you need in order to purchase any Securities. None of the Co-Issuers, the Collateral Manager, the Initial Purchaser, the Collateral Administrator or the Trustee is responsible for your compliance with these legal requirements.

You are hereby notified that a seller of the Securities may rely on an exemption from the registration requirements of Section 5 of the Securities Act provided by Rule 144A or by Section 4(a)(2) of the Securities Act. These exemptions apply to offers and sales of securities that do not involve a public offering.

IMPORTANT INFORMATION REGARDING OFFERS AND SALES OF THE SECURITIES

You may commit to purchase one or more Classes of Securities that have characteristics that may change, and you are advised that all or a portion of the Securities may not be issued with the characteristics described in this Offering Memorandum. The Initial Purchaser's obligation to sell such Securities to you is conditioned on the Securities having the characteristics described in this Offering Memorandum. If the Initial Purchaser determines that condition

is not satisfied in any material respect, you will be notified, and none of the Co-Issuers, the Initial Purchaser or any of their respective affiliates will have any obligation to you to deliver any portion of the Securities that you have committed to purchase, and there will be no liability among the Co-Issuers, the Initial Purchaser, their respective affiliates and you as a consequence of the non-delivery.

The information contained in this Offering Memorandum supersedes any previous such information delivered to you and may be superseded by information delivered to you prior to the time of contract of sale.

NOTICE TO FLORIDA RESIDENTS

WHERE SALES ARE MADE TO FIVE OR MORE PERSONS IN FLORIDA (EXCLUDING "QUALIFIED INSTITUTIONAL BUYERS" WITHIN THE MEANING OF SEC RULE 144A AND CERTAIN OTHER INSTITUTIONAL PURCHASERS DESCRIBED IN SECTION 517.061(7) OF THE FLORIDA SECURITIES AND INVESTOR PROTECTION ACT (THE "FLORIDA ACT")), ANY SUCH SALE MADE PURSUANT TO SECTION 517.061(11) OF THE FLORIDA ACT SHALL BE VOIDABLE BY THE PURCHASER WITHIN THREE DAYS AFTER (A) RECEIPT OF THIS OFFERING MEMORANDUM, OR (B) THE FIRST PAYMENT OF MONEY OR OTHER CONSIDERATION TO THE ISSUER, AN AGENT OF THE ISSUER, OR AN ESCROW AGENT, WHICHEVER OCCURS LATER.

NOTICE TO RESIDENTS OF AUSTRALIA

This Offering Memorandum is not a "Product Disclosure Statement" for the purposes of Chapter 7 of the Corporations Act and is not required to be lodged with the Australian Securities and Investment Commission under the Corporations Act 2001 (Cth) as each offer for the issue, and invitation to apply for the issue, and any offer for sale of, and any invitation for offers to purchase, the Securities and to a person under this Offering Memorandum:

(a) will be for a minimum amount payable, by each person on acceptance of the offer or application (as the case may be) of at least A$500,000 (calculated in accordance with both section 708(9) of the Corporations Act 2001 (Cth) and regulation 7.1.18 of the Corporations Regulations 2001 (Cth)); or

(b) does not otherwise require disclosure to investors under Parts 6D.2 or 7.9 of the Corporations Act 2001 (Cth) and is not made to a "retail client" within the meaning of section 761G of the Corporations Act 2001 (Cth).

NOTICE TO RESIDENTS OF AUSTRIA

The Securities may only be offered in the Republic of Austria in compliance with the provisions of the Austrian Capital Market Act (*Kapitalmarktgesetz*) and other laws applicable in the Republic of Austria governing the offer and sale of the Securities in the Republic of Austria. The Securities are not registered or otherwise authorised for public offer either under the Capital Market Act, the Investment Funds Act (*Investmentfondsgesetz*) or any other securities regulation in Austria. The recipients of the Offering Memorandum and other selling material in respect of the Securities have been individually selected and identified before the offer being made and are targeted exclusively on the basis of a private placement. Accordingly, the Securities have not been, must not be and are not being offered or advertised publicly or offered similarly under either the Capital Market Act, the Investment Funds Act or any other securities regulation in Austria. Any offers of the Securities have not been made and no offer of the Securities will be made to any persons other than the recipients to whom the Offering Memorandum is personally addressed.

NOTICE TO RESIDENTS OF THE CAYMAN ISLANDS

No invitation may be made to any member of the public in the Cayman Islands within the meaning of Section 175 of the Cayman Islands Companies Law (as amended) to subscribe for the Securities, and this document may not be issued or passed to any such person.

NOTICE TO RESIDENTS OF THE 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 will be required to represent and agree 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 Securities which are the subject of the offering contemplated by this Offering Memorandum 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 such Securities to the public in that Relevant Member State:

(a) any legal entity which is a qualified investor as defined in the Prospectus Directive;

(b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), as permitted under the Prospectus Directive, subject to obtaining the prior consent of the relevant Dealer or Dealers nominated by the Issuer for any such offer; or

(c) in any other circumstances falling within Article 3(2) of the Prospectus Directive;

provided that no such offer of Securities referred to in (a) to (c) above shall require the Issuer or the Initial Purchaser to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive.

For the purposes of this provision, the expression an "offer of Securities to the public" in relation to any Securities 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 Securities to be offered so as to enable an investor to decide to purchase or subscribe the Securities, as the same may be varied in that Member State by any measure implementing the Prospectus Directive in that Member State. The expression "Prospectus Directive" means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) and includes any relevant implementing measure in the Relevant Member State.

NOTICE TO RESIDENTS OF DENMARK

The Securities may only be offered in Denmark in compliance with the exemptions to the obligation to publish a prospectus as provided by the Danish Executive Order on the Prospectuses for Securities Admitted to Trading on a Regulated Market and for Offers to the Public of Securities of more than EUR 2,500,000 (the "Order"). This Offering Memorandum does not constitute a public offer or an offer under the Danish Investment Associations Act and the Securities are not registered or otherwise authorized for a public offer under the Danish securities regulations. The recipients of this Offering Memorandum and other selling material in respect of the Securities have been individually selected prior to the offer being made and are targeted exclusively on the bases of a private sale. Furthermore, the Securities are offered only to qualified investors, as defined in the Order. Accordingly, the Securities may not be, and are not being, offered or advertised publicly. This Offering Memorandum may not be disclosed to any other persons than the selected recipients.

NOTICE TO RESIDENTS OF JAPAN

The Securities have not been and will not be registered under the Financial Instruments and Exchange Law of Japan (Law No. 25 of 1948, as amended) and, accordingly, will not be offered or sold, directly or indirectly, in Japan, 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 in compliance with all applicable laws, regulations and ministerial guidelines promulgated by relevant Japanese governmental or regulatory authorities in effect at the relevant time. For the purposes of this paragraph, "Japanese Person" shall mean any person resident in Japan, including any corporation or other entity organized under the laws of Japan.

NOTICE TO RESIDENTS OF SWEDEN

This Offering Memorandum and its content is for the intended recipients only and may not in any way be forwarded to the public in Sweden, except in accordance with the relevant exemptions under the Swedish Financial Instruments Trading Act (1991) (Sw. *Lagen (1991:980) om handel med finansiella instrument*). Accordingly, no Securities will be offered or sold in a manner that would require the registration of a prospectus by the Swedish Financial Supervisory Authority under the Swedish Financial Instruments Trading Act (1991). This Offering Memorandum is not a prospectus in accordance with the prospectus requirements provided for in said act or in any other Swedish

laws or regulations. Accordingly, this memorandum has not been, nor will it be, examined, approved or registered by the Swedish Financial Supervisory Authority or any other Swedish public body.

NOTICE TO RESIDENTS OF THE UNITED KINGDOM

This communication is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). The Securities are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such Securities will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

STABILIZATION

In connection with the issue of the Securities, Merrill Lynch, Pierce, Fenner & Smith Incorporated (the "Stabilizing Manager") (or persons acting on behalf of the Stabilizing Manager) may over-allot Securities or effect transactions with a view to supporting the market price of the Securities at a level higher than that which might otherwise prevail. However, there is no assurance that the Stabilizing Manager (or persons acting on behalf of the Stabilizing Manager) will undertake stabilization action. Any stabilization action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Securities is made and, if begun, may be ended at any time, but it must end no later than the earlier of 30 days after the Closing Date and 60 days after the date of the allotment of the Securities. Any stabilization action or over-allotment will be conducted by the Stabilizing Manager (or persons acting on behalf of the Stabilizing Manager) in accordance with all applicable laws and rules.

FORWARD-LOOKING STATEMENTS

This Offering Memorandum contains forward-looking statements, which can be identified by words like "anticipate," "believe," "plan," "hope," "goal," "initiative," "expect," "future," "intend," "will," "could," and "should" and by similar expressions. You should not place undue reliance on forward-looking statements. Actual results could differ materially from those referred to in forward-looking statements for many reasons, including the risks described in "Risk Factors." Forward-looking statements are necessarily speculative in nature, and some of or all the assumptions underlying any forward-looking statements may not materialize or may vary significantly from actual results. Variations between assumptions and results may be material.

Without limiting the generality of the foregoing, you should not regard the inclusion of forward-looking statements in this Offering Memorandum as a representation by the Co-Issuers, the Collateral Manager, the Initial Purchaser, the Collateral Administrator, the Administrator, the Trustee or any of their respective affiliates or any other person of the results that will actually be achieved by the Issuer or the Securities. None of the foregoing persons has any obligation to update or otherwise revise any forward-looking statements, including any revisions to reflect changes in any circumstances arising after the date of this Offering Memorandum relating to any assumptions or otherwise.

CERTAIN DEFINITIONS AND RELATED MATTERS

Unless otherwise indicated, (i) references in this Offering Memorandum to "U.S. dollars," "U.S. Dollars," "Dollars," "$" and "U.S.$" will be to United States dollars; (ii) references to the term "holder" will mean the person in whose name a Security is registered; except where the context otherwise requires, holder will include the beneficial owner of such Security; and (iii) references to "U.S." and "United States" will be to the United States of America, its territories and its possessions.

The language of this Offering Memorandum is English. Certain legislative references and technical terms have been cited in their original language in order that the correct technical meaning may be ascribed to them under applicable law.

SUMMARIES OF DOCUMENTS

This Offering Memorandum summarizes certain provisions of the Securities, the Indenture, the Collateral Management Agreement and other transactions and documents. The summaries do not purport to be complete and (whether or not so stated in this Offering Memorandum) are subject to, are qualified in their entirety by reference to, and incorporate by reference, the provisions of the actual documents (including definitions of terms). However, no documents incorporated by reference are part of this Offering Memorandum for purposes of the admission of the Securities to trading on the Global Exchange Market of the Irish Stock Exchange. No websites mentioned herein are incorporated into or form a part of this Offering Memorandum.

You should direct any requests and inquiries regarding this Offering Memorandum, the transaction documents or the initial portfolio of Collateral Obligations to the Issuer in care of the Initial Purchaser at the following address: Merrill Lynch, Pierce, Fenner & Smith Incorporated, One Bryant Park, 3rd Floor, New York, New York 10036, Attention: Global Credit and Special Situations Structured Products Group.

AVAILABLE INFORMATION

To permit compliance with Rule 144A under the Securities Act in connection with sales of the Securities, the Co-Issuers (or, in the case of the Issuer Only Securities, the Issuer) under the Indenture will be required to furnish upon request of a holder of Securities, to such holder and a prospective purchaser designated by such holder the information required to be delivered under Rule 144A(d)(4) under the Securities Act if at the time of the request the Co-Issuers are not reporting companies under Section 13 or 15(d) of the Exchange Act, or exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act. Such information may be obtained directly from the Issuer at the address set forth on the final page of this Offering Memorandum.

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OVERVIEW

The following summary does not purport to be complete and is qualified in its entirety by reference to the detailed information appearing elsewhere in this Offering Memorandum (the "Offering Memorandum") and related documents referred to herein. An index of defined terms appears at the back of this Offering Memorandum.

Principal Terms of the Securities

Designation[(1)]	**Class X Notes**	**Class A-1 Notes**	**Class A-2A Notes**	**Class A-2B Notes**	**Class B Notes**	**Class C Notes**	**Class D Notes**	**Class E Notes**	**Subordinated Notes**
Type	Floating Rate	Floating Rate	Floating Rate	Fixed Rate	Deferrable Floating Rate	Deferrable Floating Rate	Deferrable Floating Rate	Deferrable Floating Rate	Subordinated
Issuer(s)	Co-Issuers	Co-Issuers	Co-Issuers	Co-Issuers	Co-Issuers	Co-Issuers	Issuer	Issuer	Issuer
Initial Principal Amount (U.S.$)	1,750,000	320,000,000	33,000,000	27,000,000	27,000,000	28,750,000	25,500,000	8,750,000	41,750,000
Expected Moody's Initial Rating	"Aaa (sf)"	"Aaa (sf)"	"Aa2 (sf)"	"Aa2 (sf)"	"A2 (sf)"	"Baa3 (sf)"	"Ba3 (sf)"	"B3 (sf)"	N/A
Expected Fitch Initial Rating	"AAAsf"	"AAAsf"	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Interest Rate[(1)]	LIBOR[(2)] + 1.00%	LIBOR[(2)] + 1.50%	LIBOR[(2)] + 2.05%	4.04%	LIBOR[(2)] + 2.75%	LIBOR[(2)] + 3.80%	LIBOR[(2)] + 6.00%	LIBOR[(2)] + 7.25%	N/A[(3)]
Deferred Interest Notes	No	No	No	No	Yes	Yes	Yes	Yes	N/A
Re-Pricing Eligible Notes	No	No	Yes	Yes	Yes	Yes	Yes	Yes	N/A
Minimum Denominations (U.S.$) (Integral Multiples)	$250,000 ($1)	$250,000 ($1)	$250,000 ($1)	$250,000 ($1)	$250,000 ($1)	$250,000 ($1)	$250,000 ($1)	$250,000 ($1)	$250,000 ($1)
Ranking:									
Priority Classes	None	None	X, A-1	X, A-1	X, A-1, A-2	X, A-1, A-2, B	X, A-1, A-2, B, C	X, A-1, A-2, B, C, D	X, A-1, A-2, B, C, D, E
Pari Passu Classes	A-1	X	A-2B	A-2A	None	None	None	None	None
Junior Classes	A-2, B, C, D, E, Subordinated	A-2, B, C, D, E, Subordinated	B, C, D, E, Subordinated	B, C, D, E, Subordinated	C, D, E, Subordinated	D, E, Subordinated	E, Subordinated	Subordinated	None
Form	Global; Certificated	Global; Certificated	Global; Certificated	Global; Certificated	Global; Certificated	Global; Certificated	Global; Certificated	Global; Certificated	Global; Certificated

(1) The Interest Rate for each Class of Re-Pricing Eligible Notes is subject to change as described under "Description of the Securities—Re-Pricing."

(2) LIBOR will be calculated as described under "Description of the Securities—Interest on the Rated Notes." LIBOR for the first Interest Accrual Period will be set on two different Interest Determination Dates and, therefore, two different rates may apply during that period.

(3) Interest payable on the Subordinated Notes on each Payment Date will consist solely of Excess Interest payable on the Subordinated Notes, if any, on such Payment Date as determined on the related Determination Date and payable in accordance with the Priority of Payments.

The Issuer will issue a class of "Combination Securities." The Combination Securities will be composed of "Components" representing an aggregate initial principal amount of the Notes specified below (each such Class of Notes, an "Underlying Class"). The aggregate initial principal amount of Notes comprising each such Underlying Class is included in the aggregate initial principal amount shown above for that Class. Except as otherwise provided

in the Indenture, each Component of the Combination Securities will be treated as Notes of the respective Underlying Class.

Initial Aggregate Outstanding Amount (Combination Securities Initial Rated Balance) (U.S.$)	Components (U.S.$)		Expected Moody's Initial Rating*	Minimum Denomination (U.S.$) (Integral Multiples)
54,000,000	10,800,000 27,000,000 10,800,000 5,400,000	Class A-2B Notes Class B Notes Class C Notes Subordinated Notes	"A2 (sf)"	$2,500,000 ($10)

* Such rating is solely with respect to the ultimate repayment of the Combination Securities Initial Rated Balance by the Stated Maturity.

Transaction Parties:

Issuer	Apidos CLO XXII, a Cayman Islands exempted company incorporated with limited liability.
Co-Issuer	Apidos CLO XXII LLC, a Delaware limited liability company.
Collateral Manager	CVC Credit Partners, LLC, a Delaware limited liability company, in its capacity as Collateral Manager.
Trustee	The Bank of New York Mellon Trust Company, National Association, in its capacity as Trustee.
Collateral Administrator	The Bank of New York Mellon Trust Company, National Association, in its capacity as Collateral Administrator.
Initial Purchaser	Merrill Lynch, Pierce, Fenner & Smith Incorporated, in its capacity as Initial Purchaser.
Administrator	MaplesFS Limited, in its capacity as Administrator.
Eligible Purchasers:	The Securities are being offered hereby (i) to non-U.S. persons in offshore transactions in reliance on Regulation S and (ii) in the United States to persons that are Qualified Institutional Buyers that are also (A) Qualified Purchasers or (B) entities that are beneficially owned exclusively by one or more Qualified Purchasers. See "Description of the Securities—Form, Denomination and Registration of the Securities" and "Transfer Restrictions."

Payments on the Securities:

Payment Dates	The 20th day of January, April, July and October of each year (or, if such day is not a Business Day, the next succeeding Business Day), commencing in April 2016, and each Redemption Date (other than a Partial Redemption Date or a Re-Pricing Redemption Date).
Stated Note Interest	Interest on the Rated Notes is payable in arrears on each Payment Date in accordance with the Priority of Payments described herein.
Deferral of Interest	So long as one or more Priority Classes is Outstanding, to the extent interest is not paid on any Class of Deferred

	Interest Notes on any Payment Date, such non-payment will not constitute an Event of Default under the Indenture and such amounts will be deferred and added to the principal balance of the applicable Class of Rated Notes and will bear interest at the Interest Rate applicable to such Class of Rated Notes, until the earliest of (i) the Payment Date on which funds are available to pay such Deferred Interest in accordance with the Priority of Payments, (ii) the Redemption Date with respect to the applicable Class of Rated Notes and (iii) the Stated Maturity of the applicable Class of Rated Notes. Regardless of whether any Priority Class is Outstanding, to the extent that funds are not available on any Payment Date (other than the Redemption Date with respect to, or Stated Maturity of, the applicable Class of Rated Notes) to pay Deferred Interest on the applicable Class of Deferred Interest Notes, such Deferred Interest will not be due and payable on such Payment Date and any failure to pay such Deferred Interest on such Payment Date will not be an Event of Default under the Indenture. See "Description of the Securities—Interest on the Rated Notes."
Distributions on Subordinated Notes	The Subordinated Notes will not bear a stated rate of interest but will be entitled to receive distributions on each Payment Date if and to the extent funds are available for such purpose. Payments will be made on the Subordinated Notes only pursuant to the Priority of Payments. See "—Priority of Payments."
	Subject to certain conditions, funds on deposit in the Distribution Reserve Account will be paid as a *pro rata* distribution to one or more holders of Subordinated Notes on each Interim Subordinated Notes Payment Date as described under "Security for the Notes—The Distribution Reserve Account."
Distributions on Combination Securities	On each Payment Date on which payments are made on any Underlying Class, a portion of such payments will be allocated to the Combination Securities in the proportion that the Aggregate Outstanding Amount of the related Component bears to the Aggregate Outstanding Amount of that Underlying Class as a whole (including the related Components). The Combination Securities will be entitled to no other payments. See "Description of the Securities—Priority of Payments" and "Description of the Securities—The Combination Securities—Distributions on the Combination Securities."
Reinvestment Period:	The "Reinvestment Period" will be the period from and including the Closing Date to and including the earliest of (i) the Payment Date in October 2020, (ii) any date on which the maturity of any Class of Rated Notes is accelerated following an Event of Default pursuant to the Indenture (*provided* that if the Reinvestment Period is terminated pursuant to this clause (ii) and such acceleration is subsequently rescinded, then the Reinvestment Period will be reinstated), (iii) the end of the final Collection

	Period preceding an Optional Redemption (other than a Refinancing), a Tax Redemption or a Clean-Up Call Redemption in whole of the Notes and (iv) any date on which the Collateral Manager reasonably determines that it can no longer reinvest in additional Collateral Obligations in accordance with the Indenture or the Collateral Management Agreement (*provided* that, in the case of this clause (iv), the Collateral Manager notifies the Issuer, the Trustee (who shall notify the Holders and Fitch) and the Collateral Administrator thereof at least five Business Days prior to such date).
Redemption:	
Non-Call Period	During the period from the Closing Date to but excluding the Payment Date in October 2018 (such period, the "Non-Call Period"), the Securities are not subject to Optional Redemption, but are subject to Special Redemption and Tax Redemption. See "Description of the Securities—Optional Redemption and Tax Redemption."
Optional Redemption	The Issuer will, on any Business Day occurring after the Non-Call Period, upon receipt of the Required Redemption Direction, redeem (a) all of the Rated Notes (in whole but not in part) from Sale Proceeds and/or Refinancing Proceeds or (b) one or more (but fewer than all) Classes of Rated Notes (in whole but not in part) from Refinancing Proceeds and Partial Redemption Interest Proceeds. Upon receipt of a direction of an Optional Redemption of all of the Rated Notes, the Collateral Manager will (unless Refinancing Proceeds are available) direct the sale (and the manner thereof) of Assets in order to make payments as described under "Description of the Securities—Optional Redemption and Tax Redemption." The Issuer may redeem the Subordinated Notes (in whole but not in part) on any Business Day occurring on or after the date of the Optional Redemption or repayment of the Rated Notes in full at the direction of a Majority of the Subordinated Notes. The Combination Securities will be redeemed on any Redemption Date to the extent that each Underlying Class is redeemed. There are certain other restrictions on the ability of the Issuer to effect an Optional Redemption. See "Description of the Securities—Optional Redemption and Tax Redemption."
Refinancing	In addition to (or in lieu of) a sale of Collateral Obligations and/or Eligible Investments in the manner described above, on any Business Day occurring after the Non-Call Period, upon receipt of the Required Redemption Direction, the Issuer will, subject to the restrictions described herein, redeem (a) all of the Rated Notes (in whole but not in part) from Refinancing Proceeds and Sale Proceeds or (b) one or

	more (but fewer than all) Classes of Rated Notes (in whole but not in part) from Refinancing Proceeds and Partial Redemption Interest Proceeds, in each case by obtaining a loan from one or more financial or other institutions or by issuing replacement notes, whose terms in each case will be negotiated by the Collateral Manager on behalf of the Issuer (any such redemption and refinancing, a "Refinancing"); *provided* that the terms of such Refinancing must be acceptable to the Collateral Manager and a Majority of the Subordinated Notes and such Refinancing must otherwise satisfy the Refinancing Conditions. No such Refinancing will be effective unless the Refinancing Proceeds are applied to repay the aggregate Redemption Prices of the Class or Classes being redeemed. See "Description of the Securities—Optional Redemption and Tax Redemption."
Tax Redemption	The Securities shall be redeemed in whole but not in part at the written direction (delivered to the Trustee) of (x) a Majority of any Class of Rated Notes that, as a result of the occurrence of a Tax Event, has not received 100% of the aggregate amount of principal and interest that would otherwise be due and payable to such Class on any Payment Date (each such Class, an "Affected Class") or (y) a Majority of the Subordinated Notes, in either case, following the occurrence and continuation of a Tax Event.
Clean-Up Call Redemption	At the written direction of the Collateral Manager to the Issuer and the Trustee, so long as a Majority of the Subordinated Notes has not objected within five Business Days of notice of the proposed redemption, each Class of Outstanding Rated Notes will be redeemed by the Issuer, in whole but not in part, at its Redemption Price, on any Payment Date after the Non-Call Period on which the Collateral Principal Amount is less than 15.0% of the Target Initial Par Amount, subject to certain conditions described in "Description of the Securities—Clean-Up Call Redemption."
Redemption Prices	The Redemption Price for any Rated Notes to be redeemed in an Optional Redemption, a Tax Redemption or a Clean-Up Call Redemption or in connection with a Re-Pricing will be (x) 100% of the Aggregate Outstanding Amount of such Notes, *plus* (y) accrued and unpaid interest thereon (including interest on any accrued and unpaid Deferred Interest, in the case of Deferred Interest Notes) to the Redemption Date or Re-Pricing Redemption Date; *provided* that Holders of 100% of the Aggregate Outstanding Amount of any Class of Rated Notes may elect to receive less than 100% of the Redemption Price that would otherwise be payable to the Holders of such Class of Rated Notes and such lesser amount will constitute the Redemption Price with respect to such Class. The Redemption Price for the Subordinated Notes will be the proceeds of the Assets remaining after giving effect to the redemption or repayment of the Rated Notes and the

	payment in full of (and/or creation of a reserve for) all expenses (including all Management Fees and Administrative Expenses) of the Co-Issuers. The Combination Securities will be redeemed by allocation of the Redemption Price of each Underlying Class.
Special Redemption:	
Reinvestment Period Special Redemption	The Rated Notes will be subject to redemption in part by the Issuer in accordance with the priorities set forth in the Priority of Principal Proceeds on any Payment Date occurring during the Reinvestment Period if the Collateral Manager notifies the Trustee that it has been unable, for a period of at least 30 consecutive Business Days, to identify additional Collateral Obligations that are deemed appropriate by the Collateral Manager and which would meet the criteria for reinvestment described under "Security for the Notes—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria" in sufficient amounts to permit the investment or reinvestment of all or a portion of the funds then in the Collection Account that are to be invested in additional Collateral Obligations. Any such notice shall be based upon the Collateral Manager having attempted, in accordance with the standard of care set forth in the Collateral Management Agreement, to identify additional Collateral Obligations as described above. See "Description of the Securities—Special Redemption."
Effective Date Special Redemption	In connection with the Effective Date, the Issuer may redeem the Rated Notes in part if the Collateral Manager notifies the Trustee that a redemption is required in order to obtain Rating Agency Confirmation from Moody's (unless the Moody's Effective Date Rating Condition is satisfied) in connection with the Effective Date rating confirmation procedure described under "Use of Proceeds—Effective Date." See "Description of the Securities—Special Redemption." The Issuer must satisfy certain other conditions to effect a Special Redemption. See "Description of the Securities—Special Redemption."
Special Redemption Amount	The amount payable in connection with a Special Redemption in respect of each Class of Rated Notes subject to such Special Redemption will be equal to the amount in the Collection Account representing (1) in the case of a Special Redemption during the Reinvestment Period, Principal Proceeds which the Collateral Manager has determined cannot be reinvested in additional Collateral Obligations or (2) in the case of a Special Redemption in connection with the Effective Date, all Interest Proceeds and all other Principal Proceeds available in accordance with the Priority of Payments. In the case of clause (2), such amounts will be used for application in accordance with the Note Payment Sequence in an amount

	required to obtain Rating Agency Confirmation from Moody's (unless the Moody's Effective Date Rating Condition is satisfied) in connection with the Effective Date.
Re-Pricing	On any Business Day occurring after the Non-Call Period, at the direction of a Majority of the Subordinated Notes, the Issuer will reduce the Interest Rate with respect to any Class of Re-Pricing Eligible Notes. The Holders of the proposed Re-Priced Class will be provided notice of the Re-Pricing and the opportunity to consent thereto. The Notes of a proposed Re-Priced Class held by Holders that do not consent to such Re-Pricing will be required to be sold by such Holders at the applicable Redemption Price to transferees designated by, or on behalf of, the Issuer. In connection with a Re-Pricing, the Issuer may redeem Notes of the Re-Priced Class held by Non-Consenting Holders from the proceeds of Re-Pricing Replacement Notes and Partial Redemption Interest Proceeds (a "Re-Pricing Redemption"). If 100% of a proposed Re-Priced Class is being redeemed in a Re-Pricing Redemption and Rating Agency Confirmation has been obtained with respect to each Junior Class, Re-Pricing Replacement Notes may be issued either as Fixed Rate Notes or Floating Rate Notes. Any Re-Pricing is subject to the Re-Pricing Conditions. See "Description of the Securities—Re-Pricing."
Additional Issuance:	The Co-Issuers or the Issuer, as applicable, may issue and sell additional notes and use the net proceeds to purchase additional Collateral Obligations or, solely in the case of Additional Subordinated Notes Proceeds, for a Permitted Use if the conditions for such additional issuance described under "Description of the Securities—The Indenture—Additional Issuance" are satisfied. Additional Securities in the form of replacement notes may also be issued in connection with a Refinancing subject to the requirements described under "Description of the Securities—Optional Redemption and Tax Redemption—Refinancing."
Priority of Payments:	
Interest Proceeds	On each Payment Date, unless an Enforcement Event has occurred and is continuing, Interest Proceeds that are transferred to the Payment Account will be applied in the following order of priority (the "Priority of Interest Proceeds"): (A) (1) *first*, to the payment of taxes, governmental fees and registered office fees owing by the Issuer or the Co-Issuer, if any, and (2) *second*, to the payment of the accrued and unpaid Administrative Expenses, in the priority stated in the definition thereof, up to the Administrative Expense Cap; provided that on any Payment Date, the Collateral Manager may, in its discretion, direct the Trustee to deposit to the

Ongoing Expense Smoothing Account an amount equal to the lesser of (x) the Ongoing Expense Smoothing Shortfall and (y) the Ongoing Expense Excess Amount;

(B) to the payment of the Base Management Fee due and payable (including any accrued and unpaid interest thereon) to the Collateral Manager; *provided* that such accrued and unpaid interest shall be paid solely to the extent that, after giving effect on a *pro forma* basis to such payment, sufficient Interest Proceeds remain to pay in full all amounts due under clauses (C), (D), (E) and (F) below;

(C) to the payment, *pro rata* based upon amounts due, of (i) the accrued and unpaid interest on the Class X Notes and (ii) the accrued and unpaid interest on the Class A-1 Notes;

(D) to the payment, *pro rata* based upon amounts due, of (i) the accrued and unpaid interest on the Class A-2A Notes and (ii) the accrued and unpaid interest on the Class A-2B Notes;

(E) on each Payment Date on and after the fourth Payment Date, to the payment of principal of the Class X Notes until such amount has been paid in full;

(F) if either of the Class A Coverage Tests is not satisfied on the related Determination Date, to make payments in accordance with the Note Payment Sequence to the extent necessary to cause all Class A Coverage Tests that are applicable on such Payment Date to be satisfied on a *pro forma* basis after giving effect to all payments pursuant to this clause (F);

(G) to the payment of accrued and unpaid interest (excluding Deferred Interest, but including interest on Deferred Interest) on the Class B Notes;

(H) to the payment of any Deferred Interest on the Class B Notes;

(I) if either of the Class B Coverage Tests is not satisfied on the related Determination Date, to make payments in accordance with the Note Payment Sequence to the extent necessary to cause all Class B Coverage Tests that are applicable on such Payment Date to be satisfied on a *pro forma* basis after giving effect to all payments pursuant to this clause (I);

(J) to the payment of accrued and unpaid interest (excluding Deferred Interest, but including interest on Deferred Interest) on the Class C Notes;

(K) to the payment of any Deferred Interest on the Class C Notes;

(L) if either of the Class C Coverage Tests is not satisfied on the related Determination Date, to make payments in accordance with the Note Payment Sequence to the extent necessary to cause all Class C Coverage Tests that are applicable on such Payment Date to be satisfied on a *pro forma* basis after giving effect to all payments pursuant to this clause (L);

(M) to the payment of accrued and unpaid interest (excluding Deferred Interest, but including interest on Deferred Interest) on the Class D Notes;

(N) to the payment of any Deferred Interest on the Class D Notes;

(O) if either of the Class D Coverage Tests is not satisfied on the related Determination Date, to make payments in accordance with the Note Payment Sequence to the extent necessary to cause all Class D Coverage Tests that are applicable on such Payment Date to be satisfied on a *pro forma* basis after giving effect to all payments pursuant to this clause (O);

(P) to the payment of accrued and unpaid interest (excluding Deferred Interest, but including interest on Deferred Interest) on the Class E Notes;

(Q) to the payment of any Deferred Interest on the Class E Notes;

(R) if Rating Agency Confirmation has not been obtained from Moody's (unless the Moody's Effective Date Rating Condition is satisfied), amounts available for distribution pursuant to this clause (R) shall be applied (1) to the purchase of additional Collateral Obligations or (2) in accordance with the Note Payment Sequence on such Payment Date, at the option of the Collateral Manager, in an amount required to obtain Rating Agency Confirmation;

(S) during the Reinvestment Period only, if the Interest Diversion Test is not satisfied on the related Determination Date, the lesser of (x) 50% of the Interest Proceeds then available and (y) the amount required to cause such test to be satisfied shall be applied to the purchase of additional Collateral Obligations or for deposit into the Collection Account as Principal Proceeds for investment in Eligible Investments pending the purchase of additional Collateral Obligations at a later date;

(T) (1) on the first Payment Date, to the payment of principal of the Class X Notes in an amount equal to the lesser of (x) the Aggregate Outstanding Amount of the Class X Notes and (y) an amount to be determined at the discretion of the Collateral Manager, (2) on the second Payment Date, to the payment of principal of the Class X Notes in an

amount equal to the lesser of (x) the Aggregate Outstanding Amount of the Class X Notes and (y) the greater of (a) the amount necessary to reduce the Aggregate Outstanding Amount of the Class X Notes to U.S$1,175,000 and (b) an amount to be determined at the discretion of the Collateral Manager and (3) on the third Payment Date, to the payment of principal of the Class X Notes in an amount equal to the lesser of (x) the Aggregate Outstanding Amount of the Class X Notes and (y) the greater of (a) the amount necessary to reduce the Aggregate Outstanding Amount of the Class X Notes to U.S.$600,000 and (b) an amount to be determined at the discretion of the Collateral Manager;

(U) to the payment of any indemnities due to the Trustee under the Indenture not paid pursuant to clause (A)(2) above due to the limitation contained therein, in an amount equal to the lesser of (x) the amount of such unpaid indemnities and (y) the excess, if any, of (1) U.S.$100,000 over (2) the aggregate amount of all payments made prior to such Payment Date pursuant to this clause (U);

(V) to the payment to the Collateral Manager of (1) *first*, the Subordinated Management Fee due and payable on such Payment Date and (2) *second*, at the election of the Collateral Manager or a Majority of the Subordinated Notes, any Cumulative Deferred Subordinated Fee (including any accrued and unpaid interest thereon);

(W) to the payment (in the same manner and order of priority stated in the definition thereof) of any Administrative Expenses not paid pursuant to clause (A)(2) above due to the Administrative Expense Cap;

(X) at the direction of the Collateral Manager, for deposit into the Supplemental Reserve Account, all or a portion of remaining Interest Proceeds after application of Interest Proceeds pursuant to clauses (A) through (W) above, subject to satisfaction of the Supplemental Reserve Condition;

(Y) to pay the Holders of the Subordinated Notes until the Subordinated Notes have realized the Incentive Management Fee Target Return; and

(Z) any remaining Interest Proceeds to be paid (x) 20% to the Collateral Manager as part of the Incentive Management Fee payable on such Payment Date; and (y) 80% to the Holders of the Subordinated Notes.

Principal Proceeds

On each Payment Date, unless an Enforcement Event has occurred and is continuing, Principal Proceeds that are transferred to the Payment Account will be applied in the following order of priority (the "Priority of Principal Proceeds"):

(A) to pay the amounts referred to in clauses (A) through (E) of the Priority of Interest Proceeds (in the same manner and order of priority stated therein), but only to the extent not paid in full thereunder;

(B) to pay the amounts referred to in clause (F) of the Priority of Interest Proceeds, but only to the extent not paid in full thereunder and to the extent necessary to cause the Class A Coverage Tests that are applicable on such Payment Date to be met as of the related Determination Date on a *pro forma* basis after giving effect to any payments made through this clause (B);

(C) to pay the amounts referred to in clause (I) of the Priority of Interest Proceeds, but only to the extent not paid in full thereunder and to the extent necessary to cause the Class B Coverage Tests that are applicable on such Payment Date to be met as of the related Determination Date on a *pro forma* basis after giving effect to any payments made through this clause (C);

(D) to pay the amounts referred to in clause (L) of the Priority of Interest Proceeds, but only to the extent not paid in full thereunder and to the extent necessary to cause the Class C Coverage Tests that are applicable on such Payment Date to be met as of the related Determination Date on a *pro forma* basis after giving effect to any payments made through this clause (D);

(E) to pay the amounts referred to in clause (O) of the Priority of Interest Proceeds, but only to the extent not paid in full thereunder and to the extent necessary to cause the Class D Coverage Tests that are applicable on such Payment Date to be met as of the related Determination Date on a *pro forma* basis after giving effect to any payments made through this clause (E);

(F) to pay the amounts referred to in clause (G) of the Priority of Interest Proceeds, but only to the extent not paid in full thereunder and to the extent that the Class B Notes are or become the Controlling Class on such Payment Date;

(G) to pay the amounts referred to in clause (H) of the Priority of Interest Proceeds, but only to the extent not paid in full thereunder and to the extent that the Class B Notes are or become the Controlling Class on such Payment Date;

(H) to pay the amounts referred to in clause (J) of the Priority of Interest Proceeds, but only to the extent not paid in full thereunder and to the extent that the Class C Notes are or become the Controlling Class on such Payment Date;

(I) to pay the amounts referred to in clause (K) of the Priority of Interest Proceeds, but only to the extent not paid in full thereunder and to the extent that the Class C Notes are or become the Controlling Class on such Payment Date;

(J) to pay the amounts referred to in clause (M) of the Priority of Interest Proceeds, but only to the extent not paid in full thereunder and to the extent that the Class D Notes are or become the Controlling Class on such Payment Date;

(K) to pay the amounts referred to in clause (N) of the Priority of Interest Proceeds, but only to the extent not paid in full thereunder and to the extent that the Class D Notes are or become the Controlling Class on such Payment Date;

(L) to pay the amounts referred to in clause (P) of the Priority of Interest Proceeds, but only to the extent not paid in full thereunder and to the extent that the Class E Notes are or become the Controlling Class on such Payment Date;

(M) to pay the amounts referred to in clause (Q) of the Priority of Interest Proceeds, but only to the extent not paid in full thereunder and to the extent that the Class E Notes are or become the Controlling Class on such Payment Date;

(N) (1) if such Payment Date is a Redemption Date (other than in respect of a Special Redemption, Partial Redemption or Re-Pricing Redemption), to make payments in accordance with the Note Payment Sequence, and (2) if such Payment Date is a Redemption Date in respect of a Special Redemption, to make payments in the amount, if any, of the Principal Proceeds that the Collateral Manager has determined cannot be practicably reinvested in additional Collateral Obligations, in accordance with the Note Payment Sequence;

(O) (1) during the Reinvestment Period, to the Principal Collection Account for the purchase of additional Collateral Obligations and (2) after the Reinvestment Period, as designated by the Collateral Manager in the case of Post-Reinvestment Investable Proceeds, to the Principal Collection Account for the purchase of additional Collateral Obligations so long as the Collateral Manager reasonably believes that it will be able to reinvest such Post-Reinvestment Investable Proceeds in accordance with the Post-Reinvestment Period Criteria;

(P) to make payments in accordance with the Note Payment Sequence;

(Q) to pay the amounts referred to in clause (U) of the Priority of Interest Proceeds only to the extent not already paid;

(R) to pay the amounts referred to in clause (V) of the Priority of Interest Proceeds only to the extent not already paid;

(S) to pay the amounts referred to in clause (W) of the Priority of Interest Proceeds only to the extent not already paid (in the same manner and order of priority stated therein);

(T) after giving effect to clause (Y) of the Priority of Interest Proceeds, to pay the Holders of the Subordinated Notes until the Subordinated Notes have realized the Incentive Management Fee Target Return; and

(U) any remaining proceeds to be paid (x) 20% to the Collateral Manager as part of the Incentive Management Fee payable on such Payment Date; and (y) 80% to the Holders of the Subordinated Notes.

Special Priority of Payments

If an acceleration of the maturity of the Notes has occurred following an Event of Default and such acceleration has not been rescinded or annulled, or if the Rated Notes have become due and payable at Stated Maturity or on any Redemption Date and shall remain unpaid (either such event, an "Enforcement Event"), on each date or dates fixed by the Trustee, proceeds in respect of the Assets will be applied in the following order of priority (the "Special Priority of Payments"):

(A) (1) *first*, to the payment of taxes, governmental fees and registered office fees owing by the Issuer or the Co-Issuer, if any, and (2) *second*, to the payment of the accrued and unpaid Administrative Expenses, in the priority stated in the definition thereof, up to the Administrative Expense Cap (provided that following the commencement of liquidation of the Assets, the Administrative Expense Cap shall be disregarded);

(B) to the payment of the Base Management Fee due and payable (including any accrued and unpaid interest thereon) to the Collateral Manager;

(C) to the payment, *pro rata* based upon amounts due, of (i) the accrued and unpaid interest on the Class X Notes and (ii) the accrued and unpaid interest on the Class A-1 Notes;

(D) to the payment, *pro rata* based upon their respective Aggregate Outstanding Amounts, of (i) principal of the Class X Notes and (ii) principal of the Class A-1 Notes;

(E) to the payment, *pro rata* based upon amounts due, of (i) the accrued and unpaid interest on the Class A-2A Notes and (ii) the accrued and unpaid interest on the Class A-2B Notes;

(F) to the payment, *pro rata* based upon their respective Aggregate Outstanding Amounts, of (i) principal of the Class A-2A Notes and (ii) principal of the Class A-2B Notes;

(G) to the payment of accrued and unpaid interest (excluding Deferred Interest, but including interest on Deferred Interest) on the Class B Notes;

(H) to the payment of any Deferred Interest on the Class B Notes;

(I) to the payment of principal of the Class B Notes;

(J) to the payment of accrued and unpaid interest (excluding Deferred Interest, but including interest on Deferred Interest) on the Class C Notes;

(K) to the payment of any Deferred Interest on the Class C Notes;

(L) to the payment of principal of the Class C Notes;

(M) to the payment of accrued and unpaid interest (excluding Deferred Interest, but including interest on Deferred Interest) on the Class D Notes;

(N) to the payment of any Deferred Interest on the Class D Notes;

(O) to the payment of principal of the Class D Notes;

(P) to the payment of accrued and unpaid interest (excluding Deferred Interest, but including interest on Deferred Interest) on the Class E Notes;

(Q) to the payment of any Deferred Interest on the Class E Notes;

(R) to the payment of principal of the Class E Notes;

(S) to the payment of any indemnities due to the Trustee under the Indenture not paid pursuant to clause (A)(2) above due to the limitation contained therein, in an amount equal to the lesser of (x) the amount of such unpaid indemnities and (y) the excess, if any, of (1) U.S.$100,000 over (2) the aggregate amount of all payments made prior to such Payment Date pursuant to this clause (S);

(T) to the payment of the Subordinated Management Fee due and payable (including any accrued and unpaid interest thereon) to the Collateral Manager;

(U) to the payment of (in the same manner and order of priority stated in the definition thereof) any Administrative Expenses not paid pursuant to clause (A)(2) above due to the Administrative Expense Cap;

(V) to pay the Holders of the Subordinated Notes until the Subordinated Notes have realized the Incentive Management Fee Target Return; and

(W) to pay the balance to the Collateral Manager and the Holders of the Subordinated Notes, such balance to be allocated as follows: (x) 20% to the Collateral Manager as the Incentive Management Fee payable on such Payment Date; and (y) 80% to the Holders of the Subordinated Notes.

Partial Redemption

On any Partial Redemption Date or Re-Pricing Redemption Date, Refinancing Proceeds or the proceeds of Re-Pricing Replacement Notes, as the case may be, and Partial Redemption Interest Proceeds will be distributed in the following order of priority (the "Priority of Partial Redemption Proceeds"):

(A) to pay the Redemption Price (without duplication of any payments received by the Holders of the Notes being redeemed pursuant to the Priority of Interest Proceeds, the Priority of Principal Proceeds or the Special Priority of Payments) of the Notes being redeemed in accordance with the Note Payment Sequence;

(B) to pay Administrative Expenses related to the Refinancing or the Re-Pricing; and

(C) any remaining proceeds will be deposited in the Interest Collection Account as Interest Proceeds.

The Priority of Interest Proceeds, the Priority of Principal Proceeds, the Special Priority of Payments and the Priority of Partial Redemption Proceeds are referred to collectively as the "Priority of Payments."

Note Payment Sequence

The "Note Payment Sequence" shall be the application, in accordance with the Priority of Payments described above, of Interest Proceeds or Principal Proceeds, as applicable, in the following order:

(A) to the payment, *pro rata* based upon their respective Aggregate Outstanding Amounts, of (i) principal of the Class X Notes and (ii) principal of the Class A-1 Notes, until such amounts have been paid in full;

(B) to the payment, *pro rata* based upon their respective Aggregate Outstanding Amounts, of (i) principal of the Class A-2A Notes and (ii) principal of the Class A-2B Notes, until such amounts have been paid in full;

(C) to the payment of accrued and unpaid interest (including any interest on Deferred Interest or defaulted interest) on the Class B Notes until such amount has been paid in full;

(D) to the payment of Deferred Interest in respect of the Class B Notes until such amount has been paid in full;

(E) to the payment of principal of the Class B Notes until such amount has been paid in full;

(F) to the payment of accrued and unpaid interest (including any interest on Deferred Interest or defaulted interest) on the Class C Notes until such amount has been paid in full;

(G) to the payment of Deferred Interest in respect of the Class C Notes until such amount has been paid in full;

(H) to the payment of principal of the Class C Notes until such amount has been paid in full;

(I) to the payment of accrued and unpaid interest (including any interest on Deferred Interest or defaulted interest) on the Class D Notes until such amount has been paid in full;

(J) to the payment of Deferred Interest in respect of the Class D Notes until such amount has been paid in full;

(K) to the payment of principal of the Class D Notes until such amount has been paid in full;

(L) to the payment of accrued and unpaid interest (including any interest on Deferred Interest or defaulted interest) on the Class E Notes until such amount has been paid in full;

(M) to the payment of Deferred Interest in respect of the Class E Notes until such amount has been paid in full; and

(N) to the payment of principal of the Class E Notes until such amount has been paid in full.

Management Fees:

The Collateral Manager will be entitled on each Payment Date to receive (i) a Base Management Fee equal to 0.15% per annum of the Fee Basis Amount, (ii) a Subordinated Management Fee equal to 0.35% per annum of the Fee Basis Amount and (iii) an Incentive Management Fee in an amount equal to 20% of any remaining Interest Proceeds and Principal Proceeds after the Subordinated Notes have realized the Incentive Management Fee Target Return in accordance with the Priority of Payments, calculated as described under "The Collateral Management Agreement."

On any Payment Date, the Collateral Manager may, in its sole discretion, waive or defer all or a portion of its Subordinated Management Fee and such amount may, at the sole option of the Collateral Manager, be (i) distributed as Interest Proceeds on such Payment Date, (ii) deposited into the Interest Collection Account as Interest Proceeds, (iii) deposited into the Principal Collection Account as Principal Proceeds or (iv) applied by the Issuer at the discretion of and as directed by the Collateral Manager for a Permitted Use. See "The Collateral Management Agreement."

Security for the Notes:

General

The Notes will be secured by the Assets, which include the various accounts pledged under the Indenture. In purchasing and selling Collateral Obligations, the Issuer will generally be required to meet certain requirements imposed by the Concentration Limitations, the Collateral Quality Test, the Coverage Tests and the Investment Criteria. Substantially all of the Collateral Obligations will be rated below investment grade and accordingly will have greater credit and liquidity risk than investment grade corporate obligations. See "Risk Factors—Relating to the Collateral—Below Investment Grade Debt Obligations." The initial portfolio of Collateral Obligations will be purchased and/or refinanced through the application of the proceeds of the sale of the Notes. See "Security for the Notes—Collateral Obligations." Pending investment in such Collateral Obligations, a portion of such net proceeds will be invested in Eligible Investments.

Each Collateral Obligation will be required to satisfy the criteria set forth in "Security for the Notes—Collateral Obligations."

Supplemental Reserve Account

On each Payment Date during or after the Reinvestment Period, at the direction of the Collateral Manager, all or a portion of the amounts designated for such purpose pursuant to the Priority of Interest Proceeds will be deposited by the Trustee into the Supplemental Reserve Account, subject to satisfaction of the Supplemental Reserve Condition. Amounts on deposit in the

	Supplemental Reserve Account may be applied by the Issuer at the discretion of and as directed by the Collateral Manager for a Permitted Use. See "Security for the Notes—The Supplemental Reserve Account."
Contributions	At any time during or after the Reinvestment Period, any Holder of Securities may make a contribution of cash to the Issuer (each, a "Contribution" and each such Holder, a "Contributor"). The Collateral Manager, on behalf of the Issuer, may accept or reject any Contribution in its sole discretion except that the Collateral Manager may not reject a Contribution by the Closing Date Subordinated Notes Investor Affiliated Parties. If a Contribution is accepted, it will be received into the Contribution Account and applied by the Collateral Manager on behalf of the Issuer to a Permitted Use as directed by the Contributor at the time such Contribution is made (or, if no such direction is given, at the sole discretion of the Collateral Manager). No Contribution or portion thereof will be returned to the Contributor at any time (other than by operation of the Priority of Payments). See "Security for the Notes—The Contribution Account."
Purchase of Collateral Obligations; Effective Date	The Issuer will use commercially reasonable efforts to purchase, on or before the Effective Date Cut-Off, Collateral Obligations such that the Target Initial Par Condition is satisfied. See "Use of Proceeds—Effective Date." Following receipt of Rating Agency Confirmation from Moody's in connection with the Effective Date (or satisfaction of the Moody's Effective Date Rating Condition), the Collateral Manager may designate Principal Proceeds and any remaining amounts in the Ramp-Up Account as Interest Proceeds so long as the Effective Date Interest Deposit Condition is satisfied. If, on or prior to the first Determination Date following the Effective Date Cut-Off, a Moody's Ramp-Up Failure occurs, the Issuer and the Collateral Manager on its behalf will be required to take the steps described under "Use of Proceeds—Effective Date."
Collateral Obligations	An obligation will be eligible for purchase by the Issuer and will be eligible to be pledged by the Issuer to the Trustee as a "Collateral Obligation" if it is a Senior Secured Loan, a Second Lien Loan or an Unsecured Loan (including, but not limited to, interests in bank loans acquired by way of a purchase or assignment) or Participation Interest therein, in each case that, as of the date the Issuer commits to acquire such obligation: (i) is U.S. Dollar denominated and is neither convertible by the issuer thereof into, nor payable in, any other currency;

(ii) is not a Defaulted Obligation or a Credit Risk Obligation;

(iii) is not a lease (including a finance lease);

(iv) is not a Bond or an Interest Only Security;

(v) provides (in the case of a Delayed Drawdown Collateral Obligation or a Revolving Collateral Obligation, with respect to amounts drawn thereunder) for a fixed amount of principal payable in cash on scheduled payment dates and/or at maturity and does not by its terms provide for earlier amortization or prepayment at a price of less than par;

(vi) does not constitute Margin Stock;

(vii) the Issuer is entitled to receive payments due under the terms of such asset and proceeds from disposing of such asset free and clear of withholding tax, other than (A) withholding tax as to which the obligor or issuer must make additional payments so that the net amount received by the Issuer after satisfaction of such tax is the amount due to the Issuer before the imposition of any withholding tax, (B) withholding tax on (x) amendment, waiver, consent and extension fees and (y) commitment fees and other similar fees in respect of Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations and (C) withholding tax pursuant to FATCA;

(viii) has a Moody's Rating of "Caa3" or higher and an S&P rating of "CCC-" or higher;

(ix) is not a debt obligation whose repayment is subject to substantial non-credit related risk as determined by the Collateral Manager in its reasonable judgment;

(x) except for Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations, is not an obligation pursuant to which any future advances or payments to the borrower or the obligor thereof may be required to be made by the Issuer;

(xi) does not have an "sf" subscript assigned to its rating by S&P;

(xii) is not a Step-Down Obligation, a Zero Coupon Bond, a Synthetic Security or a Structured Finance Obligation;

(xiii) will not require the Issuer, the Co-Issuer or the pool of collateral to be registered as an investment company under the Investment Company Act;

(xiv) is not an Equity Security, is not by its terms convertible into or exchangeable for an Equity Security at the option of either the issuer thereof or the holder and does not have attached warrants to purchase Equity Securities;

(xv) is not the subject of a tender offer, voluntary redemption, exchange offer, conversion or other similar action;

(xvi) has a Minimum Issuance Size at least equal to U.S.$125,000,000;

(xvii) (x) is not a Deferrable Obligation and (y) if a Partial Deferrable Obligation, is not currently in default with respect to the portion of the interest due thereon to be paid in cash on each payment date with respect thereto;

(xviii) does not mature after the Stated Maturity;

(xix) if a Floating Rate Obligation, accrues interest at a floating rate determined by reference to (a) the Dollar prime rate, federal funds rate or LIBOR or (b) a similar interbank offered rate or commercial deposit rate or (c) any other then-customary index;

(xx) is Registered;

(xxi) does not pay interest less frequently than semi-annually;

(xxii) is not a Letter of Credit Reimbursement Obligation and does not include or support a letter of credit;

(xxiii) is not an interest in a grantor trust;

(xxiv) is not a Bridge Loan;

(xxv) is purchased at a price at least equal to 50.0% of its par amount;

(xxvi) is issued by a Non-Emerging Market Obligor;

(xxvii) is issued by an obligor Domiciled in the United States, Canada, a Group I Country, a Group II Country, a Group III Country or a Tax Jurisdiction (which, for clarity, will not include obligations issued by obligors in Greece, Italy, Spain or Portugal); and

(xxviii) is not issued by a sovereign, or by a corporate issuer located in a country, which sovereign or country on the date on which the obligation is acquired by the Issuer imposed foreign exchange controls that effectively limit the availability or use of U.S. Dollars to make when due the scheduled payments of principal thereof and interest thereon.

Collateral Quality Test

The "Collateral Quality Test" will be satisfied on any date of determination on and after the Effective Date if, in the aggregate, the Collateral Obligations owned (or, in relation to a proposed purchase of a Collateral Obligation, proposed to be owned) by the Issuer satisfy each of the applicable tests set forth below (or, after the Effective Date, if an applicable test is not satisfied on such date of determination, the degree of compliance with such test is maintained or improved after giving effect to any purchase or sale effected on such date of determination or the relevant Trading Plan), calculated in each case as required by the Indenture:

(A) the Minimum Floating Spread Test;

(B) the Minimum Weighted Average Coupon Test;

(C) the Maximum Moody's Rating Factor Test;

(D) the Moody's Diversity Test;

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

(F) the Weighted Average Life Test.

Concentration Limitations

The "Concentration Limitations" will be satisfied on any date of determination on or after the Effective Date if, in the aggregate, the Collateral Obligations owned (or, in relation to a proposed purchase of a Collateral Obligation, proposed to be owned) by the Issuer comply with all of the requirements set forth below (or, in relation to a proposed purchase after the Effective Date, if not in compliance, the relevant requirements must be maintained or improved after giving effect to the purchase):

Collateral Type	**Minimum (% of Collateral Principal Amount)**	**Maximum (% of Collateral Principal Amount)**	**Exceptions and Additional Requirements**
Senior Secured Loans and Eligible Investments (including cash)	90.0		
Second Lien Loans and Unsecured Loans, collectively		10.0	

Collateral Type	Minimum (% of Collateral Principal Amount)	Maximum (% of Collateral Principal Amount)	Exceptions and Additional Requirements
Single obligor and Affiliates		2.0	Senior Secured Loans (excluding DIP Collateral Obligations) issued by up to five obligors and their respective Affiliates may each constitute up to 2.5% of the Collateral Principal Amount; *provided* that, for purposes hereof, one obligor will not be considered an Affiliate of another obligor solely because both obligors are controlled by the same financial sponsor
Moody's Rating of "Caa1" and below		7.5	
S&P Rating of "CCC+" and below		7.5	
Interest Paid Less Frequently than Quarterly		7.5	
Fixed Rate Obligations		5.0	
Current Pay Obligations		2.5	
DIP Collateral Obligations		7.5	
Delayed Drawdown/Revolving Collateral Obligations		10.0	
Partial Deferrable Obligations		5.0	
Participation Interests		10.0	Moody's Counterparty Criteria must be satisfied
Moody's Rating based on a Moody's Derived Rating		10.0	
Domicile of Obligor:			
all countries (in the aggregate) other than the United States		20.0	
all countries (in the aggregate) other than the United States and Canada		10.0	
Canada		15.0	
any individual Group I Country		10.0	
any individual Group II Country		7.5	
any individual Group III Country		5.0	
all Group II Countries and Group III Countries in the aggregate		10.0	
all Tax Jurisdictions in the aggregate		5.0	
any individual country other than the United States, the United Kingdom, Canada, the Netherlands, any Group II Country or any Group III Country		3.0	

Collateral Type	Minimum (% of Collateral Principal Amount)	Maximum (% of Collateral Principal Amount)	Exceptions and Additional Requirements
S&P Industry Classification		10.0	up to one industry may represent 15.0%; three others may each represent 12.0%
Step-Up Obligations		2.5	
Cov-Lite Loans		60.0	
Minimum Issuance Size less than U.S.$250,000,000		5.0	

Coverage Tests:

The Coverage Tests will be used primarily to determine whether principal and interest may be paid on the Rated Notes and distributions may be made on the Subordinated Notes or whether funds which would otherwise be used to pay interest on the Deferred Interest Notes and to make distributions on the Subordinated Notes must instead be used to pay principal on one or more Classes of Rated Notes according to the priorities referred to in "—Priority of Payments." The "Coverage Tests" will consist of the Overcollateralization Ratio Test and the Interest Coverage Test (if applicable), each as applied to the specified Classes of Rated Notes.

Measurement of the degree of compliance with the Coverage Tests will be required as of each Measurement Date occurring (i) in the case of the Overcollateralization Ratio Tests, on or after the Effective Date and (ii) in the case of the Interest Coverage Tests, on or after the Determination Date immediately preceding the second Payment Date. If the Coverage Tests are not satisfied on any such Determination Date, the Issuer will be required on the related Payment Date to pay principal of the Rated Notes in accordance with the Priority of Payments to the extent necessary to achieve compliance with such Coverage Tests.

Interest Diversion Test:

The Interest Diversion Test will be used to determine whether funds that would otherwise be used to make distributions on the Subordinated Notes must instead be used during the Reinvestment Period to purchase additional Collateral Obligations.

Other Information:

Listing, Trading and Form of Securities	Application has been made to the Irish Stock Exchange for the Securities to be admitted to the Official List and to trading on its Global Exchange Market. There can be no assurance that any such listing will be maintained. See "Listing and General Information." There is currently no market for any Class of Securities and there can be no assurance that such a market will develop. See "Risk Factors—Relating to the Securities—The Securities will have limited liquidity and are subject to substantial transfer restrictions." Unless such person requests a Certificated Security, (a) Securities sold to persons who are Qualified Institutional Buyers will be represented by Global Securities to be deposited with a custodian for and registered in the name of a nominee of DTC and (b) Securities sold to non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act will be represented by Global Securities to be deposited with a custodian for and registered in the name of a nominee of DTC, for the accounts of Euroclear or Clearstream; however, Issuer Only Securities sold to Benefit Plan Investors or Controlling Persons (other than Benefit Plan Investors or Controlling Persons purchasing on the Closing Date) will be issued as Certificated Securities.
Governing Law	The Securities and the Indenture, and any matters arising out of or relating in any way whatsoever to any of the Securities and the Indenture (whether in contract, tort or otherwise), will be governed by the laws of the State of New York.
Tax Matters	See "Certain U.S. Federal Income Tax Considerations" and "Cayman Islands Income Tax Considerations."
ERISA Considerations	See "Certain ERISA and Related Considerations."

RISK FACTORS

An investment in the Securities involves certain risks. There can be no assurance that the Issuer will not incur losses on the Collateral Obligations or that investors in the Securities will receive a return of any or all of their investment. Prospective investors should carefully consider the following factors, in addition to the matters set forth elsewhere in this Offering Memorandum, prior to investing in the Securities.

General Commercial Risks

General economic conditions may affect the ability of the Co-Issuers to make payments on the Securities

The ability of the Co-Issuers to make payments on the Securities will depend on the general economic climate and the economy. A worsening of economic and business conditions could result in an adverse effect on the business, financial condition or results of operations of the obligors on the Collateral Obligations, an increase in the number of non-performing assets, and a decrease in the value and liquidity of the Collateral Obligations. A decrease in market value of the Collateral Obligations would also adversely affect the Sale Proceeds that could be obtained upon the sale of the Collateral Obligations and could ultimately affect the ability of the Issuer to pay in full or redeem the Rated Notes, as well as the ability to make any distributions in respect of the Subordinated Notes.

Negative economic trends nationally as well as in specific geographic areas of the United States also could result in an increase in loan defaults and delinquencies. An inability of obligors to obtain refinancing (particularly as high levels of required refinancings approach) may result in an economic decline that could delay or derail an economic recovery and cause a deterioration in loan performance generally.

Several nations, particularly within the European Union, are currently suffering from significant economic distress. There can be no assurance as to the resolution of the economic problems in those countries, nor as to whether such problems will spread to other countries or otherwise negatively affect wider economies or markets. A debt default by a sovereign nation or other potential consequences of these economic problems may trigger additional crises in the global credit markets and economy which could have a significant adverse effect on the Issuer and the Securities.

Illiquidity in the leveraged finance market may affect the Collateral Obligations

The financial markets have experienced and may experience from time to time substantial fluctuations in prices for leveraged loans and limited liquidity for such obligations. During periods of higher price volatility or reduced liquidity, the Issuer's ability to acquire or dispose of Collateral Obligations at a price and time that the Issuer deems advantageous may be severely impaired. As a result, in periods of rising market prices, the Issuer may be unable to participate in price increases fully to the extent that it is unable to acquire desired positions quickly; and the Issuer's inability to dispose fully and promptly of positions in declining markets may exacerbate losses suffered by the Issuer when Collateral Obligations are sold. Accordingly, the prices at which Collateral Obligations can be sold by the Issuer may be lower than their purchase price and the Issuer may have difficulty selling Collateral Obligations in the secondary market.

Regardless of current or future market conditions, certain Collateral Obligations will have only a limited trading market (or none). The Issuer's investment in illiquid loans may restrict its ability to dispose of investments in a timely fashion and for a fair price, as well as its ability to take advantage of market opportunities. Illiquid loans may trade at a discount from comparable, more liquid investments.

In addition, lower liquidity levels that have been experienced and likely will be experienced in the future have adversely affected the primary market for a number of financial products, including leveraged loans, which may reduce opportunities for the Issuer to purchase new issuances of Collateral Obligations. The ability of private equity sponsors and leveraged loan arrangers to effectuate new leveraged buy-outs and the ability of the Issuer to purchase such assets may be limited, possibly significantly. The impact of lower liquidity on the global credit markets could adversely affect the management flexibility of the Collateral Manager in relation to the portfolio and, ultimately, the ability of the Issuer to make payments on the Securities.

Information about Benchmark Rates

Regulators and law-enforcement agencies in a number of different jurisdictions have conducted and continue to conduct civil and criminal investigations into potential manipulation or attempted manipulation of LIBOR submissions to the British Bankers' Association. LIBOR is currently being reformed, including (i) the replacement of the British Bankers' Association with ICE Benchmark Administration Ltd. as LIBOR administrator, (ii) a reduction in the number of tenors and currencies for which certain Benchmark Rates are calculated, and (iii) modifications to the administration, submission and calculation procedures, including their regulatory status, in respect of certain Benchmark Rates. Investors should be aware that: (a) any of these changes or any other changes to Benchmark Rates 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; (b) if the applicable rate of interest on any Collateral Obligation is calculated with reference to a tenor or currency which is discontinued, such rate of interest may then be determined by the provisions of the affected Collateral Obligation, which may include determination by the relevant calculation agent in its discretion, or the Collateral Obligation may otherwise be subject to a degree of contractual uncertainty; (c) the administrators of Benchmark Rates will not have any involvement in the Collateral Obligations or the Securities and may take any actions in respect of Benchmark Rates without regard to the effect of such actions on the Collateral Obligations or the Securities; (d) any uncertainty in the value of a Benchmark Rate or, the development of a widespread market view that a Benchmark Rate has been manipulated, or any uncertainty in the prominence of a Benchmark Rate as a benchmark interest rate due to the recent regulatory reform may adversely affect liquidity of the affected Collateral Obligations or the Securities in the secondary market and their market value; and (e) an increase in alternative types of financing in place of Benchmark Rate-based loans (resulting from a decrease in the confidence of borrowers in such rates) may make it more difficult to source Collateral Obligations prior to the Effective Date or reinvest proceeds in Collateral Obligations that satisfy the reinvestment criteria specified herein. Any of the above or any other significant change to the setting of a Benchmark Rate could have a material adverse effect on the value of, and the amount payable under, (i) any Collateral Obligations which pay interest linked to a Benchmark Rate and (ii) the Securities.

See also "—Relating to the Securities—A decrease in LIBOR will lower the interest payable on the Rated Notes and an increase in LIBOR may indirectly reduce the credit support to the Rated Notes."

Relating to the Securities

An investment in the Securities will not be suitable for all investors

Structured investment products like the Securities are complex instruments, and typically involve a high degree of risk and are intended for sale only to sophisticated investors who are capable of understanding and assuming the risks involved. Securities issued in securitization transactions have experienced in the past and may in the future experience historically high volatility and significant fluctuations in market value. Any investor interested in purchasing Securities should conduct its own investigation and analysis of the product and consult its own professional advisers as to the risks involved in making such a purchase.

The Securities will have limited liquidity and are subject to substantial transfer restrictions

Currently, no market exists for the Securities. The Initial Purchaser is not under any obligation to make a market for the Securities. The Securities are illiquid investments. There can be no assurance that any secondary market for any of the Securities will develop, or if a secondary market does develop, that it will provide the Holders of the Securities with liquidity of investment or will continue for the life of the Securities. An investor may exchange its Combination Securities for Notes of each Underlying Class, which will be subject to the liquidity risks and restrictions on transfer of such Classes as described herein. Securities issued in securitization transactions have experienced and may in the future experience volatility and significant fluctuations in market value. Holders of Securities must be prepared to hold such Securities for an indefinite period of time which may be until their Stated Maturity. The Securities will not be registered or qualified under the Securities Act or the securities laws in any state or other jurisdiction. The Co-Issuers have no plans, and are under no obligation, to register or qualify the Securities under the Securities Act or other securities law. As a result, the Securities are subject to certain transfer restrictions and can only be transferred to certain transferees as described herein under "Transfer Restrictions." As described herein, the Issuer may, in the future, impose additional restrictions to comply with changes in applicable law. Such restrictions on the transfer of the Securities may further limit their liquidity.

The Securities are not guaranteed

None of the Transaction Parties or any affiliate thereof makes any assurance, guarantee or representation whatsoever as to the expected or projected success, profitability, return, performance result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) to any investor of ownership of the Securities, and no investor may rely on any such party for a determination of expected or projected success, profitability, return, performance result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) to any investor of ownership of the Securities. Each Holder will be required to represent (or, in the case of Global Securities, deemed to represent), among other things, that it has consulted with its own legal, regulatory, tax, business, investment, financial, and accounting advisors regarding investment in the Securities as it has deemed necessary and that the investment by it is within its powers and authority, is permissible under applicable laws governing such purchase, has been duly authorized by it and complies with applicable securities laws and other laws.

The Initial Purchaser will have no ongoing responsibility for the Assets or the actions of the Collateral Manager or the Issuer

The Initial Purchaser will have no obligation to monitor the performance of the Assets or the actions of the Collateral Manager or the Issuer and will have no authority to advise the Collateral Manager or the Issuer or to direct their actions, which will be solely the responsibility of the Issuer or the Collateral Manager acting on its behalf in accordance with the terms of the Collateral Management Agreement, as the case may be. If the Initial Purchaser owns Securities, it will have no responsibility to consider the interests of any Holders of Securities in actions it takes in such capacity. Although the Merrill Lynch Parties may own a portion of certain Classes of Securities on or after the Closing Date, they will have no obligation to make any investment in any Securities and may sell at any time any Securities it does purchase.

The Notes are limited recourse obligations; investors must rely on available collections from the Collateral Obligations and will have no other source for payment

The Co-Issued Notes (including the related Components of Combination Securities) are limited recourse obligations of the Co-Issuers and the Issuer Only Notes (including the related Components of Combination Securities) are limited recourse liabilities of the Issuer. The Notes are payable solely from the Assets pledged by the Issuer to the Trustee for the benefit of the Holders of the Notes (including the related Components of Combination Securities) and other Secured Parties in accordance with the Priority of Payments. None of the Transaction Parties (other than the Co-Issuers) or any of their respective affiliates or the Co-Issuers' affiliates or any other Person will be obligated to make payments on the Notes. Consequently, Holders of the Notes must rely solely on proceeds of the Assets for payments on the Notes. If proceeds of the Assets are insufficient to make payments on the Notes, no other assets will be available for payment of the deficiency and all obligations of the Co-Issuers and any claims against the Co-Issuers in respect of the Notes will be extinguished and will not revive.

While the Rated Notes are outstanding, Holders of the Subordinated Notes will not generally be entitled to exercise remedies under the Indenture. Distributions to Holders of the Subordinated Notes will be made solely from proceeds of the Assets (if any) remaining after all other payments have been made pursuant to the Priority of Payments.

The subordination of the Notes will affect their right to payment; failure of a court to enforce non-petition obligations will adversely affect Holders

The Class X Notes and the Class A-1 Notes are subordinated to certain amounts payable by the Issuer to other parties as set forth in the Priority of Payments (including taxes, certain Administrative Expenses and the Base Management Fee). Each Junior Class is subordinated on each Payment Date to each Priority Class and, in the case of the Subordinated Notes, unpaid Administrative Expenses and the Subordinated Management Fee, in each case in accordance with the Priority of Payments.

No payments of interest or distributions from Interest Proceeds will be made on any Class of Notes on any Payment Date until interest due on the Notes of each Priority Class has been paid in full, no payments of principal (other than Deferred Interest) will be made on any Class of Notes on any Payment Date until principal of the Notes of each

Priority Class has been paid in full, and Principal Proceeds will be distributed on the Subordinated Notes until all interest on and principal of the Rated Notes has been paid in full. To the extent that any losses are suffered on the Assets, such losses will be borne by holders of the Notes in reverse order of priority, beginning with the Subordinated Notes. Payments on the Deferred Interest Notes are subject to diversion on any Payment Date to pay Priority Classes if Coverage Tests or the Interest Diversion Test are not satisfied on the related Determination Date, and the failure to make such payments will not be an Event of Default.

If an Event of Default has occurred, but the maturity of the Rated Notes has not been accelerated, payments on the Notes will continue to be made under the Priority of Interest Proceeds and the Priority of Principal Proceeds.

If an Enforcement Event occurs and is continuing, the most senior Class will be paid in full before any further payment or distribution is made on Junior Classes in accordance with the Special Priority of Payments. There can be no assurance that, after payment of principal and interest on Priority Classes, the Issuer will have sufficient funds to make payments in respect of any Junior Class.

Each Holder of Securities will agree, or in the case of Global Securities deemed to agree, that it will be subject to non-petition covenants. See "Transfer Restrictions." If such provision failed to be enforced under applicable bankruptcy laws, then the filing or presentation of such a petition could result in certain payments on the Rated Notes prior to such filing being deemed to be preferential transfers subject to avoidance by the bankruptcy trustee or similar official exercising authority. Furthermore, the bankruptcy court, trustee or receiver could liquidate the Assets without regard to any consents or directions required for such liquidation pursuant to the Indenture. If the non-petition covenant is unenforceable or is violated by one or more Holders or beneficial owners, the petitioning owners will be subject to the Bankruptcy Subordination Agreement, unless the court holds that the Bankruptcy Subordination Agreement is not enforceable, including on public policy grounds.

For purposes of subordination, and the benefits and obligations thereof, the Combination Securities will not be treated as a separate class, but each Component of a Combination Security will be treated as Notes of the respective Underlying Class.

Yield considerations on the Subordinated Notes

The yield on the Subordinated Notes will be a function of the purchase price and the timing and amount of distributions in respect of the Subordinated Notes. Each prospective purchaser of Subordinated Notes should make its own evaluation of the yield that it expects to receive on the Subordinated Notes. Prospective investors should be aware that the timing and amount of distributions, if any, will be affected by, among other things, the performance of the Collateral Obligations purchased by the Issuer. Each prospective investor should consider the risk that an Event of Default and other adverse performance may result in no yield or a lower yield on the Subordinated Notes than that anticipated by such investor. In addition, if the Issuer fails any Coverage Test or the Interest Diversion Test as of a Determination Date, all or a portion of amounts that would otherwise be distributed to the Holders of the Subordinated Notes on any Payment Date will be diverted to make payments on Priority Classes. Any such adverse developments could result in the failure of investors to recover all or a portion of their investment in the Subordinated Notes.

The Subordinated Notes are highly leveraged, which increases risks to investors in that Class

The Subordinated Notes represent a highly leveraged investment in the Assets. Therefore, the market value of the Subordinated Notes would be anticipated to be significantly affected by, among other things, changes in the market value of, the level of distributions, prepayments and capital gains and losses on the Assets, defaults and recoveries on the Collateral Obligations and the availability, prices and interest rates of obligations that qualify as Collateral Obligations and other risks associated with the Collateral Obligations as described in "—Relating to the Collateral Obligations." The leveraged nature of the Subordinated Notes may magnify the adverse impact on the Subordinated Notes of such events. Accordingly, the Subordinated Notes may not be paid in full and may be subject to up to 100% loss.

Combination Securities are subject to the risks on the Underlying Classes

Purchasers of Combination Securities are subject to the same risks with respect to each Underlying Class as if they were buying such Class directly.

The Assets may be insufficient to repay the Securities in an Event of Default

It is anticipated that the proceeds received by the Issuer on the Closing Date from the issuance of the Securities, net of certain fees and expenses, will be less than the Aggregate Outstanding Amount of Securities. Consequently, on the Closing Date the liquidation value of the Assets would be insufficient to repay in full all of the Securities.

The Reinvestment Period may terminate early

The Reinvestment Period may terminate early under the circumstances set forth in the definition of Reinvestment Period. Early termination of the Reinvestment Period could adversely affect returns to the Subordinated Notes and may also cause the holders of Securities to receive principal payments earlier than anticipated and at a time when reinvestments that offer the same level of return may not be available.

The Collateral Manager may reinvest after the Reinvestment Period

After the Reinvestment Period, the Collateral Manager may still reinvest Unscheduled Principal Payments and Sale Proceeds of Post-Reinvestment Investable Obligations, subject to certain conditions. Reinvestment after the Reinvestment Period will result in a longer Weighted Average Life of the Rated Notes.

The Notes are subject to redemption

The Notes may be optionally redeemed by the Issuer or the Co-Issuers, including because a Tax Event has occurred, subject to certain conditions. In the event of a redemption, the Holders of the Notes will be repaid prior to the Stated Maturity. There can be no assurance that, upon any such redemption, there will be sufficient proceeds and other available funds for a distribution on the Subordinated Notes after all required payments in accordance with the Priority of Payments. In addition, a redemption could require the Collateral Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the realized value of the Collateral Obligations.

After the Non-Call Period, one or more Classes of Rated Notes may be refinanced or redeemed in connection with a Re-Pricing. A Junior Class of Rated Notes may be refinanced even if a Priority Class of Rated Notes remains outstanding. Holders of Securities that are redeemed may not be able to reinvest their Redemption Price in assets with comparable interest rates or maturity.

The Indenture provides that the Holders of the Subordinated Notes will not have any cause of action against any of the Co-Issuers, the Collateral Manager, the Collateral Administrator or the Trustee for any failure to obtain a Refinancing or successful Re-Pricing.

The Issuer's ability to effect a Refinancing may be impaired or limited as a result of U.S. risk retention requirements. See "—Legislative and regulatory actions in the United States and Europe may adversely affect the Issuer and the Securities—U.S. Risk Retention."

Re-Pricing Eligible Notes are subject to Re-Pricing

On or after the end of the Non-Call Period, if interest rates on investments similar to the Rated Notes fall below current levels, the Issuer may, subject to certain conditions, effect a Re-Pricing of one or more Classes of Re-Pricing Eligible Notes, which will result in the Interest Rate payable with respect to each Re-Priced Class being reduced. Such Re-Pricing could occur at a time when the applicable Rated Notes are trading in the market at a premium, which premium may be reduced or eliminated by the Re-Pricing, and a Re-Pricing may occur at a time when other investments bearing the same rate of interest relative to the level of risk assumed may be difficult or expensive to acquire. See "Description of the Securities—Re-Pricing."

If any Underlying Class is subject to a Re-Pricing and any Holder of Combination Securities is a Non-Consenting Holder in respect of the Re-Pricing, the Combination Securities of such Holder will be exchanged for the Components and the Notes of the Underlying Class subject to the Re-Pricing will be required to be sold by such holders at the applicable Redemption Price to transferees designated by, or on behalf of, the Issuer or may be redeemed by the Issuer.

A U.S. Holder that continues to own a Note following a Re-Pricing of such Note may be deemed, under Section 1001 of the Code, to have exchanged a debt instrument with the characteristics of such Note prior to the Re-Pricing (the "Original Note") for a newly issued debt instrument with the characteristics of such Note after the Re-Pricing (the "New Note"). Therefore, as a result of having so participated in the Re-Pricing, such a U.S. Holder, among other consequences, may be required to recognize taxable gain during the taxable year in which the Re-Pricing occurs as a result of the deemed exchange, and may recognize short term capital gain or loss if it sells, exchanges, retires or otherwise disposes of the New Note within one year after the Re-Pricing, even if such gain or loss otherwise would have been long term capital gain or loss because such U.S. Holder held a Note for more than one year. U.S. Holders should consult their tax advisors regarding the U.S. federal income tax consequences to them of participating in a Re-Pricing.

There can be no assurance that, even if directed, a Re-Pricing will be able to be successfully completed. The Issuer's ability to effect a Re-Pricing may be impaired or limited as a result of U.S. risk retention requirements. See "—Legislative and regulatory actions in the United States and Europe may adversely affect the Issuer and the Securities—U.S. Risk Retention."

The Indenture requires Mandatory Redemption of the Rated Notes

If the Coverage Tests with respect to any Class or Classes of Rated Notes are not satisfied, Interest Proceeds that otherwise would have been paid or distributed to the holders of the Notes of each Deferrable Class or the Subordinated Notes and (during the Reinvestment Period) Principal Proceeds that would otherwise have been reinvested in Collateral Obligations will instead be used to redeem the most senior Priority Class to the extent necessary to satisfy the applicable Coverage Tests under the Priority of Payments. In addition, if the Interest Diversion Test is not satisfied after the Reinvestment Period, Interest Proceeds that otherwise would have been distributed to the holders of the Subordinated Notes will instead be used to redeem the most senior Priority Class to the extent necessary to satisfy such test under the Priority of Payments. This could result in an elimination, deferral or reduction in the payments of Interest Proceeds to the holders of the Junior Classes.

The Rated Notes are subject to Special Redemption at the option of the Collateral Manager or in the event of a Moody's Ramp-Up Failure

The Rated Notes will be subject to redemption in part as a result of a Special Redemption. The application of Principal Proceeds to pay principal on the Rated Notes could result in an elimination, deferral, or reduction of amounts available to make payments on Junior Classes. See "Description of the Securities—Special Redemption." After the Ramp-Up Period, a redemption of the Rated Notes may result from a failure to obtain from each Rating Agency a confirmation of its Initial Rating of each Class of the Rated Notes, to the extent applicable. In the event of an early redemption, the holders of the Rated Notes will be repaid prior to their respective Stated Maturity. Interest Proceeds or Principal Proceeds diverted for this purpose would not be available to make distributions in respect of the Subordinated Notes.

Additional issuances of Notes may have different terms and may have the effect of preventing the failure of the Coverage Tests, the Interest Diversion Test and the occurrence of an Event of Default

At any time during the Reinvestment Period (or, in the case of an issuance of Subordinated Notes only, during or after the Reinvestment Period), the Co-Issuers or the Issuer, as applicable, may issue and sell additional notes of one or more new classes of notes subject to certain conditions. No assurance can be given that the issuance of additional notes having different interest rates than any existing Class of Rated Notes may not adversely affect the Holders of any Class of Securities. In addition, the use of additional issuance proceeds as Principal Proceeds may have the effect of causing a Coverage Test or the Interest Diversion Test that was otherwise failing to be cured or modifying the effect of events that would otherwise give rise to an Event of Default.

Contributions may have the effect of preventing the failure of the Coverage Tests, the Interest Diversion Test and the occurrence of an Event of Default

The Issuer may accept Contributions. Application of a Contribution to repurchase Rated Notes or as Principal Proceeds may have the effect of causing a Coverage Test or the Interest Diversion Test that was otherwise failing to be cured or modifying the effect of events that would otherwise give rise to an Event of Default.

The Controlling Class will control many rights under the Indenture and Holders of the Junior Classes will have limited rights in connection with an Event of Default, Enforcement Event or distributions thereunder

Under the Indenture, many remedies available to holders after an Event of Default will be controlled by the Controlling Class. However, the Controlling Class does not have the right to unilaterally direct the liquidation of the Collateral in all circumstances following an Event of Default. Remedies pursued by the Holders of the Controlling Class after an Event of Default could be adverse to the interests of the Junior Classes and the Controlling Class will have no obligation to consider any possible adverse effect on such other Classes. If an Event of Default has occurred and is continuing, the Holders of the Subordinated Notes will not have any creditors' rights against the Issuer and will not have the right to determine the remedies to be exercised under the Indenture until all Rated Notes have been paid in full. There is no assurance that any funds will remain to make distributions to the Holders of Junior Classes following any liquidation of the Assets and the application of the proceeds in accordance with the Priority of Payments.

The ability of the Controlling Class to direct the sale and liquidation of the Assets is subject to certain limitations. If an Enforcement Event occurs and is continuing, until the Trustee has commenced remedies under the Indenture, the Collateral Manager may continue to direct dispositions and purchases of Collateral Obligations to the extent permitted under the Indenture.

Concentrated Ownership of One or More Classes of Securities

At any time one or more investors that are affiliated hold a Majority of any Class of Securities it may be more difficult for other investors to take certain actions that require consent of any such Classes of Securities. For example, Optional Redemption and the removal of the Collateral Manager for cause and appointment of a successor are at the direction of Holders of specified percentages of Subordinated Notes. It is expected that on the Closing Date one or more affiliated investors will purchase a Majority of the Controlling Class, and one or more affiliated investors will purchase a Majority of the Subordinated Notes.

The Co-Issuers may modify the Indenture by supplemental indentures and some supplemental indentures do not require consent of Holders of Securities or confirmation of the ratings of the Rated Notes

The Indenture provides that the Co-Issuers and the Trustee may enter into supplemental indentures to modify various provisions of the Indenture. In certain cases, consent of holders is not required without regard to whether a Class is materially and adversely affected or is required from less than 100% of the holders of a Class that would be materially and adversely affected by the supplemental indenture. Such supplemental indentures may materially and adversely affect certain holders. In addition, although the Indenture requires notice to the Rating Agencies of proposed supplemental indentures, confirmation of the ratings may not be required.

Amounts deposited into the Supplemental Reserve Account may be used for multiple purposes that may affect the performance of the Securities

A supplemental reserve may be funded under the Priority of Interest Proceeds and deposited into the Supplemental Reserve Account and can be used for any Permitted Use. If such amounts are subsequently treated as Interest Proceeds it may temporarily avoid deferral of interest on Deferred Interest Notes or cause an Interest Coverage Test to pass. If such amounts are subsequently treated as Principal Proceeds and invested into additional Collateral Obligations or repaid to holders of Rated Notes in connection with a Special Redemption, it may have the effect of causing a Coverage Test or the Interest Diversion Test that was otherwise failing to be cured or modifying the effect of events that would otherwise give rise to an Event of Default.

A decrease in LIBOR will lower the interest payable on the Rated Notes and an increase in LIBOR may indirectly reduce the credit support to the Rated Notes

Although the Collateral Obligations will generally bear interest at floating rates based on London interbank offered rates and the amount of Fixed Rate Obligations will be limited, a portion of the Collateral Obligations may be based on other indices, and there will be mismatches between the floating rates applicable to the Collateral Obligations and the rate applicable to the Floating Rate Notes, as well as timing mismatches based on different reset dates or designated maturity for such floating rates and mismatches between the floating rates applicable to the Collateral Obligations. Moreover, the Aggregate Outstanding Amount of Floating Rate Notes and Fixed Rate Notes may be different than the Aggregate Principal Balance of the Floating Rate Obligations and Fixed Rate Obligations, respectively. It is possible that LIBOR payable on the Rated Notes may rise (or fall) during periods in which LIBOR (or another applicable index) with respect to the various Collateral Obligations and Eligible Investments is stable or falling (or rising but capped at a level lower than LIBOR for the Floating Rate Notes).

Some Collateral Obligations may have Libor floor arrangements that may help mitigate this risk but there is no assurance that any such Libor floor will fully mitigate the risk of falling Libor. Moreover, if LIBOR rises during periods in which LIBOR (or another applicable index) with respect to the various Collateral Obligations is stable or during periods in which the Issuer owns Fixed Rate Obligations 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 Obligations 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.

The Issuer will not be permitted to enter into interest rate swap transactions to hedge any interest rate or timing mismatch.

The average lives of the Rated Notes may vary

The average life of each Class of Rated Notes is expected to be shorter than the number of years until the Stated Maturity. Each such average life may vary due to various factors affecting the early retirement of Collateral Obligations from payments, defaults, or otherwise, the timing and amount of sales of such Collateral Obligations, the ability of the Collateral Manager to invest collections and proceeds in additional Collateral Obligations, and the occurrence of any redemption. Retirement of the Collateral Obligations prior to their respective final maturities will depend, among other things, on the financial condition of the obligors on Collateral Obligations and the respective characteristics of such Collateral Obligations, including the existence and frequency of exercise of any optional redemption, mandatory redemption or sinking fund features, the prevailing level of interest rates, the redemption prices, the actual default rates and the actual amount collected on any Defaulted Obligations and the frequency of tender or exchange offers for such Collateral Obligations. In particular, loans are generally prepayable without penalty. The ability of the Issuer to reinvest prepayments in assets with comparable interest rates that satisfy the Investment Criteria may affect the timing and amount of payments received by the Holders of Securities and the yield to maturity of the Securities.

The Issuer and/or payments on the Securities may be subject to tax

An investment in the Securities involves complex tax issues. See "Certain U.S. Federal Income Tax Considerations" for a more detailed discussion of certain tax issues raised by an investment in the Securities.

As discussed in more detail below, the Issuer expects to conduct its affairs so that it will not be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes (including as a result of lending activities). As a consequence, the Issuer expects that its net income will not become subject to U.S. federal income tax. There can be no assurance, however, that the Issuer's net income will not become subject to U.S. federal income tax as a result of unanticipated activities, changes in law, contrary conclusions by the U.S. Internal Revenue Service (the "IRS"), or other causes. If the Issuer were determined to be engaged in a trade or business within the United States for U.S. federal income tax purposes, its income (computed possibly without any allowance for deductions) would be subject to U.S. federal income tax at the usual corporate rate, and possibly to a branch profits tax of 30% as well. The imposition of such taxes would materially affect the Issuer's financial ability to make payments on the Securities, cause the Issuer to sell the relevant Collateral Obligations or constitute a Tax Event that would allow the Issuer to retire Securities in certain circumstances. In addition, if the Issuer creates a Blocker

Subsidiary, the subsidiary's income may be subject to net tax in the United States, and the imposition of such taxes would materially reduce any return from assets held in such subsidiary.

Although the Issuer does not intend to be subject to U.S. federal income tax with respect to its net income, income derived by the Issuer may be subject to withholding or gross income taxes imposed by the United States or other countries. In this regard and subject to certain exceptions, the Issuer may generally acquire a particular Collateral Obligation only if, at the time of commitment to purchase, either the interest payments thereon are not subject to withholding tax or the issuer of the Collateral Obligation is required to make "gross-up" payments. The Issuer may, however, be subject to withholding or gross income taxes in respect of commitment fees, letter of credit fees, facility fees, and other similar fees, as well as with respect to substitute dividend payments, interest and disposition proceeds in respect of U.S. Collateral Obligations issued or materially modified on or after July 1, 2014 (as discussed in more detail below), and such withholding or gross income taxes may not be grossed up.

Notwithstanding the foregoing, there can be no assurance that income derived by the Issuer will not become subject to withholding or gross income taxes as a result of changes in law, contrary conclusions by the IRS, or other causes. In that event, such withholding or gross income taxes could be applied retroactively to fees or other income previously received by the Issuer. To the extent that withholding or gross income taxes are imposed and not paid through withholding, the Issuer may be directly liable to the relevant taxing authority to pay such taxes.

FATCA potentially imposes a withholding tax of 30% on certain payments made to the Issuer, including potentially all interest paid on (and after December 31, 2018, proceeds from the sale or other disposition of) U.S. Collateral Obligations issued or materially modified on or after July 1, 2014, unless the Issuer complies with the Cayman-US IGA. The Cayman-US IGA requires, among other things, that the Issuer or its agent collect and provide to the Cayman Islands Tax Information Authority substantial information regarding certain direct and indirect holders of the Securities. In addition, in some cases, future laws or regulations concerning "foreign passthru payments" (as described below) may require withholding on certain payments to certain holders of Securities. The Issuer intends to comply with its obligations under the Cayman-US IGA. However, in some cases, the ability to avoid such withholding tax will depend on factors outside of the Issuer's control. For example, the Issuer may not be considered to comply with FATCA if more than 50% of the Subordinated Notes (and any other classes of Securities treated as equity for U.S. federal income tax purposes) are owned by a person that is, or is affiliated with, a foreign financial institution that is not compliant with FATCA. The Issuer or its agent will report information to the Cayman Islands Tax Information Authority, which will exchange such information with the IRS under the terms of the Cayman-US IGA. Under the terms of the Cayman-US IGA, withholding will not be imposed on payments made to the Issuer, or on payments made by the Issuer, unless the IRS has specifically listed the Issuer as a non-participating financial institution, the Issuer has otherwise assumed responsibility for withholding under U.S. tax law, or the Issuer cannot comply with FATCA as a result of factors outside of its control, as described above.

In addition, future guidance under FATCA may subject payments on Subordinated Notes (or other classes of Securities that are treated as equity for U.S. federal income tax purposes), and Rated Notes that are materially modified more than six months after the issuance of such future guidance, to a withholding tax of 30% if each foreign financial institution that holds any such Security, or through which any such Security is held, has not entered into an information reporting agreement with the IRS, qualified for an exception from the requirement to enter into such an agreement or complied with the terms of a relevant intergovernmental agreement.

Each owner of an interest in Securities will be required to provide the Issuer and the Trustee or their agents with information necessary to comply with the Cayman-US IGA as discussed above. Owners that do not supply required information, or whose ownership of Securities may otherwise prevent the Issuer from complying with FATCA (for example by causing the Issuer to be affiliated with a non-compliant foreign financial institution), may be subjected to punitive measures, including forced transfer of their Securities. There can be no assurance, however, that these measures will be effective, and that the Issuer and owners of the Securities will not be subject to the noted withholding taxes. The imposition of such taxes could materially affect the Issuer's ability to make payments on the Securities or could reduce such payments. The imposition of withholding taxes in excess of certain thresholds (whether actually imposed or reasonably anticipated) is a Tax Event that allows the Issuer to retire Securities.

The Cayman Islands has also (i) entered into the Cayman-UK IGA with the United Kingdom, which imposes requirements similar to those under the Cayman-US IGA with respect to Holders of Securities who are resident in the United Kingdom for tax purposes and (ii) committed, along with around 50 other countries, to the

implementation of the OECD Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard (the "CRS"). It is anticipated that the Cayman Islands will pass legislation in 2015 to give effect to the CRS, which beginning as early as 2016 will require "financial institutions" to identify, and report information in respect of, specified persons who are resident in the jurisdictions which sign and implement the CRS. As the OECD initiative develops, further inter-governmental agreements may be entered into by the Cayman Islands. Each owner of an interest in Securities will be required to provide the Issuer and the Trustee or their agents with information necessary to comply with such requirements and any legislation or regulations implemented in relation thereto and the failure to do so may result in a forced transfer of the Securities. Prospective investors should consult their own tax advisers regarding the potential implications of FATCA and other similar systems for collecting and reporting account information.

Other than as described above, the Issuer expects that payments on the Securities ordinarily will not be subject to any withholding tax (other than United States backup withholding tax). If the Issuer were determined to be engaged in a trade or business within the United States for U.S. federal income tax purposes, however, and had income effectively connected therewith, then interest paid on the Securities to a non-U.S. holder could be subject to a 30% U.S. withholding tax.

In the event that withholding or deduction of any taxes from payments on the Securities is required by law in any jurisdiction, neither of the Co-Issuers will be under any obligation to make any additional payments in respect of such withholding or deduction.

Upon the occurrence of a Tax Event, whether during or after the Non-Call Period, the Issuer may be directed to cause a redemption of Securities as described under "Description of the Securities—Optional Redemption and Tax Redemption."

The Issuer will be a passive foreign investment company for U.S. federal income tax purposes, which means that a U.S. holder of Subordinated Notes may be subject to adverse tax consequences. Such a U.S. holder may elect to treat the Issuer as a qualified electing fund and to recognize currently its proportionate share of the Issuer's income whether or not distributed to such U.S. holder. In addition, depending on the overall ownership of the Subordinated Notes, a U.S. holder of more than 10% of the Subordinated Notes may be treated as a U.S. shareholder in a controlled foreign corporation and required to recognize currently its proportionate share of the "subpart F income" of the Issuer whether or not distributed to such U.S. holder. A U.S. holder that makes a qualified electing fund election, or that is required to include subpart F income in the event that the Issuer is treated as a controlled foreign corporation, may recognize income in amounts significantly greater than the payments received from the Issuer. Taxable income may exceed cash payments when, for example, the Issuer uses earnings to repay principal on the Securities or accrues income on the Collateral Obligations prior to the receipt of cash or the Issuer discharges its debt at a discount. A U.S. holder that makes a qualified electing fund election or that is required to recognize currently its proportionate share of the subpart F income of the Issuer will be required to include in current income its *pro rata* share of such earnings, income or amounts whether or not the Issuer actually makes any payments to such holder.

The Issuer may form Blocker Subsidiaries that would be subject to tax

To reduce the risk that the Issuer will be engaged in a trade or business within the United States for U.S. federal income tax purposes, in certain circumstances set forth in the Indenture, certain securities or obligations received in an offer may be owned by one or more Blocker Subsidiaries wholly owned by the Issuer that will be treated as either U.S. or foreign corporations for U.S. federal income tax purposes. Any foreign Blocker Subsidiary may be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes and may be subject to U.S. federal income tax (and possibly a 30% branch profits tax) on a net income basis at normal corporate tax rates, and may file U.S. tax returns and reports (or protective U.S. tax returns and reports), and/or the Blocker Subsidiary may be subject to a 30% U.S. withholding tax on some or all of its income. In addition, U.S. holders will not be permitted to use losses recognized by the Blocker Subsidiary to offset gains recognized by the Issuer and may be subject to the adverse passive foreign investment company or controlled foreign corporation rules with respect to the Blocker Subsidiary described under "Certain U.S. Federal Income Tax Considerations—Tax Treatment of U.S. Holders of Subordinated Notes." In the case of a U.S. Blocker Subsidiary, the Blocker Subsidiary would be subject to U.S. federal income tax on a net income basis at normal corporate tax rates, and would be required to file U.S. tax returns and reports. In addition, distributions from the Blocker Subsidiary to the Issuer may be subject to a 30% U.S.

withholding tax. Prospective investors should consult their tax advisors regarding their consequences if the Issuer organizes a Blocker Subsidiary.

Non-compliance with restrictions on ownership of the Securities and the Investment Company Act could adversely affect the Issuer

Neither the Issuer nor the Co-Issuer has registered and the pool of Collateral Obligations has not been and will not be registered with the United States Securities and Exchange Commission ("SEC") as an investment company pursuant to the Investment Company Act, in reliance on an exception under Section 3(c)(7) of the Investment Company Act for investment companies (a) whose outstanding securities are beneficially owned only by "qualified purchasers" and by "knowledgeable employees" with respect to the Issuer and certain transferees thereof identified in Rules 3c-5 and 3c-6 under the Investment Company Act and (b) which do not make a public offering of their securities in the United States.

If the SEC or a court of competent jurisdiction were to find that the Issuer or the Co-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 and the Co-Issuer could sue the Issuer and the Co-Issuer and recover any damages caused by the violation; and (iii) any contract to which the Issuer and/or the Co-Issuer is party that is made in violation of the Investment Company Act or whose performance involves such violation would be unenforceable by any party to the contract 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, such a finding would constitute an Event of Default. Should the Issuer or the Co-Issuer be subjected to any or all of the foregoing, the Issuer and the Co-Issuer and, as a result, the Securities, would be materially and adversely affected.

Legislative and regulatory actions in the United States and Europe may adversely affect the Issuer and the Securities

In response to the downturn in the credit markets and the global economic crisis, various agencies and regulatory bodies of the United States federal government have taken or are considering taking actions to address the financial crisis. These actions include, but are not limited to, the enactment of the Dodd-Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank"), which imposes a new regulatory framework over the U.S. financial services industry and the credit markets in general. Given the broad scope and sweeping nature of these changes and the fact that in some instances final implementing rules and regulations have not yet been adopted, the potential impact of these actions on the Issuer, any of the Securities or any Holders of the Securities is not fully known, and no assurance can be made that the impact of such changes would not have a material adverse effect on the prospects of the Issuer or the value or marketability of the Securities. In particular, to the extent any new changes have retroactive application and affect pre-existing transactions, the costs of compliance with such rules and regulations could have a material adverse effect on the Issuer and the Holders of the Securities. If the Issuer were unable to comply with such rules and regulations (because of excessive cost, unavailability of information or otherwise), an Event of Default could result.

These regulatory changes include, but are not limited to, the following:

Volcker Rule. Section 619 of Dodd-Frank added a provision (commonly referred to as the "Volcker Rule") to federal banking law, which generally prohibits various covered banking entities from engaging in proprietary trading, or from acquiring or retaining an "ownership interest" in, or sponsoring or having certain relationships with, certain private equity or hedge funds (referred to as "covered funds"), subject to certain exemptions. The Volcker Rule also provides for certain supervised nonbank financial companies that engage in such activities or have such interests or relationships to be subject to additional capital requirements, quantitative limits or other restrictions.

The Volcker Rule and the implementing regulations contain an exclusion from the definition of "covered fund" commonly referred to as the "loan securitization exemption," which applies to an asset-backed security issuer the assets of which, in general, consist only of loans, assets or rights designed to assure the servicing or timely distribution of proceeds to holders or that are related or incidental to purchasing or otherwise acquiring and holding

the loans. The Issuer expects to qualify for the loan securitization exemption and, to that end, the Indenture will not permit the Issuer to purchase securities, including bonds.

Notwithstanding such a requirement, no assurance can be made that the Issuer will qualify for the loan securitization exemption or for any other exclusion or exemption that might be available under the Volcker Rule and its implementing regulations. Moreover, the Indenture may be amended without the consent of the Holders of any Class of Securities, subject to certain objection rights, in order for the Issuer not to be a "covered fund" or the Rated Notes not to constitute ownership interests or otherwise be exempt from the Volcker Rule. No assurance can be given as to the effect of the Volcker Rule and its implementing regulations on the ability of certain investors subject to the Volcker Rule to acquire or retain certain Classes of Securities. Depending on market conditions, this could significantly and negatively affect the liquidity and market value of the Securities and the inability to purchase bonds may reduce returns otherwise available on the Subordinated Notes.

Reliance on Rating Agency Ratings. Dodd-Frank requires that federal banking agencies amend their regulations to remove reference to or reliance on credit agency ratings, including but not limited to those found in the federal banking agencies' risk-based capital regulations. New regulations have been proposed but have not yet been fully implemented in all respects. When such regulations are fully implemented, investments in asset-backed securities like the Securities 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 Securities 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 Securities will constitute legal investments for them or are subject to investment or other regulatory restrictions, unfavorable accounting treatment, capital charges or reserve requirements.

U.S. Risk Retention. Section 941 of the Dodd-Frank Act amended the Exchange Act to require the "securitizer" of asset-backed securities to retain at least 5% of the credit risk to the assets collateralizing the asset-backed securities. A final rule has been adopted and will be effective beginning December 24, 2016. The impact of the rule on the loan securitization market and the leveraged loan market generally are uncertain, and any negative impact on secondary market liquidity for the Securities may be experienced immediately, notwithstanding the effective date of the rule as to new transactions, due to effects of the rule on market expectations or uncertainty, the relative appeal of alternative investments not impacted by the rule or other factors. In addition, it is possible that the rule may reduce the number of collateral managers active in the market, which may result in fewer new issue CLOs and reduce the liquidity provided by CLOs to the leveraged loan market generally. A contraction or reduced liquidity in the loan market could reduce opportunities for the Collateral Manager to sell or invest in Collateral Obligations when it believes it is in the interest of the Issuer to do so, which in turn could negatively impact the return on the Assets and reduce the market value or liquidity of the Securities. Any reduction in the volume and liquidity provided by CLOs in the leveraged loan market could also reduce opportunities to redeem or refinance the Securities in an Optional Redemption. In addition, the rule may impose retention requirements in the event of a Refinancing, Re-Pricing or additional issuance of notes after the effective date, which may impair or limit the ability of the Issuer to effect a Refinancing, Re-Pricing or additional issuance.

Other Changes. 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 in response to the economic crisis or otherwise, and the effect of such actions, if any, cannot be known or predicted. Furthermore, 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 in response to the economic crisis or otherwise, and the effect of such actions, if any, cannot be known or predicted.

European legal investment considerations and retention requirements will affect certain potential investors

All prospective investors in the Securities 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 Securities will constitute legal investments for them or are subject to investment or other restrictions, unfavorable accounting treatment, capital charges, reserve requirements or other consequences.

The European Union (the "EU") has taken a number of actions in response to the financial crisis. European reforms related to the regulation of securitization markets include risk retention and due diligence requirements. In addition to credit institutions organized in the European Economic Area ("EEA"), certain types of investment funds organized in the EEA will face punitive capital requirements with respect to investments in securitizations that fail to comply with certain requirements concerning retention by the originator, sponsor or original lender of the securitized assets of a portion of the securitization's credit risk. Similar requirements will apply in respect of other entities, including insurance and reinsurance undertakings under Solvency II and investment firms and UCITS. The Issuer and the other parties to this transaction have not taken, and do not intend to take, any steps to comply with these risk retention requirements, which will likely limit the ability of these types of institutions to purchase Securities. This, in turn, may adversely affect the liquidity of the Securities in the secondary market and could adversely affect the ability to transfer Securities or the price received upon any sale of the Securities.

In addition, investment funds organized in the EEA and such funds organized outside the EEA that are "marketed" to EEA investors may be subject to regulation as "alternative investment funds" under the EU directive on alternative investment fund managers. CLO issuers, including the Co-Issuers, are generally taking the position that they are not subject to these requirements because they qualify for an exemption for securitization special purpose entities. If this exemption were to become unavailable, certain obligations (including reporting and audit obligations) would apply to the Collateral Manager. The expenses related to such obligations would be reimbursable by the Issuer and would be borne first by the Subordinated Notes.

Book-entry holders are not considered holders of Securities for certain purposes under the Indenture and may delay receipt of payments on the Securities

Holders of beneficial interests in any Global Securities will not be considered registered holders of such Securities for certain purposes under the Indenture. After payment of any interest, principal or other amount to DTC, neither the Issuer nor the Co-Issuer will have any responsibility or liability for the payment of such amount by DTC or to any holder of a beneficial interest in a Security. DTC or its nominee will be the sole registered holder for any Securities held in global form, and therefore each Person owning a beneficial interest in a Global Security must rely on the procedures of DTC (and if such Person is not a participant in DTC on the procedures of the participant through which such Person holds such interest) with respect to the exercise of any rights of a holder of a Security under the Indenture.

Holders of interests in Global Securities may experience some delay in their receipt of distributions of interest and principal on such Security since distributions are required to be forwarded by the Paying Agent to DTC, and DTC will be required to credit such distributions to the accounts of its participants which thereafter will be required to credit them to the accounts of the applicable holders of the Securities, either directly or indirectly through indirect participants.

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

The Rating Agencies may change their published ratings criteria or methodologies for securities such as the Rated Securities at any time in the future. In particular, Moody's may lower or withdraw the rating of the Combination Securities if any Rated Note Component of the Combination Securities is repriced or redeemed or if Moody's rating of such Class of Rated Notes is lowered or withdrawn. Further, the Rating Agencies may retroactively apply any such new standards to the Rated Securities. Any such action could result in a substantial lowering (or even withdrawal) of a rating assigned to a Class, despite the fact that such Class might still be performing fully to the specifications described for such Class in this Offering Memorandum. The rating assigned to any Class 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 Class being lowered. Any reduction or withdrawal to the ratings on a Class may significantly reduce the liquidity and market value of the Class, may adversely impact the regulatory characteristics of that Class and may adversely affect the Issuer's ability to make discretionary sales or reinvest in Collateral Obligations.

In addition, the Issuer will be utilizing ratings assigned by rating agencies to obligors on Collateral Obligations. There can be no assurance that rating agencies will continue to assign such ratings utilizing the same methods and standards utilized today despite the fact that such Collateral Obligation might still be performing fully to the specifications set forth in its Underlying Instrument. Any change in such methods and standards could result in a

significant rise in the number of Caa Collateral Obligations, which could cause the Issuer to fail to satisfy an Overcollateralization Ratio Test or the Interest Diversion Test on subsequent Determination Dates, which failure could lead to the early amortization of some or all of one or more Classes of the Rated Notes.

Rating Agencies may refuse to give rating agency confirmations

Historically, many actions by issuers of collateralized 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 applicable indenture and other transaction documents. If the Transaction Documents require that Rating Agency Confirmation be obtained before certain actions may be taken and if, except as described below, 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 realized by the Issuer and, indirectly, by Holders of Securities.

If a Rating Agency announces or informs the Trustee, the Collateral Manager or the Issuer that confirmation from such Rating Agency is not required for a certain action or that its practice is to not give such confirmations for certain types of actions or waives the requirement for confirmation, the Indenture will provide that the requirement for confirmation from such Rating Agency will not apply. Further, an agency will not constitute a "Rating Agency" if it no longer rates a Class at the request of the Issuer. Further, in connection with the Effective Date, if either Rating Agency does not confirm its Initial Ratings of the applicable Rated Notes, the Rated Notes will be subject to redemption in accordance with the Priority of Payments. 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, which could materially adversely affect the value of liquidity of such Classes.

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

Rule 17g-5 under the Exchange Act ("Rule 17g-5") requires each nationally recognized statistical rating organization, as defined in Section 3(a)(62) of the Exchange Act (an "NRSRO"), 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 NRSRO in connection with the initial rating of any Class of Rated Securities and all information provided to the NRSRO in connection with the surveillance of such rating, in each case, contemporaneous with the provision of such information to the applicable NRSRO and (iii) provide access to such website to other NRSROs that have made certain certifications regarding their use of the information.

If the Issuer does not comply with its undertakings to any Rating Agency with respect to this transaction, such Rating Agency may withdraw its ratings. Although the Indenture will contain certain provisions that are intended to enable the Rating Agencies to comply with their obligations under Rule 17g-5, reports or statements of the Issuer's Independent certified public accounts will not be provided to any Rating Agency.

Under Rule 17g-5, NRSROs providing the requisite certifications described above may issue unsolicited ratings of the Rated Securities which may be lower and, in some cases, significantly lower than the ratings provided by the Rating Agencies. Unsolicited ratings may also be issued by Fitch for Classes other than the Class X Notes and the Class A-1 Notes. Unsolicited ratings may be issued prior to, on or after the Closing Date and will not be reflected herein. Issuance of any unsolicited rating will not affect the issuance of the Securities. However, such unsolicited ratings could have a material adverse effect on the liquidity, market value and regulatory characteristics of the Rated Securities.

The SEC may determine that either or both of the Rating Agencies no longer qualify as an NRSRO, or is no longer qualified to rate the Rated Securities.

Withdrawal of ratings on any Class could have an adverse effect on the holders of Securities of such Class. See "— Actions of any Rating Agency can adversely affect the market value or liquidity of the Securities."

Financial information provided to Holders of Securities in the Monthly Report and the Distribution Report will be unaudited

On a monthly basis, excluding any month in which a Payment Date occurs, the Issuer (or the Collateral Administrator on its behalf) will compile and make available to each Rating Agency, the Trustee, the Collateral Manager, the Initial Purchaser and to any Holder and upon written request to the Trustee in the form required under the Indenture, any beneficial owner of a Note, a monthly report (the "Monthly Report"), setting forth certain information with respect to the Collateral Obligations in respect of the immediately preceding month, including certain loss and delinquency information on the Collateral Obligations and measurements of each criterion included in the Investment Criteria. In preparing and furnishing the Monthly Reports, the Collateral Administrator will rely conclusively on the accuracy and completeness of certain information or data regarding the Collateral Obligations that has been provided to it by the Collateral Manager. On each Payment Date, the Issuer (or the Collateral Administrator on its behalf) will make available a report to each Rating Agency, the Trustee, the Collateral Manager, the Initial Purchaser and, upon written request therefor, to any Holder and upon written request to the Trustee in the form prescribed under the Indenture, any beneficial owner of a Note, a report containing all the information in a Monthly Report reported for the full Collection Period as well as setting forth, among other things, certain information as to the distributions being made on such Payment Date, the fees to be paid to the Collateral Manager and the Trustee and the loss and delinquency status of the Collateral Obligations (the "Distribution Report"). These Monthly Reports and Distribution Reports will also be made available at the internet website of the Trustee. Neither such information nor any other financial information furnished to Holders of the Securities will be audited and reported upon, and an opinion will not be expressed, by an independent public accountant.

Anti-money laundering, 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 "Requirements"). Any of the Issuer, the Initial Purchaser, the Collateral Manager or the Trustee could be requested or required to obtain certain assurances from prospective investors intending to purchase Securities 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 Collateral Manager and the Trustee will comply with Requirements to which they are or may become subject and to interpret such Requirements broadly in favor of disclosure. Failure to honor any request by the Issuer, the Initial Purchaser, the Collateral 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 Collateral Manager or the Trustee to comply with any 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 Securities. In addition, it is expected that each of the Issuer, the Initial Purchaser, the Collateral Manager and the Trustee intends to comply with applicable anti-money laundering and anti-terrorism, economic and trade sanctions, and anti-corruption or anti-bribery laws, and regulations of the United States and other countries, and will disclose any information required or requested by authorities in connection therewith.

The Collateral Manager may receive investment recommendations from Holders of the Securities

The Collateral Manager will be retained by the Issuer pursuant to the Collateral Management Agreement and, subject to the standard of care set forth therein and the restrictions on the Issuer's ability to acquire and dispose of Collateral Obligations set forth in the Indenture and the Collateral Management Agreement, the Collateral Manager will manage the investment activities of the Issuer as the Collateral Manager believes to be in the best interests of the Holders of the Securities. Individual Holders and/or groups of Holders of the Securities may, from time to time, contact the Collateral Manager and make recommendations regarding the acquisition or disposition of specific Collateral Obligations and/or the pursuit of particular investment strategies. Additionally, in connection with the offering of the Securities, potential Holders of the Securities have contacted the Collateral Manager prior to the Closing Date and made recommendations in connection with evaluating their potential investment. Any such recommendation (whether made before or after the Closing Date), if adopted, may be adverse to the interests of certain Holders or Holders of certain Classes of the Securities, since the interest of Holders of Securities generally will vary by Class and certain other factors. Although the Collateral Manager has and, after the Closing Date, will have no restrictions on its ability to communicate with any such Holders or potential Holders of the Securities (except as provided by applicable law or confidentiality requirements), it will be under no obligation to adopt any

such recommendation. The Collateral Manager may pursue any investment strategy that is consistent with the Indenture and the Collateral Management Agreement, and may in its sole discretion change such strategy from time to time in the future without the approval of, or prior consultation with, any Holder of Securities. Regardless of any recommendations or requests of individual Holders or potential Holders and/or groups of Holders or potential Holders of Securities, the Collateral Manager will make investment decisions for the Issuer as the Collateral Manager believes to be in the best interests of the Holders of the Securities, subject to and in accordance with the Investment Criteria and other requirements of the Indenture and the Collateral Management Agreement.

Adverse interests related to the Collateral Manager

The Collateral Manager may from time to time consult with, receive input from and provide information to third parties (who may or may not be or become direct and indirect owners of Securities) in respect of obligations being considered for acquisition by the Issuer. Some of those same third parties may have interests adverse to those of the holders of Securities and may take a short position (for example, by buying protection under a credit default swap) relating to any such obligations. This Offering Memorandum does not contain any information regarding the individual Collateral Obligations that will comprise the Issuer's initial portfolio or that may secure the Notes from time to time.

Relating to the Collateral Obligations

Below investment-grade Collateral Obligations involve particular risks

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

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

Below investment-grade investments, including leveraged loans, have historically experienced greater default rates than has been the case for investment grade securities. There can be no assurance as to the levels of defaults and/or recoveries that may be experienced on the Collateral Obligations, and an increase in default levels could adversely affect payments on the Securities.

A non-investment grade loan or an interest in a non-investment grade loan is generally considered speculative in nature and may become a Defaulted Obligation for a variety of reasons. Upon any Collateral Obligation becoming a Defaulted Obligation, such Defaulted Obligation may become subject to either substantial workout negotiations or restructuring, which may entail, among other things, a substantial reduction in the interest rate, a substantial write-down of principal, and a substantial change in the terms, conditions and covenants with respect to such Defaulted Obligation. In addition, such negotiations or restructuring may be quite extensive and protracted over time, and therefore may result in substantial uncertainty with respect to the ultimate recovery on such Defaulted Obligation. 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 to either the minimum recovery rate assumed by either Rating Agency in rating the Rated Securities.

Credit ratings are not a guarantee of quality

Credit ratings of assets represent the rating agencies' opinions regarding their credit quality and are not a guarantee of quality or performance. Credit ratings address the timely payment of interest on non-deferrable assets and the ultimate payment of principal by the stated maturity date. A credit rating is not a recommendation to buy, sell or hold assets and may be subject to revision or withdrawal at any time by the assigning rating agency. If a rating assigned to any Collateral Obligation is lowered for any reason, no party is obligated to provide any additional support or credit enhancement with respect to such Collateral Obligation. Rating agencies attempt to evaluate the relative future creditworthiness of an obligation and do not address other risks, including but not limited to, the likelihood of principal prepayments (both voluntary and involuntary), liquidity risk, market value or price volatility; therefore, ratings do not fully reflect the true risks of an investment. Also, rating agencies may fail to make timely changes in credit ratings in response to subsequent events, so that an obligor's current financial condition may be better or worse than a rating indicates. Further, rating agencies may change credit rating methodology in response to recent legislative and regulatory initiatives and legal actions directed against rating agencies. Consequently, credit ratings of any Collateral Obligation (as is also the case in respect of the Rated Securities) should be used only as a preliminary indicator of perceived investment quality and should not be considered a reliable indicator of actual investment quality. Rating reductions or withdrawals may occur for any number of reasons and may affect numerous assets at a single time or within a short period of time, with material adverse effects upon the Securities. It is possible that many credit ratings of assets included in or similar to the Collateral Obligations will be subject to significant or severe adjustments downward. See "—Relating to the Securities—Actions of any Rating Agency can adversely affect the market value or liquidity of the Securities."

The Issuer will acquire certain Collateral Obligations prior to the Closing Date

Loans meeting the definition of Collateral Obligation ("Pre-Closing Date Assets") have been acquired prior to the Closing Date under each financing facility described below.

Facility One. The Issuer, upon the advice of the Collateral Manager, has purchased, and may continue to purchase and enter into binding commitments to purchase Pre-Closing Date Assets prior to the Closing Date with proceeds from the sale of income notes of the Issuer to a third-party investor (the "Income Note Investor") and the proceeds of loans under a credit agreement among the Issuer, the Collateral Manager, Bank of America, N.A. (the "Facility One Lender") and the Income Note Investor (as amended, modified or supplemented from time to time, the "Facility One Credit Agreement" and referred to as "Facility One"). Under the terms of Facility One, the Collateral Manager has the responsibility for the selection of the Pre-Closing Date Assets, subject to the Facility One Lender's right to approve or reject (in accordance with the terms of Facility One) any loan that is selected by the Collateral Manager for acquisition by the Issuer. To date the Facility One Lender has not exercised such right of rejection in connection with any such selection. The loans under Facility One are secured by a pledge of all assets (other than certain de minimis amounts) of the Issuer to the Facility One Lender (which is an Affiliate of the Initial Purchaser). Virtually all of the interest income paid or payable on the Pre-Closing Date Assets on or prior to the Closing Date is expected to be paid to the Facility One Lender in consideration for providing such financing, with the remainder used on the Closing Date to pay a return on the income notes issued to the Income Note Investor. Any interest that has accrued on Pre-Closing Date Assets but remains unpaid on the Closing Date ("Facility One Pre-Closing Date Accrued Interest") will be paid to the Income Note Investor as a dividend out of the proceeds from the sale of the Securities. When the Facility One Pre-Closing Date Accrued Interest is paid to the Issuer, the Issuer will retain such amounts. Additionally, on the Closing Date, a portion of the proceeds from the issuance of the Securities is expected to be used to pay obligations to the Facility One Lender in full and to redeem the income notes held by the Income Note Investor. To the extent the Closing Date does not occur, the Income Note Investor and the Lender will be exposed to losses with respect to the financing they provided in connection with the purchase of the Pre-Closing Date Assets under Facility One.

Facility Two. In addition to Facility One, Pre-Closing Date Assets have been acquired prior to the Closing Date with financing under a credit agreement (as amended, modified or supplemented from time to time, the "Facility Two Credit Agreement" and referred to as "Facility Two" and together with Facility One, the "Credit Facilities"), among a newly formed Delaware limited liability company (the "Facility Two Borrower"), the Collateral Manager, Bank of America, N.A. (the "Facility Two Lender") and an investor unrelated to the Collateral Manager, the Facility Two Lender or any of their affiliates (the "Facility Two Equity Investor"). Prior to the Closing Date, the sole economic interest of the Facility Two Borrower is held by the Facility Two Equity Investor through the Facility Two

Equity Investor's ownership of 100% of the membership interests of the Facility Two Borrower. On the Closing Date, the Issuer will purchase 100% of the membership interests in the Facility Two Borrower from the Facility Two Equity Investor. The Issuer will then merge the Facility Two Borrower into the Issuer (such transaction, the "Closing Date Merger"). Upon the consummation of the Closing Date Merger, the Issuer will become liable for and subject, in the same manner as the Facility Two Borrower, to all liabilities and obligations related to Collateral Obligations owned by the Facility Two Borrower prior to the Closing Date.

Under the terms of Facility Two, the Collateral Manager has the responsibility for the selection of the Pre-Closing Date Assets, subject to the Facility Two Lender's right to approve or reject (in accordance with the terms of Facility Two) any loan that is selected by the Collateral Manager for acquisition by the Facility Two Borrower. To date the Facility Two Lender has not exercised such right of rejection in connection with any such selection. The loans under Facility Two are secured by a pledge of all assets (other than certain de minimis amounts) of the Issuer to the Facility Two Lender (which is an Affiliate of the Initial Purchaser). Virtually all of the interest income paid or payable on the Pre-Closing Date Assets under Facility Two on or prior to the Closing Date is expected to be paid to the Facility Two Lender in consideration for providing such financing, with the remainder used to make distributions to the Facility Two Equity Investor pursuant to the Facility Two Borrower's limited liability company agreement. On the Closing Date, a portion of the proceeds from the issuance of the Securities is expected to be used by the Issuer to purchase the membership interest in the Facility Two Borrower from the Facility Two Equity Investor (which purchase price will reflect any accrued and unpaid interest on the loans owned by the Facility Two Borrower and will be used in part to pay obligations to the Facility Two Lender in full). The purchase price for the membership interest in the Facility Two Borrower will be based on the aggregate initial purchase price of the Pre-Closing Date Assets held by the Facility Two Borrower rather than such assets' market value at the time of such membership interest purchase. To the extent the Closing Date does not occur, the Facility Two Equity Investor and the Facility Two Lender will be exposed to losses with respect to the financing they provided in connection with the purchase of the Pre-Closing Date Assets under Facility Two.

The price paid for each Pre-Closing Date Asset under the Credit Facilities will be its market value on the date the Issuer or the Facility Two Borrower entered into the commitment to purchase such Pre-Closing Date Asset under the applicable Credit Facility. Although such Pre-Closing Date Assets are expected to satisfy the limitations applicable to Collateral Obligations at the time of purchase, because of events occurring between the purchase or commitment to purchase and the Closing Date, such Pre-Closing Date Assets may not satisfy such limitations on the Closing Date.

The Income Note Investor and the Facility Two Equity investor will have access to certain information, including the prices at which the Pre-Closing Date Assets were purchased, which may not be available to or received by all prospective investors in the Securities. Therefore, the Income Note Investor and the Facility Two Equity Investor may be making its decision as to whether to acquire any Securities with the benefit of information that is available to it but not to all prospective investors.

As of the date hereof, the aggregate prevailing market prices of the Pre-Closing Date Assets that will be owned by the Issuer on the Closing Date (which includes the loans acquired under Facility Two by virtue of the Closing Date Merger) are lower than the aggregate acquisition price. On the Closing Date, the prevailing market prices may be higher or lower than such prices. In addition, events occurring between the date hereof and the Closing 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 Pre-Closing Date Assets, the timing of purchases during the period preceding the Closing Date and a number of other factors beyond the Issuer's control (such as the condition of certain financial markets, general economic conditions and U.S. and international political events), could adversely affect the market value of the Pre-Closing Date Assets purchased during such period. To the extent that any losses are suffered on Collateral Obligations that were Pre-Closing Date Assets, such losses will be borne by the Holders of the Securities, beginning with the Subordinated Notes as the most junior Class.

The Collateral Obligations purchased by the Issuer following the Closing Date may be less favorable in terms of their relative prices, coupons, spreads, prepayments, average lives, maturities, credit risks and market liquidity than the Pre-Closing Date Assets. Collateral Obligations purchased following the Closing Date may provide less interest coverage with respect to the Rated Notes than the Pre-Closing Date Assets as of the Closing Date, and resale values

may be lower. There can be no assurance that Collateral Obligations purchased following the Closing Date will perform the same or as well as the Pre-Closing Date Assets.

The Issuer may not be able to acquire Collateral Obligations that satisfy the Investment Criteria

A portion of the initial Collateral Obligations is expected to be purchased after the Closing Date. The ability of the Issuer to acquire an initial portfolio of Collateral Obligations prior to the Effective Date that satisfies the Investment Criteria at the projected prices, ratings, rates of interest and any other applicable characteristics will be subject to market conditions and availability of such Collateral Obligations. Any inability of the Issuer to acquire Collateral Obligations that satisfy the Investment Criteria may adversely affect the timing and amount of payments received by the Holders of Securities and the yield to maturity of the Rated Notes and the distributions on the Subordinated Notes. There is no assurance that the Issuer will be able to acquire Collateral Obligations that satisfy the Investment Criteria.

The Issuer is subject to reinvestment risk

The amount of Assets purchased on the Closing Date and the amount and timing of purchases of Assets after the Closing Date will affect the cash flows available to make payments on, and the return to the Holders of, the Securities. Reduced liquidity and relatively lower volumes of trading in certain Assets, in addition to restrictions on investment under the Indenture, could result in periods of time during which the Issuer is not able to fully invest its available cash in Collateral Obligations or during which the assets available for investment will not be of comparable quality. It is unlikely that the Issuer's available cash will be invested fully in Collateral Obligations at any time. Further, the longer the period such cash is invested in Eligible Investments, the greater the adverse impact may be on the aggregate amount of Interest Proceeds available for distribution by the Issuer. The associated reinvestment risk on the Collateral Obligations will be borne by the Holders of the Securities in the reverse of such securities' order of priority, beginning with the Subordinated Notes. Although the Collateral Manager may mitigate this risk to some degree during the Reinvestment Period by declaring a Special Redemption, the Collateral Manager is not required to do so. Any Special Redemption will result in early deleveraging of the Issuer and may result in a lower yield on the Subordinated Notes.

The level of earnings on reinvestments will depend on the availability of investments determined by the Collateral Manager to be appropriate investments by the Issuer and the interest rates thereon. The need to satisfy the Investment Criteria and identify acceptable investments may require the purchase of Collateral Obligations having lower yields than those Collateral Obligations previously acquired by the Issuer as Collateral Obligations mature, prepay or are sold or require temporary investment in Eligible Investments. In addition, obligors on the Collateral Obligations may be more likely to exercise any rights they may have to redeem or refinance such obligations when interest rates or spreads are declining. Any decrease in the yield on the Collateral Obligations will reduce the amounts available for distribution on the Securities.

Loan prepayments may affect the ability of the Issuer to invest and reinvest available funds in appropriate Assets

Loans are generally prepayable in whole or in part at any time at the option of the obligor thereof at par plus accrued unpaid interest thereon. Prepayments on loans may be caused by a variety of factors which are often difficult to predict. Consequently, there exists a risk that loans purchased at a price greater than par may experience a capital loss as a result of such a prepayment. In addition, unscheduled principal proceeds are subject to reinvestment risk. Any inability of the Issuer to reinvest payments or other proceeds in Assets with comparable interest rates that satisfy the Investment Criteria specified herein may adversely affect the timing and amount of payments and distributions received by the Holders of Securities and the yield to maturity of the Rated Notes and the distributions on the Subordinated Notes. There is no assurance that the Issuer will be able to reinvest proceeds in assets with comparable interest rates that satisfy the Investment Criteria or (if it is able to make such reinvestments) as to the length of any delays before such investments are made. The rate of prepayments, amortization and defaults may be influenced by various factors including, among other things: changes in obligor performance and requirements for capital; the level of interest rates; lack of credit being extended and/or the tightening of credit underwriting standards in the commercial lending industry; and the overall economic environment, including any fluctuations in the recovery from the current economic conditions.

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

Holders of the Securities will receive limited disclosure about the Collateral Obligations

Neither the Issuer nor the Collateral Manager is obligated to provide the Holders of the Securities or the Trustee with financial or other information (which may include material non-public information) it receives pursuant to the Collateral Obligations and related documents unless required to do so pursuant to the Indenture or the Collateral Management Agreement. The Collateral Manager is not obligated to disclose to any of these parties the contents of any notice it receives pursuant to the Collateral Obligations or related documents unless required to do so pursuant to the Collateral Management Agreement. In particular, the Collateral Manager will not have any obligation to keep any of these parties informed as to matters arising in relation to any Collateral Obligations, except as may be required in connection with the regular reports prepared by the Issuer (or the Collateral Administrator on behalf of the Issuer) in accordance with the Indenture.

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

Lender liability considerations and equitable subordination can affect the Issuer's rights with respect to Collateral Obligations

A number of judicial decisions have upheld judgments of borrowers against lending institutions on the basis of various evolving legal theories, collectively termed "lender liability." Generally, lender liability is founded on the premise that a lender has violated a duty (whether implied or contractual) of good faith, commercial reasonableness and fair dealing, or a similar duty owed to the borrower or has assumed an excessive degree of control over the borrower resulting in the creation of a fiduciary duty owed to the borrower or its other creditors or shareholders. Because of the nature of the Collateral Obligations, the Issuer may be subject to allegations of lender liability.

In addition, under common law principles that in some cases form the basis for lender liability claims, if a lender (a) intentionally takes an action that results in the undercapitalization 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 to the claims of the disadvantaged creditor or creditors, a remedy called "equitable subordination." Because of the nature of the Collateral Obligations, the Collateral Obligations may be subject to claims of equitable subordination.

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

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

may impose liability upon lenders 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.

Investing in loans involves particular risks

The Issuer may acquire interests in loans either directly (by way of assignment from the selling institution) or indirectly (by purchasing a Participation Interest from the selling institution). As described in more detail below, holders of Participation Interests are subject to additional risks not applicable to a holder of a direct interest in a loan.

Participations by the Issuer in a selling institution's portion of a loan typically result in a contractual relationship only with such selling institution, not with the borrower. In the case of a Participation Interest, the Issuer will generally have the right to receive payments of principal, interest and any fees to which it is entitled only from the institution selling the participation and only upon receipt by such selling institution of such payments from the borrower. By holding a Participation Interest in a loan, the Issuer generally will have no right to enforce compliance by the borrower with the terms of the loan agreement, nor any rights of set off against the borrower, and the Issuer may not directly benefit from the collateral supporting the loan in which it has purchased the participation. As a result, the Issuer will assume the credit risk of both the borrower and the institution selling the participation, which will remain the legal owner of record of the applicable loan. In the event of the insolvency of the selling institution, the Issuer, by owning a Participation Interest, may be treated as a general unsecured creditor of the selling institution, and may not benefit from any set off between the selling institution and the borrower. In addition, the Issuer may purchase a participation from a selling institution that does not itself retain any portion of the applicable 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 Interest in a loan it will not have the right to vote under the applicable loan agreement with respect to every matter that arises thereunder, and it is expected that each selling institution will reserve the right to administer the loan sold by it as it sees fit and to amend the documentation evidencing such loan in all respects. Selling institutions voting in connection with such matters may have interests different from those of the Issuer and may fail to consider the interests of the Issuer in connection with their votes.

Certain of the loans or Participation Interests may be governed by the law of a jurisdiction other than a United States jurisdiction. The Issuer is unable to provide any information with respect to the risks associated with purchasing a loan or a Participation Interest under an agreement governed by the laws of a jurisdiction other than a United States jurisdiction, including characterization under such laws of such Participation Interest in the event of the insolvency of the selling institution.

The purchaser of an assignment of an interest in a loan typically succeeds to all the rights and obligations of the assigning selling institution and becomes a lender under the loan agreement with respect to that loan. As a purchaser of an assignment, the Issuer generally will have the same voting rights as other lenders under the applicable loan agreement, including the right to vote to waive enforcement of breaches of covenants or to enforce compliance by the borrower with the terms of the loan agreement, and the right to set off claims against the borrower and to have recourse to collateral supporting the loan. Assignments are, however, arranged through private negotiations between assignees and assignors, and in certain cases the rights and obligations acquired by the purchaser of an assignment may differ from, and be more limited than, those held by the assigning selling institution. Furthermore, the ability of the Issuer to exercise such voting rights may be limited by certain restrictions on the Issuer set forth in the Indenture.

Assignments and participations are sold strictly without recourse to the selling institutions, and the selling institutions will generally make no representations or warranties about the underlying loan, the borrowers, the documentation of the loans or any collateral securing the loans. In addition, the Issuer will be bound by provisions of the underlying loan agreements, if any, that require the preservation of the confidentiality of information provided by the borrower. Because of certain factors including confidentiality provisions, the unique and customized nature of the loan agreement, and the private syndication of the loan, loans are not purchased or sold as easily as are publicly traded securities.

Investing in Cov-Lite Loans involves certain risks

A significant portion of the Collateral Principal Amount may consist of Cov-Lite Loans. Cov-Lite Loans typically do not have maintenance covenants (which generally are covenants requiring the underlying obligor of the loan to comply with one or more financial covenants during each reporting period applicable to such loan). 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. The definition of Cov-Lite Loan does not include any loan that, although it has no maintenance or incurrence covenant, contains a cross-default or cross-acceleration provision to, or is *pari passu* with, another loan of the underlying obligor that requires the underlying obligor to comply with financial covenants or a maintenance covenant (each, an "excluded loan"). If the application of such covenants is subject to certain conditions (for example, in the case of a revolver, the condition that such revolver has been drawn), and those conditions have not been satisfied, such covenants will afford no protection to the Issuer. As a result of the ownership of such excluded loans and Cov-Lite Loans, the Issuer's exposure to losses may be increased, which could result in an adverse impact on the Issuer's ability to make payments on the Securities.

Investing in Unsecured Loans involves certain risks

Unsecured Loans are also unsecured obligations of the applicable obligor, may be subordinated to other obligations of the obligor and generally have greater credit, insolvency and liquidity risk than is typically associated with investment grade obligations and secured obligations. Unsecured obligations will generally have lower rates of recovery than secured obligations following a default. Also, in the event of the insolvency of an obligor of any unsecured obligation, the holders of such unsecured obligation will be considered general, unsecured creditors of the obligor, will have fewer rights than secured creditors of the obligor and will be subordinate to the secured creditors with respect to the related collateral. See also "*—Bankruptcy of one or more obligors could reduce or eliminate the return to the Issuer on a Collateral Obligation and so may impair payments on the Securities*."

Investing in Second Lien Loans involves certain risks

The Collateral Obligations may include Second Lien Loans, each of which will be secured by a pledge of 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 not 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.

Balloon loans and bullet loans present refinancing risk

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

Liens arising by operation of law may take priority over the Issuer's liens on an obligor's underlying collateral and impair the Issuer's recovery on a Collateral Obligation in the event of a default or foreclosure on that Collateral Obligation

Federal or state law may grant liens on the collateral (if any) securing a Collateral Obligation that have priority over the Issuer's interest. An example of a lien arising under federal or state law is a tax or other government lien on property of an obligor. A tax lien may have priority over the Issuer's lien on such collateral. To the extent a lien having priority over the Issuer's lien exists with respect to the collateral related to any Collateral Obligation, the Issuer's interest in the asset will be subordinate to such lien. If the creditor holding such lien exercises its remedies, it is possible that, after such creditor is repaid, sufficient cash proceeds from the underlying collateral will not be available to pay the outstanding principal amount of such Collateral Obligation.

Insolvency considerations with respect to issuers of Collateral Obligations may affect the Issuer's rights

Various laws enacted for the protection of creditors may apply to the Collateral Obligations. The information in this and the following paragraph is applicable with respect to U.S. issuers. Insolvency considerations will differ with respect to non-U.S. issuers. If a court in a lawsuit brought by an unpaid creditor or representative of creditors of an issuer of a Collateral Obligation, such as a trustee in bankruptcy, were to find that the issuer did not receive fair consideration or reasonably equivalent value for incurring the indebtedness constituting such Collateral Obligation and, after giving effect to such indebtedness, the issuer (i) was insolvent, (ii) was engaged in a business for which the remaining assets of such issuer constituted unreasonably small capital or (iii) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature, such court could determine to invalidate, in whole or in part, such indebtedness as a fraudulent conveyance, to subordinate such indebtedness to existing or future creditors of the issuer or to recover amounts previously paid by the issuer in satisfaction of such indebtedness. The measure of insolvency for purposes of the foregoing will vary. Generally, an issuer would be considered insolvent at a particular time if the sum of its debts were then greater than all of its property at a fair valuation or if the present fair salable value of its assets were then less than the amount that would be required to pay its probable liabilities on its existing debts as they became absolute and matured. There can be no assurance as to what standard a court would apply in order to determine whether the issuer was "insolvent" after giving effect to the incurrence of the indebtedness constituting the Collateral Obligations or that, regardless of the method of valuation, a court would not determine that the issuer was "insolvent" upon giving effect to such incurrence. In addition, in the event of the insolvency of an issuer of a Collateral Obligation, payments made on such Collateral Obligations could be subject to avoidance as a "preference" if made within a certain period of time (which may be as long as one year under federal bankruptcy law or even longer under state laws) before insolvency.

In general, if payments on Collateral Obligations are avoidable, whether as fraudulent conveyances or preferences, such payments can be recaptured, either from the initial recipient (such as the Issuer) or from subsequent transferees of such payments (such as the Holders of the Securities). To the extent that any such payments are recaptured from the Issuer, the resulting loss will be borne by the Holders of the Securities in inverse order of seniority, beginning with the Subordinated Notes. However, a court in a bankruptcy or insolvency proceeding would be able to direct the recapture of any such payment from a Holder of Securities only to the extent that such court has jurisdiction over such Holder or its assets. Moreover, it is likely that avoidable payments could not be recaptured directly from a Holder that has given value in exchange for its Security, in good faith and without knowledge that the payments were avoidable. Nevertheless, since there is no judicial precedent relating to a structured transaction such as the Securities, there can be no assurance that a Holder of Securities will be able to avoid recapture on this or any other basis.

Bankruptcy of one or more obligors could reduce or eliminate the return to the Issuer on a Collateral Obligation and so may impair payments on the Securities

There is a significant risk that one or more of the obligors may enter bankruptcy proceedings. Such proceedings may result in, among other things, a substantial reduction in the interest rate and a substantial write down of the principal of the related Collateral Obligation(s). There are a number of significant risks inherent in the bankruptcy process. First, rulings in a bankruptcy case are the product of adversary proceedings determined by a court with equitable powers, and are beyond the control of specific creditors. Second, a bankruptcy filing may adversely and permanently affect the obligor making such filing. The obligor may lose its market position, key employees, relationships with important suppliers, access to the capital markets or other sources of liquidity and otherwise

become incapable of restoring itself as a viable entity. If for this or any other reason, a Chapter 11 reorganization is converted to or becomes a liquidation, the liquidation value of the obligor may not equal the liquidation value that was believed to exist at the time of purchase of the Collateral Obligation. Third, the duration of a bankruptcy case is difficult to predict. A creditor's return on investment can be adversely affected by delays while a plan of reorganization is being negotiated, approved by parties in interest and confirmed by the bankruptcy court until it ultimately becomes effective. For example, in general, unsecured creditors' claims for interest accrued between the bankruptcy filing and a reorganization plan's consummation are not allowed. Fourth, the administrative costs of the debtor and official committees in connection with the bankruptcy case are frequently high and will be paid out of the debtor's estate prior to any return to general unsecured creditors. If the bankruptcy case involves protracted or difficult litigation, or turns into a liquidation, substantial assets may be devoted to such administrative costs; a creditor's costs in monitoring and enforcing its investment also may substantially increase. Certain claims that have priority by law (for example, claims for taxes) also may be significant. Finally, under certain circumstances, creditors' claims against bankrupt or insolvent entities may be subject to equitable subordination or recharacterization as equity (particularly where the creditor is an insider or otherwise controls the debtor), and transfers made to creditors may be subject to avoidance and disgorgement as preferences or fraudulent conveyances.

Collateral Obligations of non-U.S. obligors may expose the Issuer to different economic risks, legal and regulatory uncertainties and potential impairment of enforcement actions against such obligors

The Assets may consist, in part, of Collateral Obligations to obligors organized under the laws of, or all or substantially all of the assets of which are located in, a country other than the United States. Collateral Obligations to obligors located outside the United States and its territories may involve greater risks than Collateral Obligations to obligors located in the United States and its territories. These risks include: (a) less publicly available information about the related obligor; (b) varying levels of governmental regulation and supervision; and (c) the difficulty of enforcing legal rights in a foreign jurisdiction and related uncertainties as to the status, interpretation and application of laws. Moreover, foreign companies are generally not subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those applicable to U.S. companies.

There generally is less governmental supervision and regulation of exchanges, brokers and issuers in foreign countries than there is in the United States. For example, there may be no comparable provisions under certain foreign laws with respect to insider trading and similar investor protection securities laws that apply with respect to securities transactions consummated in the United States. Moreover, if the sovereign rating of a country in which an obligor on a Collateral Obligation is located is downgraded, the ratings applicable to such Collateral Obligation may decline as well.

In certain foreign countries there is the possibility of expropriation, nationalization, or confiscatory taxation; limitations on the convertibility of currency or the removal of securities, property, or other assets of the Issuer; political, economic, or social instability; or adverse diplomatic developments, each of which could have an adverse effect on the Issuer's investments in the foreign countries (which may make it more difficult to pay U.S. dollar-denominated obligations). The economies of individual non-U.S. countries may also differ favorably or unfavorably from the U.S. economy in such respects as the effect of the global recession, growth or contraction of the gross domestic product, rate of inflation, volatility of currency exchange rates, depreciation, capital reinvestment, resource self-sufficiency, and balance of payments position. Accordingly, Collateral Obligations of non-U.S. obligors could face risks which would not pertain to Collateral Obligations of U.S. obligors, which could expose the Issuer to losses on such Collateral Obligations.

Rising interest rates may render some obligors unable to pay interest on their Collateral Obligations

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

Limited control of administration and amendment of Collateral Obligations

As a holder of an interest in a syndicated loan, the Issuer will have limited consent and control rights and such rights may not be effective in view of the expected proportion of such obligations held by the Issuer. The Collateral Manager will exercise or enforce, or refrain from exercising or enforcing, any or all of the Issuer's rights in connection with the Collateral Obligations or any related documents or will refuse amendments or waivers of the terms of any Collateral Obligation and related documents in accordance with its portfolio management practices and the standard of care specified in the Collateral Management Agreement. The Holders of Securities will not have any right to compel the Collateral Manager to take or refrain from taking any actions other than in accordance with its portfolio management practices and the standard of care specified in the Collateral Management Agreement.

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

Voting restrictions on syndicated loans for minority holders

The Issuer will generally purchase each Collateral Obligation 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 a Collateral Obligation issued or sold in connection with a loan facility could be modified, amended or waived in a manner contrary to the preferences of the Issuer if the amendment, modification or waiver of such term or condition does not require the unanimous vote of the lenders and a sufficient number of the other lenders concur with such modification, amendment or waiver. There can be no assurance that any Collateral Obligations issued or sold in connection with any loan facility will maintain the terms and conditions to which the Issuer or a predecessor in interest to the Issuer originally agreed.

Participation on creditors' committees

The Issuer may participate on committees formed by creditors to negotiate the management of financially troubled companies that may or may not be in bankruptcy or the Issuer may seek to negotiate directly with the debtors with respect to restructuring issues. The participants on such a committee will attempt to achieve an outcome that is in their respective individual best interests and there can be no assurance that results that are the most favorable to the Issuer will be obtained in such proceedings. By participating on such committees, the Issuer may be deemed to have duties to other creditors represented by the committees, which might thereby expose the Issuer to liability to such other creditors who disagree with the Issuer's actions.

Each of the Issuer and the Co-Issuer is recently formed and has limited operating history

The Issuer is a recently incorporated entity and has a limited operating history and investment track record. Accordingly, the Issuer has a limited performance history for a prospective investor to consider in making its decision to invest in the Securities. The Co-Issuer is a recently formed entity and has no operating history or investment track record. Accordingly, the Co-Issuer has no performance history for a prospective investor to consider in making its decision to invest in the Securities.

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. The funds available to the Issuer to pay certain fees and expenses of the Trustee, the Collateral Administrator, the Administrator and any Blocker Subsidiaries and for payment of the Issuer's other accrued and unpaid Administrative Expenses are limited amounts available in accordance with the Priority of Payments. In the event that such funds are not sufficient to pay the expenses incurred by the Issuer, the ability of the Issuer to operate effectively may be impaired, and 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.

Relating to the Collateral Manager

Holders will have no right to manage the Assets

Holders of Securities have no right or power to take part in the management of the Collateral Obligations. Accordingly, no investor should purchase Securities unless such investor is willing to entrust all aspects of the management of the Collateral Obligations to the Issuer and (to the extent of its obligations under the Collateral Management Agreement) the Collateral Manager.

The Collateral Manager may from time to time consult with, receive input from and provide information to third parties (who may or may not be or become direct and indirect owners of Securities) in respect of obligations being considered for acquisition by the Issuer. Some of those same third parties may have interests adverse to those of the holders of Securities and may take a short position (for example, by buying protection under a credit default swap) relating to any such obligations.

The Incentive Management Fee may create an incentive for the Collateral Manager to seek to maximize the yield on the Collateral Obligations

On each Payment Date, the Collateral Manager may be paid the Incentive Management Fee to the extent of funds available on such Payment Date in accordance with the Priority of Payments, if the Holders of the Subordinated Notes have realized the Incentive Management Fee Target Return as of such Payment Date. Therefore, payment of the Incentive Management Fee will be dependent to a large extent on the yield earned on the Collateral Obligations. This fee structure could create an incentive for the Collateral Manager to manage the Issuer's investments in a manner as to seek to maximize the yield on the Collateral Obligations relative to investments of higher creditworthiness. Managing the portfolio with the objective of increasing yield, even though the Collateral Manager is constrained by investment restrictions described herein, could result in riskier or more speculative investments for the Issuer than would otherwise be the case and in an increase in defaults or volatility and could contribute to a decline in the aggregate market value of the Collateral Obligations.

The Issuer will depend on the managerial expertise available to the Collateral Manager; prior investment results not indicative

The performance of an investment in the Securities will be in part dependent on the analytical and managerial expertise of the investment professionals of the Collateral Manager. The prior investment results of persons associated with the Collateral Manager or any other entity or person described herein are not indicative of the Issuer's future investment results. The nature of, and risks associated with, the Issuer's future investments may differ substantially from those investments and strategies undertaken historically by such persons and entities. There can be no assurance that the Issuer's investments will perform as well as the past investments of any such persons or entities. In addition, such past investments may have been made utilizing a leveraged capital structure, 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 specific investment criteria that govern investments in the Issuer's portfolio do not govern the Collateral Manager's prior investments and prior investment strategies generally, current investments conducted in accordance with such current criteria, and the results they yield, are not directly comparable with, and may differ substantially from other investments undertaken by the Collateral Manager.

Because the composition of the Assets will vary over time, the performance of the Securities will be substantially dependent on the skills of the Collateral Manager in analyzing, selecting and managing the Collateral Obligations. As a result, the Issuer will also be substantially dependent on the skill and acumen of certain officers and employees of the Collateral Manager and its affiliates to whom the task of managing the Assets has been assigned. Such

individuals may cease to be associated with the Collateral Manager at any time. The loss of one or more of such individuals could have a material adverse effect on the performance of the Securities. Furthermore, the Collateral Manager has informed the Issuer that these investment professionals are also actively involved in other investment activities and will not be able to devote all of their time to the Issuer's business and affairs. While the Securities are outstanding, individuals not currently associated with the Collateral Manager may become associated with the Collateral Manager and the performance of the Collateral Obligations may also depend on the financial and managerial experience of such individuals.

In addition, in certain events the Collateral Manager may resign or may be terminated pursuant to the Collateral Management Agreement. See "The Collateral Management Agreement." In the event this were to occur, a replacement Collateral Manager may condition its acceptance of the appointment as Collateral Manager on an increase of any or all of the management fees paid to the current Collateral Manager. Following such a replacement, such increased costs would lead to a reduction of amounts available to make payments on or distributions to the Securities.

Significant restrictions on Collateral Manager's ability to advise the Issuer

The Indenture and the Collateral Management Agreement place significant restrictions on the Collateral Manager's ability to advise the Issuer to buy and sell Collateral Obligations, and the Collateral Manager is subject to compliance with the Indenture and the Collateral Management Agreement. As a result of the restrictions contained in the Indenture and the Collateral Management Agreement, the Issuer may be unable to buy or sell Collateral Obligations or to take other actions which the Collateral Manager might consider in the interests of the Issuer and the holders of Securities and the Collateral Manager may be required to make investment decisions on behalf of the Issuer that are different from those made for its other clients. In addition, the Collateral Manager may pursue any strategy consistent with the Indenture and the Collateral Management Agreement, and there can be no assurance that such strategy will not change from time to time in the future, in its sole discretion.

The Issuer will be subject to various conflicts of interest involving the Collateral Manager and its affiliates and clients

The following briefly summarizes certain potential and actual conflicts of interest which may arise from the overall investment activity of the Collateral Manager, its clients and its affiliates, but is not intended to be an exhaustive list of all such conflicts. The scope of the activities of the affiliates of the Collateral Manager, their respective personnel and the funds and clients advised by the Collateral Manager or affiliates of the Collateral Manager and/or their respective personnel may give rise to conflicts of interest or other restrictions and/or limitations imposed on the Issuer in the future that cannot be foreseen or mitigated at this time.

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

On the Closing Date, an affiliate of the Collateral Manager is expected to purchase Subordinated Notes in a principal amount of approximately U.S.$2,000,000 (the "Closing Date Collateral Manager Securities"). The Collateral Manager will agree that an affiliate will retain the Closing Date Collateral Manager Securities and will not transfer, sell or pledge any interest in the Closing Date Collateral Manager Securities for so long as the Majority Equity Condition is satisfied. The Closing Date Subordinated Notes Investor has agreed to promptly notify the Collateral Manager of any sale of Subordinated Notes owned by any of the Closing Date Subordinated Notes Investor Affiliated Parties that, to the knowledge of the Closing Date Subordinated Notes Investor, based on the Aggregate Outstanding Amount of the Subordinated Notes issued on the Closing Date, results in the Closing Date Subordinated Notes Investor Affiliated Parties owning less than a Majority of the Subordinated Notes. In addition, the Collateral Manager and its affiliates may, but are not required to, purchase one or more Classes of Securities at any time. Such ownership of Securities by the Collateral Manager and/or its affiliates, and the opportunity to earn an Incentive Management Fee, could provide an incentive for the Collateral Manager to seek to acquire Collateral Obligations on behalf of the Issuer at a lower price or to otherwise make riskier investments than would otherwise be the case.

The Collateral Manager manages, and in the future will manage, investments for clients other than the Issuer, including entities ("CDO Vehicles") similar to and with the same or similar objectives as the Issuer that issue collateralized debt obligations similar to the Securities and that invest in debt obligations that are the same as or similar to the Collateral Obligations. Thus, the Collateral Manager may, at the same or approximately the same time, buy or sell for such clients debt obligations it also buys or sells for the Issuer. In that case, the Collateral Manager will seek to allocate such purchases and sales to such clients and the Issuer in accordance with the Collateral Manager's established procedures which are designed with the objective of fair and equitable treatment of all clients (including the Issuer). The Collateral Manager may also purchase debt obligations for other clients that are senior to, or have interests adverse to, those it buys or sells for the Issuer.

Alternatively, the Collateral Manager may buy or sell for its clients a debt obligation that it does not buy or sell for the Issuer, even though the debt obligation is eligible to be bought or sold by the Issuer, if the Collateral Manager believes the circumstances warrant. The Collateral Manager might have an incentive to favor such other clients over the Issuer because the Collateral Manager may have a larger direct or indirect investment in such other clients, have business relationships with those clients or persons associated with them, or be paid a higher level of fees by those clients. Neither the Collateral Manager nor any of its affiliates is under any obligation to offer investment opportunities of which they become aware to the Issuer or to inform the Issuer of any investments before engaging in any investments or to account to the Issuer (or share with the Issuer) with respect to any such transaction or any benefit received by them from any such transaction. Furthermore, the Collateral Manager and/or its affiliates may make an investment on behalf of any account that any of them manage or advise without offering the investment opportunity to or making any investment on behalf of the Issuer. The Collateral Manager and/or its affiliates have no 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 the Collateral Manager and/or its affiliates manage or advise. Affirmative obligations may exist or may arise in the future, whereby affiliates of the Collateral Manager are obligated to offer certain investments to funds or accounts that such affiliates manage or advise before or without the Collateral Manager offering those investments to the Issuer.

The Collateral Manager may have ongoing relationships with companies whose obligations and/or securities are Collateral Obligations, and may own, directly or through other funds or accounts it manages, loans, equity or debt securities issued by obligors of Collateral Obligations or other Assets. The Collateral Manager or an affiliate may also provide certain services for a negotiated fee to companies whose obligations or other securities are pledged to the Trustee for the benefit of the Secured Parties. In addition, the Collateral Manager, its affiliates and their respective clients and employees may invest, or have already invested, in obligations and/or other securities that are identical to or senior to, or have interests different from or adverse to, the Collateral Obligations or other Assets.

During certain periods or in certain specified circumstances, as a result of the restrictions contained in the Indenture and the Collateral Management Agreement, the Collateral Manager may be unable to acquire or dispose of Collateral Obligations or to take other actions on behalf of the Issuer that the Collateral Manager might consider in the interests of the Issuer and the security holders.

The Collateral Management Agreement permits the Collateral Manager and its affiliates to act as principal, agent or fiduciary for other clients and to effect cross transactions (transactions between the Issuer and another client of the Collateral Manager or its affiliate) and principal transactions (transactions between the Issuer and the Collateral Manager or its affiliate). In such events, the interests of the Collateral Manager and its affiliates could be in conflict with those of the Issuer. Prospective investors are deemed to consent to such cross and/or principal transactions effected by the Collateral Manager, subject to procedures developed by the Collateral Manager (and as such procedures may be modified by the Collateral Manager in its discretion) to address the conflicts of interest and the Collateral Manager obtaining any consents required by the Investment Advisers Act. The Collateral Management Agreement requires that all such purchases from or sales to the Collateral Manager, its affiliates or their respective clients (including the Issuer) be made in compliance with the provisions of the Investment Advisers Act. Should a conflict of interest actually arise, the Collateral Manager will endeavor to resolve it in a manner that it deems to be fair to the extent possible under the prevailing facts and circumstances and will comply with all applicable requirements under the Investment Advisers Act.

The employees of the Collateral Manager will not devote their full time to the Issuer, and there might be conflicts in the allocation of their time to the Issuer and other clients.

The Collateral Manager may from time to time rely on the brokerage, trading, settlement and other capital markets capabilities of its affiliates in performing its duties under the Collateral Management Agreement. Under the Collateral Management Agreement, unless the Collateral Manager determines in its reasonable judgment that a purchase or sale is appropriate, the Collateral Manager may refrain from causing the Issuer to purchase or sell securities issued by persons about which the Collateral Manager or any of its affiliates have information which the Collateral Manager deems confidential or non-public or otherwise might prohibit it from advising as to the trading of such securities in accordance with applicable law.

The Collateral Manager and its affiliates may have a financial or other interest in obligors of Collateral Obligations that the Collateral Manager buys for the Issuer, and thus may have a direct or indirect incentive to make those purchases.

The ownership of Securities by an affiliate may give the Collateral Manager an incentive to invest more aggressively for the Issuer (e.g., purchase higher-yielding Collateral Obligations) than would otherwise be the case.

In the future, the Collateral Manager or any of its affiliates may act as investment adviser (or in a similar role) and may invest in or be affiliated with other CDO Vehicles. This and other future activities of the Collateral Manager and/or its affiliates may give rise to additional conflicts of interest.

The Collateral Manager has had discussions with investors and potential investors in connection with their consideration of their investment and expects that holders and potential investors will contact them from time to time after the Closing Date to make recommendations regarding the acquisition or dispositions of specific Collateral Obligations or implementation of particular investment strategies. The views expressed in such discussions may influence the composition of the portfolio, and there can be no assurance that (i) a holder would agree with any views expressed by other investors in such discussions, (ii) the views expressed by some investors will not be more influential than those of others, or (iii) modifications made to the portfolio as a result of such discussions will not adversely affect the performance of a holder's Securities. The Collateral Manager may pursue any investment strategy that is consistent with the Indenture and the Collateral Management Agreement, and may in its sole discretion change such strategy from time to time in the future without the approval of, or prior consultation with, any holder. The Collateral Manager will have sole authority to select, and sole responsibility for selecting, the Collateral Obligations.

Relating to Certain Conflicts of Interest

In general, the transaction described in this Offering Memorandum will involve various potential and actual conflicts of interest

Various potential and actual conflicts of interest may arise from the overall investment activity of the Collateral Manager, its clients and its affiliates and the Initial Purchaser and its clients and affiliates. The following briefly summarizes some of these conflicts, but is not intended to be an exhaustive list of all such conflicts. See "—Relating to the Collateral Manager—The Issuer will be subject to various conflicts of interest involving the Collateral Manager and its affiliates and clients."

The Rating Agencies may have certain conflicts of interest

The Rating Agencies have been hired by the Issuer to provide ratings on certain Classes of Rated Securities. Either Rating Agency may have a conflict of interest because the Issuer pays the fee charged by the Rating Agency for its rating services.

Conflicts of interest involving the Initial Purchaser and its Affiliates

Merrill Lynch, Pierce, Fenner & Smith Incorporated is the Initial Purchaser of the Securities and is an indirect, wholly owned subsidiary of Bank of America Corporation. The Initial Purchaser and its Affiliates are collectively referred to as the "Merrill Lynch Parties." Pursuant to the Purchase Agreement, the Initial Purchaser will be paid a fee from the Issuer for its services as Initial Purchaser. See "Plan of Distribution."

Certain of the Collateral Obligations acquired by the Issuer may be obligations of issuers or obligors for which one or more Merrill Lynch Parties have acted as structuring or syndication agent, manager, underwriter, agent or principal or of which one or more are equity owners or with which Merrill Lynch Parties have other business relationships. An Affiliate of the Initial Purchaser was also the lender under the Credit Agreement pursuant to which the Issuer acquired the Pre-Closing Date Assets. See "—Relating to the Collateral Obligations—The Issuer will acquire certain Collateral Obligations prior to the Closing Date."

The Collateral Manager may purchase or sell Collateral Obligations from time to time through a Merrill Lynch Party at market prices. Any purchases of Collateral Obligations described above involving a Merrill Lynch Party may only be effected by the Issuer or the Collateral Manager on its behalf.

Merrill Lynch Parties are actively engaged in transactions in some of the same Collateral Obligations in which the Issuer may invest. Such transactions may be different from those made on behalf of the Issuer. Subject to applicable law, Merrill Lynch Parties may purchase or sell the securities of, or otherwise invest in or finance or provide investment banking, advisory and other services to, companies in which the Issuer has an interest or to the Collateral Manager. Merrill Lynch Parties may also have a proprietary interest in, and may manage or advise other accounts or investment funds that have investment objectives similar or dissimilar to those of the Issuer and/or which engage in transactions in, the same types of securities as the Issuer. As a result, Merrill Lynch Parties may possess information relating to obligors on or issuers of Collateral Obligations that is not known to the Collateral Manager. None of the Merrill Lynch Parties is under any obligation to share any investment opportunity, idea or strategy with the Collateral Manager or the Issuer. As a result, Merrill Lynch Parties may compete with the Issuer for appropriate investment opportunities and will be under no duty or obligation to share such investment opportunities with the Issuer. In addition, Merrill Lynch Parties and their clients may invest in debt obligations and securities that are senior to, or have interests different from or adverse to, the Collateral Obligations. The Initial Purchaser takes no responsibility for, and has no obligations in respect of, the Issuer.

The Merrill Lynch Parties are part of a global investment banking and securities and investment management firm that provides a wide range of financial services to a substantial and diversified client base that includes corporations, financial institutions, governments and high-net-worth individuals. As such, they actively make markets in and trade financial instruments for their own account and for the accounts of customers in the ordinary course of their business. The financial services that the Merrill Lynch Parties may provide also include financing and, as such, the Merrill Lynch Parties may have and/or may provide financing to the Collateral Manager and/or any of its Affiliates. In the case of any such financing, the Merrill Lynch Parties may have received a security interest over assets of the Collateral Manager and/or its Affiliates. One or more Merrill Lynch Parties may derive fees and other revenues from the arrangement of such financing and participating in such arrangements and providing any other related services to clients may enhance their relationships with various parties, facilitate additional business development, and enable it to obtain additional business and to generate additional revenue.

Merrill Lynch Parties may own positions in and will likely have placed or underwritten certain of the Collateral Obligations (or other obligations of the issuers or obligors of Collateral Obligations) when they were originally issued and may have provided or be providing investment banking services and other services to issuers or obligors of certain Collateral Obligations. It is expected that from time to time the Collateral Manager will purchase from or sell Collateral Obligations through or to Merrill Lynch Parties (including a significant portion of the Collateral Obligations to be purchased on or prior to the Closing Date) and that one or more Merrill Lynch Parties may act as the selling institution with respect to participations. Merrill Lynch Parties may act as initial purchaser and/or placement agent in other transactions involving issues of collateralized debt obligations or other investment funds with assets similar to those of the Issuer, which may have an adverse effect on the availability of collateral for the Issuer.

The Issuer also may invest in loans to companies affiliated with Merrill Lynch Parties or in which Merrill Lynch Parties have an equity or participation interest. The purchase, holding and sale of such investments by the Issuer may enhance the profitability of the Initial Purchaser's own investments in such companies.

In addition, Merrill Lynch Parties may purchase Securities (either upon initial issuance or through secondary transfers) for their own account or for re-packaging purposes or enter into transactions related or linked to the Securities, including purchasing credit protection on the Securities or Collateral Obligations. In the future, the Merrill Lynch Parties may, but are not required to, repurchase and resell Securities in market-making transactions.

The Initial Purchaser does not disclose specific trading positions or its hedging strategy, including whether it is in a long or short position in any Security or obligation referred to in this Offering Memorandum. Nonetheless, in the ordinary course of business, Merrill Lynch Parties and employees or clients of Merrill Lynch Parties may actively trade in the Securities, Collateral Obligations and Eligible Investments for their own accounts and for the accounts of their clients. Accordingly, the Merrill Lynch Parties and employees or clients of Merrill Lynch Parties expect at any time to hold long or short positions in such Securities and obligations. Merrill Lynch Parties and employees or clients of the Merrill Lynch Parties also expect to enter into credit derivative or other derivative transactions with other parties pursuant to which it sells or buys credit protection with respect to such Securities and obligations.

It is expected that a majority of the Collateral Obligations to be held by the Issuer as of the Closing Date will be purchased prior to the Closing Date with financing provided in accordance with the terms of the Credit Agreement. See "—Relating to the Collateral Obligations—The Issuer will acquire certain Collateral Obligations prior to the Closing Date." The Lender under the Credit Agreement is an Affiliate of the Initial Purchaser. The Credit Agreement must be terminated not later than the Closing Date and all amounts owing to the Lender in connection therewith must be repaid not later than the Closing Date. Any Affiliate of the Initial Purchaser from which the Collateral Manager (on behalf of the Issuer) purchases Pre-Closing Date Assets will treat each such transaction on its books and records as a sale for accounting purposes.

DESCRIPTION OF THE SECURITIES

The Indenture and the Securities

All of the Securities will be issued pursuant to the Indenture. The following summary describes certain provisions of the Indenture and the Securities. The summary does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the Indenture.

Status and Security

The Co-Issued Notes (including the related Components of Combination Securities) will be limited recourse obligations of the Co-Issuers and the Issuer Only Notes (including the related Components of Combination Securities) will be limited recourse obligations of the Issuer. Under the terms of the Indenture, the Issuer will grant to the Trustee for the benefit of the Secured Parties a security interest in the Assets to secure the Issuer's obligations under the Indenture and the Notes (including the related Components of Combination Securities). See "Security for the Notes."

Payments on the Securities will be made from the proceeds of the Assets in accordance with Priority of Payments. The aggregate amount that will be available from the Assets for payment on the Securities and of certain expenses of the Co-Issuers on any Payment Date prior to the occurrence of an Enforcement Event will be the sum of Interest Proceeds and Principal Proceeds for the related Collection Period; *provided* that during the Reinvestment Period (and after the Reinvestment Period, in the case of Post-Reinvestment Investable Proceeds), it is expected that Principal Proceeds will be reinvested in additional Collateral Obligations, unless otherwise required by the Priority of Payments. To the extent that the proceeds of the Assets are insufficient to meet payments due in respect of the Securities and expenses following liquidation of the Assets, the Co-Issuers will have no obligation to pay such deficiency.

For purposes of subordination, and the benefits and obligations thereof, the Combination Securities will not be treated as a separate class, but each Component of a Combination Security will be treated as Notes of the respective Underlying Class.

Interest on the Rated Notes

The Rated Notes will bear stated interest from the Closing Date and such interest will be payable in arrears on each Payment Date at the applicable Interest Rate indicated under "Overview—Principal Terms of the Securities" on the Aggregate Outstanding Amount thereof on the first day of the related Interest Accrual Period (after giving effect to payments of principal thereof on such date).

Any payment of interest due on the Deferred Interest Notes on any Payment Date to the extent sufficient funds are not available to make such payment in accordance with the Priority of Payments on such Payment Date, but only if one or more Priority Classes is Outstanding, shall constitute Deferred Interest and will not be considered due and payable on such Payment Date, but will be deferred and added to the principal balance of the applicable Class of Rated Notes and, thereafter, will bear interest at the Interest Rate for such Class, until the earliest of (i) the Payment Date on which funds are available to pay such Deferred Interest in accordance with the Priority of Payments, (ii) the Redemption Date with respect to such Class and (iii) the Stated Maturity (or the earlier date of maturity) of such Class, and the failure to pay such Deferred Interest on such Payment Date will not be an Event of Default under the Indenture; *provided* that any such Deferred Interest must, in any case, be paid no later than the earlier of the Redemption Date or Stated Maturity (or the earlier date of maturity) of such Class. Regardless of whether any Priority Class is Outstanding, to the extent that funds are not available on any Payment Date (other than the Redemption Date with respect to, or Stated Maturity of, the relevant Class of Rated Notes) to pay previously accrued Deferred Interest, such previously accrued Deferred Interest will not be due and payable on such Payment Date and any failure to pay such previously accrued Deferred Interest on such Payment Date will not be an Event of Default under the Indenture. See "—The Indenture—Events of Default."

If any interest due and payable in respect of the Class X Notes, the Class A-1 Notes or the Class A-2 Notes or, if there are no Class X Notes, Class A-1 Notes or Class A-2 Notes Outstanding, Notes of the Controlling Class is not punctually paid or duly provided for on the applicable Payment Date or at the applicable Stated Maturity and such

default continues for five Business Days (or, in the case of a failure to disburse due to an administrative error or omission by the Collateral Manager, the Trustee, the Collateral Administrator, the Administrator, the Registrar or any Paying Agent, for 10 Business Days after a trust officer of the Trustee receives written notice or has actual knowledge of such administrative error or omission), an Event of Default will occur. To the extent lawful and enforceable, interest on such defaulted interest will accrue at a per annum rate equal to the Interest Rate applicable to such Rated Notes from time to time in each case until paid.

Interest on the Floating Rate Notes will be calculated on the basis of the actual number of days elapsed in the applicable Interest Accrual Period (or, in the case of the first Interest Accrual Period, the related portion thereof) *divided* by 360. Interest on the Fixed Rate Notes will be calculated on the basis of a 360-day year consisting of twelve 30-day months.

The Calculation Agent will determine LIBOR for each Interest Accrual Period (or, in the case of the first Interest Accrual Period, each portion thereof) on the related Interest Determination Date. The Issuer has initially appointed the Collateral Administrator as the Calculation Agent.

As soon as possible after 11:00 a.m. London time on each Interest Determination Date, but in no event later than 11:00 a.m. New York time on the London Banking Day immediately following each Interest Determination Date, the Calculation Agent will calculate the Interest Rate applicable to each Class of Floating Rate Notes and the Note Interest Amount (in each case, rounded to the nearest cent, with half a cent being rounded upward) payable on the related Payment Date in respect of the related Interest Accrual Period. At such time, the Calculation Agent will communicate such rates and amounts to the Co-Issuers, the Trustee, the Paying Agents, Euroclear, Clearstream and the Collateral Manager. The Calculation Agent will also specify to the Co-Issuers the quotations upon which the Interest Rate for each Class of Floating Rate Notes is based, and in any event the Calculation Agent shall notify the Co-Issuers before 5:00 p.m. (New York time) on every Interest Determination Date if it has not determined and is not in the process of determining any such Interest Rate or Note Interest Amount, together with its reasons therefor. The Calculation Agent's determination of the foregoing rates and amounts will (in the absence of manifest error) be final and binding upon all parties.

The Indenture will require that for so long as any Floating Rate Notes remain Outstanding there will at all times be a Calculation Agent which shall not control, be controlled by or be under common control with the Issuer or its affiliates or the Collateral Manager or its affiliates. The Calculation Agent may be removed by the Issuer or the Collateral Manager, on behalf of the Issuer, at any time. If the Calculation Agent is unable or unwilling to act as such or is removed by the Issuer or the Collateral Manager, on behalf of the Issuer, the Issuer or the Collateral Manager, on behalf of the Issuer, will be required to appoint promptly a replacement Calculation Agent which does not control and is not controlled by or under common control with the Issuer, the Collateral Manager or their respective affiliates. The Calculation Agent may not resign its duties or be removed without a successor having been duly appointed.

Principal of the Rated Notes

Rated Notes will mature at par on the Stated Maturity, unless previously redeemed or repaid prior thereto as described herein. Principal will not be payable on the Rated Notes except with respect to Deferred Interest and in an Optional Redemption (including a Partial Redemption), Re-Pricing Redemption, Tax Redemption, Clean-Up Call Redemption, Mandatory Redemption or Special Redemption and in accordance with the Priority of Principal Proceeds.

On each Payment Date prior to the occurrence of an Enforcement Event, Principal Proceeds (other than (i) amounts required to meet funding requirements with respect to Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations that are deposited in the Revolver Funding Account, (ii) during the Reinvestment Period, Principal Proceeds that will be used to reinvest in Collateral Obligations that the Issuer has already committed to purchase and (iii) after the Reinvestment Period, Post-Reinvestment Investable Proceeds that will be used to reinvest in Substitute Obligations that the Issuer has already committed to purchase) will be applied in accordance with the Priority of Principal Proceeds. Upon the occurrence and during the continuance of an Enforcement Event, Interest Proceeds and Principal Proceeds will be applied in accordance with the Special Priority of Payments.

The average life of each Class of Rated Notes is expected to be less than the number of years until the Stated Maturity of such Rated Notes. See "Risk Factors—Relating to the Securities—Average Life and Prepayment Considerations."

Payments of principal to each Holder of the Rated Notes of each Class shall be made ratably among the Holders of the Rated Notes of such Class in the proportion that the Aggregate Outstanding Amount of the Rated Notes of such Class registered in the name of each such Holder on the applicable Record Date bears to the Aggregate Outstanding Amount of all Rated Notes of such Class on such Record Date.

Distributions on the Subordinated Notes

The Subordinated Notes will receive distributions on each Payment Date to the extent of any Interest Proceeds and Principal Proceeds remaining after all other required payments and reserves are made in accordance with the Priority of Payments. Distributions on the Subordinated Notes will not be made at any stated rate and will be payable only to the extent funds are available therefor in accordance with the Priority of Payments. Distributions on the Subordinated Notes are subordinated to the payment on each Payment Date of the interest due and payable on the Rated Notes (including any defaulted interest, Deferred Interest and interest thereon) and other amounts in accordance with the Priority of Payments.

The Subordinated Notes will mature on the Stated Maturity, unless previously redeemed. Principal Proceeds will not be distributed on the Subordinated Notes until all Rated Notes are paid in full.

Distributions on the Combination Securities

The payment priority of each Component of the Combination Securities will be in accordance with the priority of the respective Underlying Class under the Priority of Distributions. On each Payment Date on which payments are made on any Underlying Class, a portion of such payments will be allocated to the Combination Securities in the proportion that the Aggregate Outstanding Amount of the related Component bears to the Aggregate Outstanding Amount of that Underlying Class as a whole (including the related Components). The Combination Securities will be entitled to no other payments.

Optional Redemption and Tax Redemption

General—Redemption of Securities. The Issuer will, on any Business Day occurring after the Non-Call Period, upon receipt of the Required Redemption Direction, redeem (a) all of the Rated Notes (in whole but not in part) from Sale Proceeds and/or Refinancing Proceeds or (b) one or more (but fewer than all) Classes of Rated Notes (in whole but not in part) from Refinancing Proceeds and Partial Redemption Interest Proceeds. In connection with any such redemption (each such redemption, an "Optional Redemption"), the Rated Notes shall be redeemed at the applicable Redemption Prices. To effect an Optional Redemption, a Majority of the Subordinated Notes or the Collateral Manager, as applicable, must provide the Required Redemption Direction to the Issuer and the Trustee (with a copy to the Collateral Manager, if applicable) as described below under "—Redemption Procedures."

Upon receipt of a direction of an Optional Redemption of all of the Rated Notes (in whole but not in part), the Collateral Manager will direct the sale (and the manner thereof), acting in a commercially reasonable manner to maximize the proceeds of such sale, of all or part of the Collateral Obligations and other Assets in an amount sufficient that the proceeds from such sale and all other funds available for such purpose (including Refinancing Proceeds) will be at least sufficient to pay the Redemption Prices of the Rated Notes and all amounts senior in right of payment to the Notes, including, without limitation, all accrued and unpaid Management Fees (unless waived by the Collateral Manager) and all accrued and unpaid Administrative Expenses (regardless of the Administrative Expense Cap), including the reasonable fees, costs, charges and expenses incurred by the Issuer, the Co-Issuer, the Trustee and the Collateral Administrator (including reasonable attorneys' fees and expenses) in connection with such redemption (collectively, the "Required Redemption Amount"). If such proceeds of such sale and all other funds available for such purpose would not be at least equal to the Required Redemption Amount, the Rated Notes may not be redeemed. The Collateral Manager, in its sole discretion, may effect the sale of all or any part of the Collateral Obligations or other Assets through the direct sale of such Collateral Obligations or other Assets or by participation or other arrangement.

The Subordinated Notes may be redeemed (in whole but not in part) on any Business Day occurring on or after the redemption or repayment in full of the Rated Notes, at the direction of a Majority of the Subordinated Notes (with a copy to the Collateral Manager).

The Combination Securities will be redeemed on any Redemption Date to the extent that each Underlying Class is redeemed by allocation of the Redemption Price of each Underlying Class.

Refinancing. In addition to (or in lieu of) a sale of Collateral Obligations and/or Eligible Investments in the manner described above, on any Business Day occurring after the Non-Call Period, upon receipt of the Required Redemption Direction, the Issuer will, subject to the Refinancing Conditions, redeem (a) all of the Rated Notes (in whole but not in part) from Refinancing Proceeds and Sale Proceeds or (b) one or more (but fewer than all) Classes of Rated Notes (in whole but not in part) from Refinancing Proceeds and Partial Redemption Interest Proceeds, in each case by obtaining a loan from one or more financial or other institutions or by issuing replacement notes, whose terms in each case will be negotiated by the Collateral Manager on behalf of the Issuer (any such redemption and refinancing, a "Refinancing"); *provided* that the terms of such Refinancing must be acceptable to the Collateral Manager and, for so long as the Majority Equity Condition is satisfied, a Majority of the Subordinated Notes and such Refinancing must otherwise satisfy the Refinancing Conditions. Any rating of a class of replacement notes by a Rating Agency will be based on a credit analysis specific to such replacement notes and independent of the rating of the Rated Notes being refinanced. The Trustee will have the authority to take such actions as may be directed by the Issuer or the Collateral Manager to effect a Refinancing. The "Refinancing Conditions" will be satisfied if the Refinancing occurs after the Non-Call Period and either the Full Refinancing Conditions or the Partial Redemption Conditions, as applicable, are satisfied.

In the case of a Refinancing upon a redemption of all of the Rated Notes, such Refinancing will be effective only if the following conditions (the "Full Refinancing Conditions") are satisfied: (i) the Refinancing Proceeds, all Sale Proceeds from the sale of Collateral Obligations and Eligible Investments in accordance with the procedures set forth in the Indenture and all other available funds will be at least equal to the Required Redemption Amount, (ii) the Sale Proceeds, Refinancing Proceeds and other available funds are used (to the extent necessary) to make such redemption, (iii) the agreements relating to the Refinancing contain limited recourse and non-petition provisions equivalent to those contained in the Indenture and (iv) (A) neither the Issuer nor any Sponsor of the Issuer will fail to be in compliance with the U.S. Risk Retention Rule as a result of such Refinancing and (B) unless it consents to do so, none of the Collateral Manager, any Affiliate of the Collateral Manager or any Sponsor of the Issuer will be required to purchase any obligations of the Issuer in connection with such Refinancing.

In the case of a Refinancing of one or more (but fewer than all) Classes of Rated Notes as described above, such Partial Redemption will be effective only if the following conditions (the "Partial Redemption Conditions") are satisfied: (i) the Issuer provides notice to each Rating Agency, (ii) the Refinancing Proceeds together with the Partial Redemption Interest Proceeds will be at least sufficient to pay in full the aggregate Redemption Prices of the entire Class or Classes of Rated Notes subject to Refinancing, (iii) the Refinancing Proceeds are used (to the extent necessary) to make such redemption, (iv) the agreements relating to the Refinancing contain limited recourse and non-petition provisions equivalent to those contained in the Indenture, (v) the aggregate principal amount of any obligations providing the Refinancing is equal to the Aggregate Outstanding Amount of the Rated Notes being redeemed with the proceeds of such obligations, (vi) the stated maturity of each class of obligations providing the Refinancing is the same as the corresponding Stated Maturity of each Class of Rated Notes being refinanced, (vii) the reasonable fees, costs, charges and expenses incurred in connection with such Refinancing have been paid or will be adequately provided for (which may include agreement by Persons to be paid such fees and expenses for payment to occur no later than the second succeeding Payment Date), (viii) (x) the spread over LIBOR of the obligations providing the Refinancing for any Class of Floating Rate Notes will not be greater than the spread over LIBOR of the corresponding Class of Floating Rate Notes being refinanced and (y) the stated interest rate of the obligations providing the Refinancing for any Class of Fixed Rate Notes will not be greater than the stated interest rate of the corresponding Class of Fixed Rate Notes being refinanced; provided that, if Rating Agency Confirmation has been obtained from Moody's with respect to each Junior Class not being refinanced and, solely in the case of clause (B) below, Rating Agency Confirmation has been obtained from Fitch, (A) the requirements in clauses (x) and (y) will not apply if the weighted average interest rate of any obligations providing the Refinancing (based on the aggregate principal amount of each class of such obligations) will not be greater than the weighted average interest rate of the Classes of Rated Notes subject to the Refinancing (based on the Aggregate Outstanding Amount

of each such Class), (B) Floating Rate Notes may provide the Refinancing of Fixed Rate Notes and (C) Pari Passu Classes may be refinanced using a single Class of Fixed Rate Notes or Floating Rate Notes, (ix) the obligations providing the Refinancing are subject to the Priority of Payments and do not rank higher in priority pursuant to the Priority of Payments than the Class of Rated Notes being refinanced, (x) the voting rights, consent rights, redemption rights and all other rights of the obligations providing the Refinancing are the same as the rights of the corresponding Class of Rated Notes being refinanced, (xi) in a Refinancing of the Class A-2 Notes in which the Class A-1 Notes are not subject to Refinancing, the weighted average interest rate of the Class A Notes, collectively, will not be increased; (xii) (A) neither the Issuer nor any Sponsor of the Issuer will fail to be in compliance with the U.S. Risk Retention Rule as a result of such Refinancing and (B) unless it consents to do so, none of the Collateral Manager, any Affiliate of the Collateral Manager or any Sponsor of the Issuer will be required to purchase any obligations of the Issuer in connection with such Refinancing and (xiii) Tax Advice shall be delivered to the Trustee to the effect that any obligations providing the refinancing of the Co-Issued Notes will be treated as debt and, in the case of any obligations providing the refinancing of the Class D Notes, to the effect that such obligations should be treated as debt for U.S. federal income tax purposes and that the Refinancing will not alter the U.S. federal income tax characterization, as expressed at the time of issuance, of each Class of Rated Notes that will be Outstanding after such Refinancing.

Fees, costs, charges and expenses incurred in connection with such Refinancing will be Administrative Expenses and may be paid under the Priority of Payments, from proceeds in the Ongoing Expense Smoothing Account and as a Permitted Use of Contributions and funds in the Supplemental Reserve Account.

To implement a Refinancing, the Issuer and, at the direction of the Collateral Manager, the Trustee shall amend the Indenture to the extent necessary to reflect the terms of the Refinancing and no further consent for such amendments shall be required from the Holders other than the Holders of the Subordinated Notes directing the redemption, if applicable. The Trustee will not be obligated to enter into any amendment that, as determined by the Trustee, adversely affects its duties, obligations, liabilities or protections under the Indenture, and the Trustee will be entitled to conclusively rely upon an officer's certificate and, as to matters of law, an opinion of counsel (which may be supported as to factual (including financial and capital markets) matters by any relevant certificates and other documents necessary or advisable in the judgment of counsel delivering such opinion of counsel) provided by the Issuer to the effect that such amendment meets the requirements specified above and is permitted under the Indenture (except that such officer or counsel will have no obligation to certify or opine as to the sufficiency of the Refinancing Proceeds).

Tax Redemption. The Securities shall also be redeemed in whole but not in part on any Business Day (any such redemption, a "Tax Redemption") at the written direction (delivered to the Trustee, with a copy to the Collateral Manager) of (x) a Majority of any Class of Rated Notes that, as a result of the occurrence of a Tax Event, has not received 100% of the aggregate amount of principal and interest that would otherwise be due and payable to such Class on any Payment Date (each such Class, an "Affected Class") or (y) a Majority of the Subordinated Notes, in either case following the occurrence and continuation of a Tax Event.

Redemption Procedures. In the event of any Optional Redemption, the Required Redemption Direction shall be provided to the Issuer, the Trustee and, if applicable, the Collateral Manager not later than 15 Business Days prior to the Business Day on which such redemption is to be made, or such shorter period as the Collateral Manager may agree (which date shall be designated in such notice). The Issuer (or the Trustee in the name and at the expense of the Issuer) shall notify the Holders and each Rating Agency (with a copy to the Collateral Manager) at least nine Business Days prior to the Redemption Date of such Redemption Date, the applicable Record Date, the principal amount of Securities to be redeemed on such Redemption Date and the applicable Redemption Prices. Notice of a Tax Redemption will be given not later than five Business Days prior to the applicable Redemption Date to each Holder of Securities and each Rating Agency. In addition, for so long as any Securities are listed on the Irish Stock Exchange and the guidelines of such exchange so require, notice of an Optional Redemption or a Tax Redemption will be given to the Irish Stock Exchange. Failure to give notice of redemption, or any defect therein, to any Holder of any Securities selected for redemption shall not impair or affect the validity of the redemption of any other Securities. Certificated Securities called for redemption must be surrendered at the office of any Paying Agent. The initial Paying Agent for the Securities will be the Trustee.

The Issuer (or the Collateral Manager on its behalf) may withdraw any such notice of an Optional Redemption on any day up to and including the Business Day prior to the proposed Redemption Date by written notice to the

Trustee. If the Issuer (or the Collateral Manager on its behalf) so withdraws any notice of an Optional Redemption or is otherwise unable to complete an Optional Redemption of the Notes, the proceeds received from the sale of any Collateral Obligations and other Assets sold in contemplation of such redemption may during the Reinvestment Period, at the Collateral Manager's sole discretion, be reinvested in accordance with the Investment Criteria. A Majority of the Subordinated Notes will have the option to direct the withdrawal of the notice of redemption on or prior to the sixth Business Day prior to the proposed Redemption Date by written notice to the Issuer, the Trustee and the Collateral Manager, *provided* that neither the Issuer nor the Collateral Manager has entered into a binding agreement in connection with the sale of any portion of the Assets. The Trustee will provide notice, in the name and at the expense of the Issuer, to the Holders, the Collateral Manager and each Rating Agency of the withdrawal of any notice of redemption. It will not be an Event of Default if the Issuer is unable to effect an Optional Redemption or a Tax Redemption.

Unless Refinancing Proceeds are being used to redeem the Rated Notes, in the event of any Optional Redemption or Tax Redemption, no Rated Notes may be optionally redeemed unless (i) at least five Business Days before the scheduled Redemption Date the Collateral Manager shall have furnished to the Trustee evidence, in a form reasonably satisfactory to the Trustee, that the Collateral Manager on behalf of the Issuer has entered into a binding agreement or agreements with a financial or other institution or institutions to purchase (directly or by participation or other arrangement) from the Issuer, not later than the Business Day immediately preceding the scheduled Redemption Date in immediately available funds, all or part of the Assets at a purchase price (together with the Eligible Investments maturing, redeemable or putable to the issuer thereof at par on or prior to the scheduled Redemption Date and all other available funds) at least equal to the Required Redemption Amount, (ii) at least one Business Day before the scheduled Redemption Date, the Issuer shall have received proceeds of disposition of all or part of the Assets at least equal to the Required Redemption Amount, or (iii) prior to selling any Collateral Obligations and/or Eligible Investments, the Collateral Manager shall certify to the Trustee that, in its judgment, the aggregate sum of (A) expected proceeds from the sale or payment of Eligible Investments, and (B) for each Collateral Obligation, the product of its Principal Balance and its Market Value, shall be at least equal to the Required Redemption Amount. Any certification delivered by the Collateral Manager as described above must include (1) the prices of, and expected proceeds from, the sale (directly or by participation or other arrangement) or payment of any Collateral Obligations and/or Eligible Investments and (2) all calculations required as described above. Any Holder, the Collateral Manager or any of the Collateral Manager's affiliates shall have the right, subject to the same terms and conditions afforded to other bidders, to bid on Assets to be sold as part of an Optional Redemption, a Tax Redemption or a Clean-Up Call Redemption.

Clean-Up Call Redemption

The Collateral Manager will give written notice to the Holders of Subordinated Notes that it intends to direct a Clean-Up Call Redemption at least 20 days prior to the Redemption Date. At the written direction of the Collateral Manager to the Issuer and the Trustee, so long as a Majority of the Subordinated Notes has not objected within five Business Days of notice of the proposed redemption, each Class of Outstanding Rated Notes will be redeemed by the Issuer, in whole but not in part (a "Clean-Up Call Redemption"), at its Redemption Price, on any Payment Date after the Non-Call Period on which the Collateral Principal Amount is less than 15.0% of the Target Initial Par Amount.

Any Clean-Up Call Redemption is subject to (i) the purchase of the Assets (other than Eligible Investments) by the Collateral Manager or any other Person from the Issuer, for settlement not later than the Business Day immediately preceding the related Redemption Date, for a purchase price in cash (the "Clean-Up Call Redemption Price") at least equal to the greater of (1) the Required Redemption Amount and (2) the Market Value of such Assets being purchased, and (ii) the receipt by the Trustee from the Collateral Manager, prior to such purchase, of certification from the Collateral Manager that the sum expected to be received will satisfy clause (i). Upon receipt by the Trustee of the certification referred to in the preceding sentence, the Trustee (pursuant to written direction from the Issuer) and the Issuer will take all actions necessary to sell, assign and transfer the Assets to the Collateral Manager or such other Person upon payment in immediately available funds of the Clean-Up Call Redemption Price. The Trustee will deposit such payment into the Collection Account in accordance with the instructions of the Collateral Manager.

Upon receipt from the Collateral Manager of a direction in writing to effect a Clean-Up Call Redemption, the Issuer will provide written notice of the proposed Redemption Date to the Trustee, the Collateral Administrator, the Collateral Manager and the Rating Agencies not later than five Business Days prior to the Redemption Date (and the

Trustee in turn shall, in the name and at the expense of the Issuer, notify the Holders as soon as practicable thereafter and in any case not later than two Business Days prior to the Redemption Date). Any notice of Clean-Up Call Redemption may be withdrawn by the Issuer (or the Collateral Manager on its behalf) on any day up to and including the Business Day prior to the proposed Redemption Date by written notice to the Trustee and the Collateral Manager. The Trustee will give notice of any such withdrawal of a Clean-Up Call Redemption, at the expense of the Issuer, to each Holder and each Rating Agency.

On the Redemption Date related to any Clean-Up Call Redemption, the Clean-Up Call Redemption Price will be distributed pursuant to the Priority of Payments.

Mandatory Redemption

If a Coverage Test is not satisfied on any Determination Date on which such Coverage Test is applicable, the Issuer will be required to apply available amounts in the Payment Account pursuant to the Priority of Payments on the related Payment Date to make payments in accordance with the Note Payment Sequence (a "Mandatory Redemption") to the extent necessary to achieve compliance with such Coverage Test.

Special Redemption

Principal payments on the Rated Notes will be made in accordance with the Priority of Payments on any Payment Date (i) during the Reinvestment Period, if the Collateral Manager notifies the Trustee at least five Business Days prior to the applicable Special Redemption Date that it has been unable, for a period of at least 30 consecutive Business Days, to identify additional Collateral Obligations that are deemed appropriate by the Collateral Manager and which would satisfy the Investment Criteria in sufficient amounts to permit the investment or reinvestment of all or a portion of the funds then in the Collection Account that are to be invested in additional Collateral Obligations (a "Reinvestment Period Special Redemption") or (ii) in connection with the Effective Date, if the Collateral Manager notifies the Trustee that a redemption is required in order to remedy a Moody's Ramp-Up Failure (an "Effective Date Special Redemption" and each such redemption or Reinvestment Period Special Redemption, a "Special Redemption"). Any such notice in the case of a Reinvestment Period Special Redemption shall be based upon the Collateral Manager having attempted, in accordance with the standard of care set forth in the Collateral Management Agreement, to identify additional Collateral Obligations as described above. On the first Payment Date (and all subsequent Payment Dates) following the Collection Period in which such notice is given (a "Special Redemption Date"), the amount in the Collection Account representing (1) in the case of a Reinvestment Period Special Redemption, Principal Proceeds which the Collateral Manager has determined cannot be reinvested in additional Collateral Obligations or (2) in the case of an Effective Date Special Redemption, all Interest Proceeds and all other Principal Proceeds available in accordance with the Priority of Payments, will in each case be applied in accordance with the Priority of Payments.

Re-Pricing

On any Business Day occurring after the Non-Call Period, at the direction of a Majority of the Subordinated Notes, the Issuer will reduce the Interest Rate with respect to any Class of Re-Pricing Eligible Notes (such reduction with respect to any such Class, a "Re-Pricing" and any such Class to be subject to a Re-Pricing, a "Re-Priced Class"); *provided* that the Issuer will not effect any Re-Pricing unless each condition specified in the Indenture is satisfied with respect thereto. For the avoidance of doubt, no terms of any Rated Notes other than the Interest Rate applicable thereto may be modified or supplemented in connection with a Re-Pricing. In connection with any Re-Pricing, the Issuer (or the Collateral Manager on its behalf) may engage a broker-dealer (the "Re-Pricing Intermediary") to assist the Issuer in effecting the Re-Pricing.

At least 24 Business Days prior to the Business Day fixed by a Majority of the Subordinated Notes or the Collateral Manager for any proposed Re-Pricing (the "Re-Pricing Date"), the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, will deliver a notice in writing (with a copy to the Collateral Manager, the Trustee, the Holders of the Subordinated Notes and each Rating Agency) to each Holder of the proposed Re-Priced Class, which notice will (i) specify the proposed Re-Pricing Date and the revised Interest Rate to be applied with respect to such Class (the "Re-Pricing Rate"), (ii) request that each Holder of the Re-Priced Class consent to the terms of the proposed Re-Pricing on or before the date that is five Business Days prior to the proposed Re-Pricing Date and (iii) state that the Notes of any Holder of the Re-Priced Class that does not consent to the Re-Pricing on or before the date that is four

Business Days prior to the proposed Re-Pricing Date (each, a "Non-Consenting Holder") may be (x) required by the Issuer to be sold to one or more transferees specified by or on behalf of the Issuer or (y) redeemed in a Re-Pricing Redemption with the proceeds of an issuance of Re-Pricing Replacement Notes and Partial Redemption Interest Proceeds, in each case at the applicable Redemption Price. If 100% of a proposed Re-Priced Class is being redeemed in a Re-Pricing Redemption and Rating Agency Confirmation has been obtained with respect to each Junior Class, Re-Pricing Replacement Notes may be issued either as Fixed Rate Notes or Floating Rate Notes. "Re-Pricing Replacement Notes" means Notes issued in connection with a Re-Pricing that have terms identical to the Notes of the Re-Priced Class (after giving effect to the Re-Pricing) and are issued in an aggregate outstanding amount such that the Re-Priced Class will have the same aggregate outstanding amount after giving effect to the Re-Pricing as it did before the Re-Pricing. "Re-Pricing Redemption Date" means any Business Day on which a Re-Pricing Redemption occurs.

At any time up to 14 Business Days prior to the Re-Pricing Date, the Issuer, at the direction of the Collateral Manager and with the consent of a Majority of the Subordinated Notes, may modify the terms of the proposed Re-Pricing (including the revised Interest Rate to be applied with respect to the proposed Re-Priced Class) by delivering a revised notice of proposed Re-Pricing reflecting such modification to the Holders of the proposed Re-Priced Class (with a copy to the Collateral Manager, the Trustee, each Rating Agency and the Holders of the Subordinated Notes) and requesting that each Holder of the Re-Priced Class (including any Holders that had previously consented to the proposed Re-Pricing) consent to the terms of the proposed Re-Pricing reflecting such modification on or before the date that is four Business Days prior to the proposed Re-Pricing Date.

In the event any Holders of the Re-Priced Class have not delivered written consent to the proposed Re-Pricing on or before the date that is 10 Business Days prior to the proposed Re-Pricing Date, the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, will deliver written notice thereof to the consenting Holders of the Re-Priced Class, specifying the aggregate outstanding amount of the Notes of the Re-Priced Class held by Holders that have not yet consented to the proposed Re-Pricing, and will request that each consenting Holder provide written notice to the Issuer, the Trustee, the Collateral Manager and the Re-Pricing Intermediary specifying the aggregate outstanding amount (if any) of such Notes that it would be willing to purchase at the applicable Redemption Price or, if the Issuer elects to issue Re-Pricing Replacement Notes in lieu of the forced sale of Non-Consenting Holders' Notes, the aggregate outstanding amount (if any) of Re-Pricing Replacement Notes that it would be willing to purchase (each such notice, an "Exercise Notice") within five Business Days of receipt of such notice.

In the event that the Issuer receives Exercise Notices with respect to more than the aggregate outstanding amount of the Notes of the Re-Priced Class held by Non-Consenting Holders, on the Re-Pricing Date, the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, will cause the sale and transfer of such Notes, or will sell Re-Pricing Replacement Notes, to the Holders delivering Exercise Notices with respect thereto and, if applicable, conduct a Re-Pricing Redemption of Non-Consenting Holders' Notes.

In the event that the Issuer receives Exercise Notices with respect to less than the aggregate outstanding amount of the Notes of the Re-Priced Class held by Non-Consenting Holders, on the Re-Pricing Date, the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, will cause the sale and transfer of such Notes, or will sell Re-Pricing Replacement Notes, to the Holders delivering Exercise Notices with respect thereto (if any) and, if applicable, conduct a Re-Pricing Redemption of Non-Consenting Holders' Notes. Any Non-Consenting Holders' Notes not purchased or redeemed pursuant to the preceding sentence will be sold to one or more purchasers designated by the Re-Pricing Intermediary on behalf of the Issuer or redeemed.

All sales of Non-Consenting Holders' Notes or Re-Pricing Replacement Notes will be made at the Redemption Price with respect to such Notes, and will be effected only if the related Re-Pricing is effected in accordance with the provisions of the Indenture. The Holder of each Note, by its acceptance of an interest in the Notes, agrees to sell and transfer its Notes or be redeemed in accordance with the Indenture and agrees to cooperate with the Issuer, the Re-Pricing Intermediary and the Trustee to effect such sales and transfers or redemption. The Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, will deliver written notice to the Trustee and the Collateral Manager not later than four Business Days prior to the proposed Re-Pricing Date confirming that the Issuer has received written commitments to purchase sufficient Non-Consenting Holders' Notes and Re-Pricing Replacement Notes to pay the Redemption Price to all Non-Consenting Holders.

If any Underlying Class is subject to a Re-Pricing Redemption and any Holder of Combination Securities is a Non-Consenting Holder in respect of the Re-Pricing, the Combination Securities of such Holder will be exchanged for the Components and the Notes of the Underlying Class subject to the Re-Pricing will be required to be sold by such holders at the applicable Redemption Price to transferees designated by, or on behalf of, the Issuer or may be redeemed by the Issuer.

The Issuer will not effect any proposed Re-Pricing unless (a) the Re-Pricing occurs after the Non-Call Period and (b) the following conditions (collectively, the conditions described in clauses (a) and (b), the "Re-Pricing Conditions") are satisfied:

(i) the Co-Issuers and the Trustee have entered into a supplemental indenture dated as of the Re-Pricing Date, to reduce the Interest Rate with respect to the Re-Priced Class;

(ii) all Notes of the Re-Priced Class held by Non-Consenting Holders have been sold and transferred or redeemed pursuant to the provisions above;

(iii) each Rating Agency has been notified of such Re-Pricing;

(iv) all expenses of the Issuer and the Trustee (including the fees of the Re-Pricing Intermediary and fees of counsel) incurred in connection with the Re-Pricing do not exceed the amount of Interest Proceeds available after taking into account all amounts required to be paid under the Priority of Interest Proceeds on the subsequent Payment Date prior to the distribution of any remaining Interest Proceeds to the holders of the Subordinated Notes, unless such expenses have been paid or will be adequately provided for by an entity other than the Issuer (which may include agreement by Persons to be paid such fees and expenses for payment to occur no later than the second succeeding Payment Date); and

(v) (A) neither the Issuer nor any Sponsor of the Issuer will fail to be in compliance with the U.S. Risk Retention Rule as a result of such Re-Pricing and (B) unless it consents to do so, none of the Collateral Manager, any Affiliate of the Collateral Manager or any Sponsor of the Issuer will be required to purchase any Notes in connection with such Re-Pricing.

Notice of a Re-Pricing will be given by the Trustee not less than three Business Days prior to the proposed Re-Pricing Date to each Holder of Notes of the Re-Priced Class (with a copy to the Collateral Manager) specifying the applicable Re-Pricing Date, Re-Pricing Rate and Redemption Price. Notice of Re-Pricing will be given by the Trustee at the expense of the Issuer. Failure to give a notice of Re-Pricing, or any defect therein, to any Holder of any Re-Priced Class will not impair or affect the validity of the Re-Pricing or give rise to any claim based upon such failure or defect.

Any notice of a Re-Pricing may be withdrawn by a Majority of the Subordinated Notes (if the Re-Pricing was directed by a Majority of the Subordinated Notes) or the Collateral Manager (if the Re-Pricing was directed by the Collateral Manager) on any day up to and including the day that is one Business Day prior to the scheduled Re-Pricing Date by written notice to the Issuer, the Trustee and the Collateral Manager for any reason. Upon receipt of such notice of withdrawal, the Trustee will send such notice to the Holders of Notes of the Re-Priced Class and each Rating Agency. It will not be an Event of Default if the Issuer is unable to effect a Re-Pricing.

The Issuer will direct the Trustee to segregate payments and take other reasonable steps to effect the Re-Pricing, and the Trustee will have the authority to take such actions as may be directed by the Issuer or the Collateral Manager to effect a Re-Pricing. In order to give effect to the Re-Pricing, the Issuer may, to the extent necessary, obtain and assign a separate CUSIP or CUSIPs to the Notes of each Class held by consenting Holders or Non-Consenting Holders.

The Trustee will be entitled to receive, and may request and will be fully protected in relying upon, a written certificate of the Issuer (or the Collateral Manager on its behalf) stating that the Re-Pricing is authorized or permitted by the Indenture and that all conditions precedent thereto have been complied with.

Purchase and Surrender of Securities; Cancellation

The Indenture permits the application by the Issuer of (a) all or a portion of amounts on deposit in the Supplemental Reserve Account (at the direction of a Majority of the Subordinated Notes for so long as the Majority Equity Condition is satisfied), (b) Contributions (at the direction of the related Contributor or, if no such direction is given, at the sole discretion of the Collateral Manager), (c) Additional Subordinated Notes Proceeds, (d) Deferred Subordinated Fees and (e) during the Reinvestment Period only, Principal Proceeds in order to acquire Rated Notes (or beneficial interests therein) of the Class designated by the Collateral Manager or the Contributor, as applicable, through a tender offer, in the open market or in privately negotiated transactions (in each case, subject to applicable law) (any such Rated Notes, the "Repurchased Notes"); *provided* that no purchases of Rated Notes may occur using Principal Proceeds unless: (i) such purchases of Rated Notes will be effected in the order of priority set out in the Note Payment Sequence, (ii) each such purchase will be effected only at prices discounted from par, (iii) each Coverage Test is satisfied immediately prior to each such purchase and will be satisfied after giving effect to such purchase, (iv) each requirement or test, as the case may be, of the Concentration Limitations and the Collateral Quality Test will be satisfied or, if any such requirement or test was not satisfied immediately prior to such purchases, such requirement or test will be maintained or improved after giving effect to such purchases, (v) no Event of Default has occurred and is continuing and (vi) for so long as the Majority Equity Condition is satisfied, a Majority of the Subordinated Notes has consented to such purchases. Any such Repurchased Notes will be submitted to the Trustee for cancellation and each Rating Agency will be notified of such purchase.

Securities or beneficial interests in Securities may also be tendered without payment by a Holder to the Issuer or Trustee (any such Securities, "Surrendered Securities"). Any such Surrendered Securities will be submitted to the Trustee for cancellation. All Repurchased Notes, Surrendered Securities and Securities that are surrendered for payment, registration of transfer, exchange or redemption, or are deemed lost or stolen, will be promptly canceled by the Trustee and may not be reissued or resold; *provided* that, other than Repurchased Notes of the Controlling Class, Repurchased Notes and Surrendered Securities will continue to be treated as Outstanding under the Indenture for purposes of calculation of any Overcollateralization Ratio (including, for the avoidance of doubt, for purposes of the Interest Diversion Test) until all Securities of the applicable Class and each Priority Class have been retired or redeemed, having an Aggregate Outstanding Amount equal to the Aggregate Outstanding Amount as of the date of repurchase or surrender, reduced proportionately with, and to the extent of, any payments of principal on Securities of the same Class thereafter.

Entitlement to Payments

Payments on the Securities will be made to the person in whose name the Security is registered on the Record Date. Payments on interests in Certificated Securities will be made in U.S. Dollars by wire transfer, as directed by the investor, in immediately available funds to the investor; *provided* that (i) wiring instructions have been provided to the Trustee on or before the related Record Date and (ii) if appropriate instructions for any such wire transfer are not received by the Record Date, then such payment shall be made by check drawn on a U.S. bank mailed to such Holder at such Holder's address specified in the Register. Upon payment in respect of principal on the Certificated Securities, Holders are required to surrender the Certificated Securities at the office of any Paying Agent.

Payments on any Global Securities will be made to DTC or its nominee, as the registered owner thereof. Neither the Co-Issuers, the Collateral Manager, the Trustee nor any Paying Agent will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in Global Securities or for maintaining, supervising or reviewing any records relating to the beneficial ownership interests. The Co-Issuers expect that DTC or its nominee, upon receipt of any payment of principal, interest or other distribution in respect of a Global Security, will immediately credit participants' accounts (through which, in the case of Regulation S Global Securities, Euroclear and Clearstream hold their respective interests) with payments in amounts proportionate to their respective beneficial interests in the stated original principal amount of a Global Security for a Class, as applicable, as shown on the records of DTC or its nominee. The Co-Issuers also expect that payments by participants to owners of beneficial interests in a Global Security held through the participants will be governed by standing instructions and customary practices, as is now the case with securities held for the accounts of customers registered in the names of nominees for the customers. The payments will be the responsibility of the participants.

Prescription. Except as otherwise required by applicable law, claims by Holders of Securities in respect of principal and interest must be made to the Trustee or any Paying Agent if made within two years of such principal or interest becoming due and payable. Any funds deposited with the Trustee or any Paying Agent in trust for the payment of principal or interest remaining unclaimed for two years after such principal or interest has become due and payable shall be paid to the Issuer pursuant to the Indenture; and the Holder of a Security shall thereafter, as an unsecured general creditor, look only to the Issuer for payment of such amounts and all liability of the Trustee and any Paying Agent with respect to such trust funds shall thereupon cease.

Priority of Payments

On each Payment Date, unless an Enforcement Event has occurred and is continuing, Interest Proceeds will be applied in the order of priority set forth in the Priority of Interest Proceeds and Principal Proceeds will be applied in the order of priority set forth in the Priority of Principal Proceeds. On each Partial Redemption Date or Re-Pricing Redemption Date, Refinancing Proceeds or the proceeds of Re-Pricing Replacement Notes, as the case may be, and Partial Redemption Interest Proceeds will be applied in the order of priority set forth in the Priority of Partial Redemption Proceeds. If an Enforcement Event has occurred and is continuing, Interest Proceeds and Principal Proceeds will be applied in the order of priority set forth in the Special Priority of Payments.

On each Payment Date on which payments are made on any Underlying Class, a portion of such payments will be allocated to the Combination Securities in the proportion that the Aggregate Outstanding Amount of the related Component bears to the Aggregate Outstanding Amount of that Underlying Class as a whole (including the related Components). The Combination Securities will be entitled to no other payments. In particular, interest will not accrue or be payable on the Combination Securities, except to the extent, if any, of interest on the related Components.

The Indenture

Events of Default. "Event of Default" is defined in the Indenture as:

(a) a default in the payment, when due and payable, of (i) any interest on the Class X Notes, the Class A-1 Notes or the Class A-2 Notes or, if there are no Class X Notes, Class A-1 Notes or Class A-2 Notes Outstanding, any Rated Notes of the Controlling Class and, in each case, the continuation of any such default for five Business Days, or (ii) any principal of, or interest or Deferred Interest on, or any Redemption Price in respect of, any Rated Note at its Stated Maturity or on any Redemption Date; *provided* that, in the case of a default resulting from a failure to disburse due to an administrative error or omission by the Collateral Manager, the Trustee, the Collateral Administrator, the Administrator, the Registrar or any Paying Agent, such default will not be an Event of Default unless such failure continues for 10 Business Days after a trust officer of the Trustee receives written notice or has actual knowledge of such administrative error or omission (irrespective of whether the cause of such administrative error or omission has been determined);

(b) unless such amounts are legally required or permitted to be withheld, the failure on any Payment Date to disburse amounts available in the Payment Account in excess of U.S.$10,000 in accordance with the Priority of Payments and the continuation of such failure for 15 Business Days after a trust officer of the Trustee receives written notice or has actual knowledge of such administrative error or omission;

(c) either of the Co-Issuers or the Assets becomes an investment company required to be registered under the Investment Company Act (and such requirement has not been eliminated after a period of 45 days);

(d) except as otherwise provided in this definition of Event of Default, a default in the performance, or breach, of any other covenant or other agreement of the Issuer or the Co-Issuer in the Indenture (it being understood, without limiting the generality of the foregoing, that any failure to meet any Concentration Limitation, Collateral Quality Test, Coverage Test or Interest Diversion Test or effect an Optional Redemption, a Tax Redemption or a Re-Pricing is not an Event of Default and any failure to satisfy the requirements described under "Use of Proceeds—Effective Date" is not an Event of Default under this clause (d)), or the failure of any representation or warranty of the Issuer or the Co-Issuer made in the Indenture or in any certificate delivered pursuant thereto or in connection therewith to be correct when the

same shall have been made, which default or failure has a material adverse effect on any Class, and the continuation of such default, breach or failure for a period of 30 Business Days (or, if such default, breach or failure can be cured only on a Payment Date, the next Payment Date) after notice by the Trustee at the direction of a Majority of the Controlling Class to the Issuer or the Co-Issuer, as applicable, and the Collateral Manager specifying such default, breach or failure and requiring it to be remedied and stating that such notice is a "Notice of Default" under the Indenture;

(e) the occurrence of a Bankruptcy Event; or

(f) on any Measurement Date on which any Class A-1 Notes are Outstanding, failure of the percentage equivalent of a fraction (i) the numerator of which is equal to the sum of (x) the Aggregate Principal Balance of the Collateral Obligations and (y) without duplication, the amounts on deposit in the Collection Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds and (ii) the denominator of which is equal to the Aggregate Outstanding Amount of the Class A-1 Notes, to equal or exceed 102.5%.

For purposes of calculating the Aggregate Principal Balance of the Collateral Obligations under clause (f) above, each Defaulted Obligation will be included at its Market Value.

If an Event of Default occurs and is continuing (other than a Bankruptcy Event), the Trustee shall (upon the written direction of a Majority of the Controlling Class), by notice to the applicable Co-Issuers, the Collateral Manager and each Rating Agency, declare the principal of the Rated Notes to be immediately due and payable ("acceleration"), and upon any such declaration the principal of the Notes, together with accrued and unpaid interest thereon (including, in the case of the Deferred Interest Notes, any Deferred Interest) through the date of acceleration, shall become immediately due and payable. If a Bankruptcy Event occurs, such an acceleration will occur automatically.

Notwithstanding any acceleration, if an Event of Default or Enforcement Event has occurred and is continuing, then (x) the Collateral Manager may continue to direct sales and other dispositions of Collateral Obligations in accordance with and to the extent permitted pursuant to the provisions of the Indenture described under "—Disposition of Illiquid Assets" and "Security for the Notes—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria" (unless the Trustee has provided notice to the Collateral Manager that liquidation of the Assets will commence) and (y) the Trustee will retain the Assets intact (subject to the rights of the Collateral Manager pursuant to the foregoing clause (x)), collect all payments in respect of the Assets and make and apply all payments and deposits and maintain all accounts in respect of the Assets and the Securities in accordance with the Priority of Payments and otherwise in accordance with the Indenture, unless:

(i) the Trustee determines (in the manner described in the Indenture) that the anticipated proceeds of a sale or liquidation of the Assets (after deducting the anticipated reasonable expenses of such sale or liquidation) would be sufficient to discharge in full the amounts then due (or, in the case of interest, accrued) and unpaid on the Rated Notes for principal and interest (including accrued and unpaid Deferred Interest), and all other amounts payable prior to payment of principal on such Rated Notes (including amounts due and owing, and amounts anticipated to be due and owing, as Administrative Expenses (without regard to the Administrative Expense Cap) and due and unpaid Base Management Fee) and a Supermajority of the Controlling Class agrees with such determination;

(ii) solely for so long as any Class A-1 Notes are Outstanding, in the case of an Event of Default described in clause (a) or (f) of the definition thereof (without regard to the occurrence of any other Event of Default prior or subsequent to the occurrence of such Event of Default, unless such Event of Default occurred solely as a result of acceleration), a Majority of the Class A-1 Notes directs the sale and liquidation of the Assets;

(iii) a Majority of each Class of the Rated Notes (other than the Class X Notes) (voting separately by Class) directs the sale and liquidation of the Assets; or

(iv) if no Rated Notes are Outstanding, a Majority of the Subordinated Notes directs the sale and liquidation of the Assets.

Directions by Holders under clauses (ii), (iii) and (iv) above will be effective when delivered to the Issuer, the Trustee and the Collateral Manager. The Trustee will provide notice of any such liquidation of the Assets to the Holders at least 10 days prior to such liquidation, and any Holder may bid for and acquire any portion of the Assets in connection with a liquidation thereof to the extent permitted by applicable law and provided that such Holder meets any applicable eligibility requirements with respect to such acquisition.

A Majority of the Controlling Class will have the right following the occurrence, and during the continuance of, an Event of Default or an Enforcement Event to cause the institution of and direct the time, method and place of conducting any proceeding for any remedy available to the Trustee or exercising any trust or power conferred upon the Trustee under the Indenture; *provided* that (a) such direction shall not conflict with any rule of law or with any express provision of the Indenture, (b) the Trustee may take any other action deemed proper by the Trustee that is not inconsistent with such direction, (c) the Trustee shall have been provided with indemnity reasonably satisfactory to it, and (d) notwithstanding the foregoing, any direction to the Trustee to undertake a sale of Assets may be given only in accordance with the preceding paragraph and the other applicable provisions of the Indenture.

Subject to the provisions of the Indenture relating to the duties of the Trustee, the Trustee will be under no obligation to exercise the rights or powers vested in it under the Indenture in respect of an Event of Default or Enforcement Event at the request or direction of the Holders of any Securities unless such Holders have provided to the Trustee security or indemnity reasonably satisfactory to the Trustee. Prior to the time a judgment or decree for payment of the money due has been obtained by the Trustee, as provided in the Indenture, a Supermajority of the Controlling Class may on behalf of the Holders of all the Securities waive any past Event of Default or any occurrence that is, or with notice or the lapse of time or both would become, an Event of Default, and its consequences, except any such Event of Default or occurrence (a) in the payment of the principal of or interest on any Rated Note (which may be waived only with the consent of the Holder of such Rated Note), (b) in respect of a covenant or provision of the Indenture that, under the provision of the Indenture providing for supplemental indentures with the consent of Holders or a Class, cannot be modified or amended without the waiver or consent of each Holder of Securities of such Class materially and adversely affected thereby (which may be waived only with the consent of each such Holder) or (c) in respect of certain representations contained in the Indenture relating to the security interests in the Assets.

No Holder of a Note will have the right to institute any proceeding with respect to the Indenture or the Securities unless (i) such Holder previously has given to the Trustee written notice of an Event of Default, (ii) the Holders of not less than 25% in Aggregate Outstanding Amount of the Controlling Class have made a written request upon the Trustee to institute such proceedings in its own name as Trustee and such Holders have provided the Trustee indemnity reasonably satisfactory to the Trustee, (iii) the Trustee, for 30 days after its receipt of such notice, request and provision of such indemnity to the Trustee, has failed to institute any such proceeding and (iv) no direction inconsistent with such written request has been given to the Trustee during such 30-day period by a Majority of the Controlling Class.

Notices. Notices to the Holders of the Securities may be given by first-class mail, postage prepaid, to at each such Holder's address appearing in the Register. Notices delivered to any Underlying Class will be delivered to the holders of the Combination Securities. In lieu of the foregoing, any documents (including, without limitation, reports, notices or supplemental indenture) required to be provided by the Trustee to the Holders of the Securities may be provided by providing notice of, and access to, the Trustee's Website containing such document. Access to the Trustee's Website containing such documents will also be provided to Certifying Persons requesting such access. If any Securities are listed on the Irish Stock Exchange, notices to Holders of such Securities will be provided to the Irish Stock Exchange to the extent required by its guidelines.

The Trustee will deliver to any Holder or Certifying Person any information or notice relating to the Indenture requested to be so delivered by such Holder or Certifying Person (with a copy to the Collateral Manager), at the expense of the Issuer; *provided* that the Trustee shall not be obligated to distribute any notice that the Trustee reasonably determines to be contrary to the terms of the Indenture or its duties and obligations under the Indenture or applicable law.

Modification of Indenture. The Indenture provides that the Co-Issuers and the Trustee may enter into supplemental indentures subject to certain requirements.

(a) With the consent of a Majority of each Class materially and adversely affected thereby, if any, the Trustee and the Co-Issuers may execute one or more supplemental indentures to add provisions to, or change in any manner or eliminate any provisions of, the Indenture or modify in any manner the rights of the Holders of any Class under the Indenture; *provided* that without the consent of Holders of 100% of each Class materially and adversely affected thereby, no such supplemental indenture described above may:

(i) change the Stated Maturity of the principal of or the due date of any installment of interest on any Rated Note, reduce the principal amount thereof or the rate of interest thereon (other than in connection with a Re-Pricing) or the Redemption Price with respect to any Note, or change the earliest date on which Notes of any Class may be redeemed, change the provisions of the Indenture relating to the application of proceeds of any Assets to the payment of principal of or interest on the Rated Notes or distributions on the Subordinated Notes (other than, following a redemption in full of the Rated Notes, an amendment to permit distributions to Holders of Subordinated Notes on dates other than Payment Dates) or change any place where, or the coin or currency in which, Securities or the principal thereof or interest or any distribution thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the applicable Redemption Date);

(ii) reduce or increase the percentage of the Aggregate Outstanding Amount of Holders of each Class whose consent is required for the authorization of any such supplemental indenture or for any waiver of compliance with certain provisions of the Indenture or certain defaults thereunder or their consequences provided for in the Indenture;

(iii) impair or adversely affect the Assets except as otherwise permitted in the Indenture;

(iv) except as otherwise permitted by the Indenture, permit the creation of any lien ranking prior to or on a parity with the lien of the Indenture with respect to any part of the Assets or terminate such lien on any property at any time subject thereto or deprive the Holder of any Note of the security afforded by the lien of the Indenture;

(v) reduce or increase the percentage of the Aggregate Outstanding Amount of Holders of any Class of Rated Notes whose consent is required to request the Trustee to preserve the Assets or rescind the Trustee's election to preserve the Assets or to sell or liquidate the Assets pursuant to the Indenture;

(vi) modify any of the provisions of the Indenture with respect to entering into supplemental indentures, except to increase the percentage of Outstanding Securities, the consent of the Holders of which is required for any such action or to provide that certain other provisions of the Indenture cannot be modified or waived without the consent of each Holder of each Class of Securities Outstanding and affected thereby;

(vii) modify the Priority of Payments, the Note Payment Sequence, the Coverage Tests or the definition of any of the following terms: Class, Controlling Class, Majority, Outstanding or Supermajority;

(viii) modify any of the provisions of the Indenture in such a manner as to affect the rights of the Holders of any Securities to the benefit of any provisions for the redemption of such Securities contained therein;

(ix) amend any of the provisions of the Indenture relating to the institution of proceedings for certain events of bankruptcy, insolvency, receivership or reorganization of the Co-Issuers;

(x) alter the Additional Issuance Conditions; or

(xi) modify the provisions of the Indenture in such a manner as to affect the extent to which payments on the Underlying Classes are made to the holders of the Combination Securities or modifies the voting rights of holders of Combination Securities.

(b) Notwithstanding the requirements of clause (a) above, with the consent of the Collateral Manager and a Majority of the Controlling Class and, so long as the Majority Equity Condition is satisfied, a Majority of the Subordinated Notes, the Trustee and the Co-Issuers may execute one or more supplemental indentures to modify the definition of any of the following terms: Concentration Limitations, Collateral Obligation, Credit Risk Obligation or Credit Improved Obligation.

(c) Notwithstanding the requirements of clause (a) above, with the consent of the Collateral Manager, the Trustee and the Co-Issuers may execute one or more supplemental indentures to modify the Collateral Quality Test or the Investment Criteria, or the requirements for sales of Collateral Obligations or Maturity Amendments set forth under "Security for the Notes—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria" or any of the definitions related thereto (including, for the avoidance of doubt, the Asset Quality Matrix); *provided* that, except for modifications otherwise permitted pursuant to clause (e)(viii) below, a Majority of the Controlling Class and a Majority of the Subordinated Notes has consented to such modification.

(d) Notwithstanding the requirements of clause (a) above, (i) the consent of the Collateral Manager, a Majority of the Controlling Class and a Majority of the Subordinated Notes must be obtained for a supplemental indenture to modify the Subordinated Management Fee or the Incentive Management Fee or to reduce the Base Management Fee and (ii) the consent of 100% of the Holders of each Class of Rated Notes must be obtained for a supplemental indenture to increase the Base Management Fee.

(e) The Co-Issuers and the Trustee may also enter into supplemental indentures, without obtaining the consent of Holders of any Class (except as expressly noted below), at any time and from time to time, subject to certain requirements described in the Indenture:

(i) to evidence the succession of another person to the Issuer or the Co-Issuer and the assumption by any such successor person of the covenants of the Issuer or the Co-Issuer in the Indenture and in the Securities;

(ii) to add to the covenants of the Co-Issuers or the Trustee for the benefit of the Secured Parties;

(iii) to convey, transfer, assign, mortgage or pledge any property to or with the Trustee or add to the conditions, limitations or restrictions on the authorized amount, terms and purposes of the issue, authentication and delivery of the Securities;

(iv) to evidence and provide for the acceptance of appointment under the Indenture by a successor Trustee and to add to or change any of the provisions of the Indenture as shall be necessary to facilitate the administration of the trusts under the Indenture by more than one Trustee, pursuant to the requirements of the Indenture;

(v) to correct or amplify the description of any property at any time subject to the lien of the Indenture, or to better assure, convey and confirm unto the Trustee any property subject or required to be subjected to the lien of the Indenture (including, without limitation, any and all actions necessary or desirable as a result of changes in law or regulations) or to subject to the lien of the Indenture any additional property;

(vi) to modify the restrictions on and procedures for resales and other transfers of Securities to reflect any changes in ERISA or other applicable law or regulation (or the interpretation thereof) or to enable the Co-Issuers to rely upon any exemption from registration under the Securities Act or the Investment Company Act or to remove restrictions on resale and transfer to the extent not required by the Indenture;

(vii) to make such changes as shall be necessary or advisable in order for the listed Securities to be or remain listed on an exchange, including the Irish Stock Exchange;

(viii) otherwise to correct any inconsistency or cure any ambiguity, omission or manifest errors in the Indenture or to conform the provisions of the Indenture to this Offering Memorandum;

(ix) to take any action necessary or advisable (A) to prevent either of the Co-Issuers, any Blocker Subsidiary, the Trustee or any Paying Agent from being subject to, or to minimize the amount of, withholding and other taxes, fees or assessments, including by achieving Tax Account Reporting Rules Compliance, or (B) to prevent the Issuer from being treated as engaged in a trade or business within the United States for U.S. federal income tax purposes or otherwise being subject to U.S. federal, state or local income tax on a net income basis;

(x) to facilitate the issuance by the Co-Issuers in accordance with the Indenture (for which any required consent has been obtained) of (A) additional notes of one or more new classes that are fully subordinated to the existing Rated Notes (or to the most junior class of securities of the Issuer (other than the Subordinated Notes) issued pursuant to the Indenture, if any class of securities issued pursuant to the Indenture other than the Rated Notes and the Subordinated Notes is then Outstanding); (B) additional notes of one or more existing Classes; or (C) replacement notes in connection with a Refinancing;

(xi) to accommodate the issuance of any Securities in book-entry form through the facilities of DTC or otherwise;

(xii) to change the name of the Issuer or the Co-Issuer in connection with any change in name or identity of the Collateral Manager or as otherwise required pursuant to a contractual obligation or to avoid the use of a trade name or trademark in respect of which the Issuer or the Co-Issuer does not have a license;

(xiii) to amend, modify or otherwise accommodate changes to the Indenture to comply with any rule or regulation enacted by any regulatory agency of the U.S. federal government after the Closing Date that is applicable to the Securities;

(xiv) to modify the Rule 17g-5 Procedures;

(xv) to reduce the Minimum Denomination of any Class of Securities;

(xvi) to make such changes as shall be necessary to facilitate the Issuer or the Co-Issuers, as applicable, to effect a Re-Pricing in accordance with the Indenture;

(xvii) to take any action necessary or advisable for any Bankruptcy Subordination Agreement; and to (A) issue a new Security or Securities in respect of, or issue one or more new sub-classes of, any Class, in each case with new identifiers (including CUSIPs, ISINs and Common Codes, as applicable) in connection with any Bankruptcy Subordination Agreement; *provided* that any sub-class of a Class of Securities issued pursuant to this clause shall be issued on identical terms as, and rank *pari passu* in all respects with, the existing Securities of such Class and (B) provide for procedures under which beneficial owners of such Class that are not subject to a Bankruptcy Subordination Agreement may take an interest in such new Securities or sub-classes;

(xviii) to enter into any additional agreements not expressly prohibited by the Indenture and that do not materially and adversely affect any Class of Securities as certified by the Collateral Manager;

(xix) to modify the procedures in the Indenture to permit compliance with the Dodd-Frank Wall Street Reform and Consumer Protection Act, as amended from time to time (including, without limitation, the Volcker Rule), or other laws, rules and regulations as applicable to the Co-Issuers, the Collateral Manager or the Securities, or any rules or regulations thereunder or to reduce costs to the Issuer as a result thereof;

(xx) with the consent of a Majority of the Controlling Class and a Majority of the Subordinated Notes, to enter into a Hedge Agreement that complies with each Rating Agency's then-current criteria and to make such changes as shall be necessary to permit the Issuer to enter into such Hedge Agreement; or

(xxi) to make any modification (other than modifications to the Refinancing Conditions or the Re-Pricing Conditions) determined by the Collateral Manager to be necessary in order for a Refinancing or a Re-Pricing not to be subject to risk retention requirements under Section 15G of the Exchange Act.

(f) In addition, with the consent of a Majority of the Controlling Class and subject to certain requirements described in the Indenture, the Co-Issuers and the Trustee may enter into supplemental indentures to conform to ratings criteria and other guidelines relating generally to collateralized loan obligations published by any Rating Agency, including any alternative methodology published by any Rating Agency.

(g) Notwithstanding any of the other requirements relating to supplemental indentures, with the consent of a Supermajority of the Section 13 Banking Entities (voting as a single class) and a Majority of the Controlling Class (any such consent not to be unreasonably withheld, delayed or conditioned) but without the consent of any other Holders, the Co-Issuers and the Trustee may also enter into supplemental indentures (i) to make any modification necessary or advisable for the Issuer to qualify for the loan securitization exclusion from the definition of "covered fund" under the Volcker Rule or (ii) with the consent of the Collateral Manager (such consent not to be unreasonably withheld, delayed or conditioned), to make any modification necessary or advisable so that a beneficial interest in any Rated Note will not constitute an "ownership interest" in a "covered fund" under the Volcker Rule (in each case, as determined by the Issuer or the Collateral Manager in consultation with legal counsel of national reputation experienced in such matters).

Any supplemental indenture entered into for a purpose other than the purposes set forth in clauses (a) through (g) above, including any support thereof, must be executed pursuant to the Indenture with the consent of the percentage of Holders specified therein. For the avoidance of doubt, the Co-Issuers and the Trustee may, without regard for the requirements described in this section "Modification of Indenture," enter into a supplemental indenture in connection with a Re-Pricing to reduce the Interest Rate with respect to the Re-Priced Class or, in the case of an issuance of Re-Pricing Replacement Notes, to issue such Re-Pricing Replacement Notes.

At the cost of the Co-Issuers, for so long as any Securities remain Outstanding, not later than 15 days prior to the execution of any proposed supplemental indenture, the Trustee will provide to the Collateral Manager, the Collateral Administrator, the Rating Agencies and the Holders a notice attaching a copy of such supplemental indenture and request any required consent from the applicable Holders to be given not less than one Business Day prior to the proposed execution date of such supplemental indenture. Any consent given to a proposed supplemental indenture by the Holder of any Security will be irrevocable and binding on all future Holders or beneficial owners of that Security, irrespective of the execution date of the supplemental indenture.

If a Majority of the Controlling Class has provided notice to the Trustee (with a copy to the Collateral Manager) no later than 10 days after the date of the Trustee's notice of a proposed supplemental indenture pursuant to clause (a), (e)(xviii) or (e)(xix) above that such Class would be materially and adversely affected thereby (which notice must specify the nature of such material adverse effect), the Trustee and the Co-Issuers may not enter into such supplemental indenture without the consent of a Majority of the Controlling Class. In addition, if a Majority of the Subordinated Notes has provided notice to the Trustee (with a copy to the Collateral Manager) no later than 10 days after the date of the Trustee's notice of a proposed supplemental indenture pursuant to clause (b), (c), (e)(xviii), (f) or (g) above that such Class would be materially and adversely affected thereby (which notice must specify the nature of such material adverse effect), the Trustee and the Co-Issuers may not enter into such supplemental indenture without the consent of a Majority of the Subordinated Notes.

Holders of the Combination Securities will vote with each Underlying Class except in connection with any supplemental indenture that affects the Combination Securities in a manner that is materially different from the effect of such supplemental indenture on the Notes of any Underlying Class, in which case they will vote only as a separate Class.

Any Class of Notes being refinanced will be deemed not to be materially and adversely affected by any terms of the supplemental indenture related to, in connection with or to become effective on or immediately after the effective date of such refinancing. Any Non-Consenting Holder will be deemed not to be materially and adversely affected by any terms of the supplemental indenture related to, in connection with or to become effective on immediately after the Re-Pricing Redemption Date.

The Collateral Manager will not be bound to follow any amendment or supplement to the Indenture unless it has received written notice of such supplement and a copy of such supplement from the Issuer or the Trustee. The Issuer agrees that it will not permit to become effective any supplement or modification to the Indenture which would, as reasonably determined by the Collateral Manager, (i) increase the duties or liabilities of, reduce or eliminate any right or privilege of (including as a result of an effect on the amount or priority of any fees or other amounts payable to the Collateral Manager), or adversely change the economic consequences to, the Collateral Manager, (ii) modify the restrictions on the sales of Collateral Obligations or (iii) materially expand or restrict the Collateral Manager's discretion, and the Collateral Manager shall not be bound thereby unless the Collateral Manager shall have consented in advance thereto in writing. The Trustee will not be obligated to enter into any amendment or supplement that, as determined by the Trustee, adversely affects its duties, obligations, liabilities or protections under the Indenture. No amendment to the Indenture will be effective against the Collateral Administrator if such amendment would adversely affect the Collateral Administrator, including, without limitation, any amendment or supplement that would increase the duties or liabilities of, or adversely change the economic consequences to, the Collateral Administrator, unless the Collateral Administrator otherwise consents in writing.

If any supplemental indenture permits the Issuer to enter into a Synthetic Security or other hedge, swap or derivative transaction (each, a "Hedge Agreement"), the consent of a Majority of the Controlling Class and the consent of a Majority of the Subordinated Notes must be obtained and the supplemental indenture shall require that, before entering into any such Hedge Agreement, the following additional conditions must be satisfied: (a) the Issuer has received a written opinion of counsel of national reputation experienced in such matters that either (i) the Issuer entering into such Hedge Agreement will not cause it to be considered a "commodity pool" as defined in Section 1a(10) of the Commodity Exchange Act, as amended, or (ii) if the Issuer would be a commodity pool, (A) the Collateral Manager, and no other party, would be the "commodity pool operator" and "commodity trading adviser" and (B) with respect to the Issuer as the commodity pool, the Collateral Manager is eligible for an exemption from registration as a commodity pool operator and commodity trading adviser and all conditions precedent to obtaining such an exemption have been satisfied; (b) the Collateral Manager has agreed in writing (or the supplemental indenture requires) that for so long as the Issuer is a commodity pool it will take all action necessary to ensure ongoing compliance with the applicable exemption from registration as a commodity pool operator and commodity trading adviser with respect to the Issuer, and any other actions required as a commodity pool operator and commodity trading adviser with respect to the Issuer; (c) the Collateral Manager has certified to the Issuer and the Trustee that (A) the written terms of such Hedge Agreement directly relate to the Collateral Obligations and the Securities and (B) such Hedge Agreement reduces the interest rate and/or foreign exchange risks related to the Collateral Obligations and the Securities; (d) the Issuer has received a written opinion of counsel of national reputation experienced in such matters that the Issuer entering into such Hedge Agreement will not cause it to be considered a "covered fund" under the Volcker Rule; (e) the Issuer has received Rating Agency Confirmation; and (f) the Indenture has been amended to incorporate the then-current criteria of each Rating Agency in respect of Hedge Agreements and their counterparties.

At the cost of the Co-Issuers, the Trustee will provide to the Collateral Manager, the Collateral Administrator, the Rating Agencies and the Holders a copy of any executed supplemental indenture after its execution. Any failure of the Trustee to supply such copy will not, however, in any way impair or affect the validity of any such supplemental indenture.

Additional Issuance. At any time during the Reinvestment Period (or, in the case of an issuance solely of additional Subordinated Notes, at any time), the Co-Issuers or the Issuer, as applicable, may issue and sell additional notes of one or more new classes of secured or unsecured notes that are fully subordinated to the existing Rated Notes (or to the most junior class of securities of the Issuer (other than the Subordinated Notes) issued pursuant to the Indenture, if any class of securities issued pursuant to the Indenture other than the Rated Notes and the Subordinated Notes is then Outstanding) and/or additional notes of existing Classes and use the net proceeds to purchase additional

Collateral Obligations or, solely in the case of Additional Subordinated Notes Proceeds, for a Permitted Use; *provided* that the following conditions are met (the "Additional Issuance Conditions"):

(i) the Collateral Manager consents to such issuance, such issuance is consented to by a Majority of the Subordinated Notes and (x) solely in the case of an issuance of additional Class X Notes, a Majority of the Class X Notes consents to such issuance and (y) solely in the case of the issuance of additional Class A-1 Notes, a Majority of the Class A-1 Notes consents to such issuance;

(ii) in the case of additional notes of existing Classes of Rated Notes, the Aggregate Outstanding Amount of Notes of such Class issued in all additional issuances may not exceed 100% of the respective original Aggregate Outstanding Amount of the Notes of such Class;

(iii) in the case of additional notes of existing Classes, the terms of the notes issued must be identical to the respective terms of previously issued Notes of the applicable Class (except that the interest due on additional notes will accrue from the issue date of such additional notes, and the interest rate and price of such notes do not have to be identical to those of the initial Notes of that Class; *provided* that the interest rate of the additional notes will not be greater than the interest rate of the initial Notes of that Class);

(iv) in the case of additional notes of existing Classes, unless only additional Subordinated Notes are being issued, additional notes of all Classes must be issued and such issuance of additional notes must be proportional across all Classes; *provided* that (A) the principal amount of Subordinated Notes issued in any such issuance may exceed the proportion otherwise applicable to the Subordinated Notes and (B) any Class may be an underlying class represented by a component of a new class of combination securities;

(v) the Issuer provides notice of such issuance to each Rating Agency;

(vi) the proceeds of any additional notes will be treated as Principal Proceeds and used to purchase additional Collateral Obligations or, solely in the case of Additional Subordinated Notes Proceeds, for a Permitted Use;

(vii) the fees and expenses incurred in connection with such issuance will be paid or provided for on the date of such issuance;

(viii) in the case of additional notes of existing Classes of Rated Notes, the degree of compliance with each Overcollateralization Ratio Test, if applicable, is maintained or improved immediately after giving effect to such issuance and the application of the proceeds thereof; and

(ix) unless only additional Subordinated Notes are being issued, Tax Advice shall be delivered to the Trustee, by or on behalf of the Issuer, to the effect that (A) in the case of additional notes of existing Classes, such issuance would not cause the Holders or beneficial owners of previously issued Notes of such Class to be deemed to have sold or exchanged such Securities under Section 1001 of the Code and (B) any additional Co-Issued Notes will, and any additional Class D Notes should, be treated as debt for U.S. federal income tax purposes.

Any such additional issuance will be accomplished in a manner that allows the independent accountants of the Issuer to accurately provide the tax information relating to original issue discount required to be provided to the Holders of Rated Notes (including the additional notes).

The use of such issuance proceeds as Principal Proceeds may have the effect of causing a Coverage Test that was otherwise failing to be cured or modifying the effect of events that would otherwise give rise to an Event of Default and permit the Controlling Class to exercise remedies under the Indenture. Such additional notes of an existing Class may be offered at prices that differ from the applicable initial offering price.

Unless such additional issuance is effected in the sole discretion of the Collateral Manager to permit the Collateral Manager or a Sponsor to comply with the U.S. Risk Retention Rule, any additional notes of an existing Class issued as described above will be offered first to Holders of that Class in such amounts as are necessary to preserve (on an approximate basis) their *pro rata* holdings of such Class.

Additional Securities in the form of replacement notes may also be issued in connection with a Refinancing subject only to the requirements described under "—Optional Redemption and Tax Redemption—Refinancing."

Consolidation, Merger or Transfer of Assets. Except under the limited circumstances set forth in the Indenture, neither the Issuer nor the Co-Issuer may consolidate with, merge into, or transfer or convey all or substantially all of its assets to, any other corporation, partnership, trust or other person or entity.

Petitions for Bankruptcy. The Indenture will provide that none of the Holders or beneficial owners of the Securities, the Trustee and the Secured Parties may institute against, or join any other Person in instituting against, the Issuer, the Co-Issuer or any Blocker Subsidiary any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceedings, or other proceedings under Cayman Islands, U.S. federal or state bankruptcy or similar laws until the payment in full of all Securities and the expiration of a period equal to one year (or, if longer, the applicable preference period then in effect) *plus* one day, following such payment in full.

In the event one or more Holders or beneficial owners of Securities causes the filing of a petition in bankruptcy against the Issuer, the Co-Issuer or any Blocker Subsidiary in violation of the prohibition described above (each, a "Filing Holder"), any claim that any such Filing Holder has against the Co-Issuers (including under all Securities of any Class held by it) or with respect to any Assets (including any proceeds thereof) will, notwithstanding anything to the contrary in the Priority of Payments and notwithstanding any objection to, or rescission of, such filing, be fully subordinate in right of payment to the claims of each Holder or beneficial owner of any Security that is not a Filing Holder (and each other secured creditor of the Issuer), with such subordination being effective until each Security held by each Holder or beneficial owner that is not a Filing Holder (and each claim of each other secured creditor of the Issuer) is paid in full in accordance with the Priority of Payments (after giving effect to such subordination). The terms described in the immediately preceding sentence are referred to herein as the "Bankruptcy Subordination Agreement." The Bankruptcy Subordination Agreement will constitute a "subordination agreement" within the meaning of Section 510(a) of the Bankruptcy Code. The Issuer shall direct the Trustee to segregate payments and take other reasonable steps to effect the Bankruptcy Subordination Agreement. In order to give effect to the Bankruptcy Subordination Agreement, the Issuer may, to the extent necessary, obtain and assign a separate CUSIP or CUSIPs to the Securities of each Class of Securities held by each Filing Holder.

The Issuer, the Co-Issuer or any Blocker Subsidiary, as applicable, will, subject to the availability of funds therefor, timely file an answer and any other appropriate pleading objecting to (i) the institution of any proceeding to have the Issuer, the Co-Issuer or any Blocker Subsidiary, as the case may be, adjudicated as bankrupt or insolvent or (ii) the filing of any petition seeking relief, reorganization, arrangement, adjustment or composition of or in respect of the Issuer, the Co-Issuer or any Blocker Subsidiary, as the case may be, under applicable bankruptcy law or other applicable law. The reasonable fees, costs, charges and expenses incurred by the Issuer (including reasonable attorneys' fees and expenses) in connection with taking any such action will be paid as Administrative Expenses.

Satisfaction and Discharge of the Indenture. The Indenture will be discharged with respect to the Assets securing the Notes upon (i) (A) delivery to the Trustee for cancellation of all of the Certificated Securities, or, upon deposit with the Trustee of funds sufficient for the payment or redemption thereof and (B) payment by or on behalf of the Co-Issuers of all other sums payable by the Co-Issuers under the Indenture and under the Collateral Administration Agreement and the Collateral Management Agreement or (ii) realization of all Assets of the Issuer that are subject to the lien of the Indenture and the distribution of the proceeds thereof and the closing of each of the accounts pledged under the Indenture, in each case in accordance with the Indenture. The discharge of the Indenture is subject to certain exceptions, including the obligation to pay principal and interest (subject to the provision of the Indenture providing that the obligations of the Issuer with respect to the Securities or the Co-Issuer with the respect to the Co-Issued Notes are limited recourse obligations).

Disposition of Illiquid Assets. If at any time the Assets consist exclusively of (a) Eligible Investments (including cash) and/or (b) one or more of the following: (i) a Defaulted Obligation, an Equity Security, an obligation received in connection with an offer or other exchange or any other security or debt obligation that are part of the Assets, in respect of which (x) the Issuer has not received a payment in cash during the preceding twelve calendar months and (y) the Collateral Manager certifies that it is not aware, after reasonable inquiry, that the issuer or obligor of such asset has publicly announced or informed the Holders of such asset that it intends to make a payment in cash in respect of such asset within the next twelve calendar months or (ii) any asset, claim or other property identified in a certificate of the Collateral Manager as having a Market Value of less than U.S.$1,000 (each, an "Illiquid Asset"),

then the Collateral Manager may request bids with respect to each such Illiquid Asset pursuant to the provisions of the Indenture after providing notice to the Holders of Securities and requesting that any Holder of Securities that wishes to bid on any such Illiquid Asset notify the Trustee (with a copy to the Collateral Manager) of such intention within 15 Business Days after the date of such notice. The Trustee shall, after the end of such 15 Business Day period, offer the Illiquid Assets for sale as determined and directed by the Collateral Manager (in a manner and according to terms determined by the Collateral Manager (including from Persons identified to the Trustee by the Collateral Manager) and pursuant to sale documentation provided by the Collateral Manager) and, if any Holder of Securities so notifies the Trustee that it wishes to bid, such Holder of Securities shall be included in the distribution of sale offering or bid solicitation material in connection therewith and thereby given an opportunity to participate with other bidders, if any. The Trustee shall request bids for the sale of each such Illiquid Asset, in accordance with the procedures established by the Collateral Manager, from (i) at least three Persons identified to the Trustee by the Collateral Manager that make a market in or specialize in obligations of the nature of such Illiquid Asset, (ii) the Collateral Manager, (iii) each Holder of Securities that so notified the Trustee that it wishes to bid and (iv) in the case of a public sale, any other participating bidders, and the Trustee will have no responsibility for the sufficiency or acceptability of such procedures for any purpose or for any results obtained. The Trustee shall notify the Collateral Manager promptly of the results of such bids.

Subject to the requirements of applicable law, (x) if the aggregate amount of the highest bids received (if any) is greater than or equal to U.S.$100,000, the Issuer shall sell each Illiquid Asset to the highest bidder (which may include the Collateral Manager and its Affiliates) and (y) if the aggregate amount of the highest bids received is less than U.S.$100,000 or no bids are received, the Trustee shall dispose of the Illiquid Assets as directed by the Collateral Manager in its reasonable business judgment, which may include (with respect to each Illiquid Asset) (I) selling it to the highest bidder (which may include the Collateral Manager and its Affiliates) if a bid was received; (II) donating it to a charitable organization designated by the Collateral Manager or (III) returning it to its issuer or obligor for cancellation.

The Collateral Manager will not dispose of Illiquid Assets in accordance with the immediately preceding paragraph if directed not to do so, at any time following notice of such disposal and prior to release, or acceptance of an offer for sale, of such Illiquid Asset, by a Majority of the Controlling Class or a Majority of the Subordinated Notes. The Trustee will have no liability for the results of any such sale or disposition of Illiquid Assets, including, without limitation, if the proceeds received, if any, are insufficient to pay all outstanding Administrative Expenses in full.

Limitation on Obligation to Incur Administrative Expenses. If at any time the sum of (i) Eligible Investments (including cash) and (ii) amounts reasonably expected to be received by the Issuer in cash during the current Collection Period (as certified by the Collateral Manager in its reasonable judgment) is less than the Dissolution Expenses, then notwithstanding any other provision of the Indenture, the Issuer shall no longer be required to incur Administrative Expenses as otherwise required by the Indenture to any person or entity other than the Trustee, the Collateral Administrator (or any other capacity in which the Bank is acting pursuant to the Transaction Documents), the Administrator and their Affiliates, including for opinions of counsel in connection with supplemental indentures, annual opinions under the Indenture, services of accountants and fees of the Rating Agencies, in each case under the Indenture and failure to pay such amounts or provide or obtain such opinions, reports or services shall not constitute a default under the Indenture, and the Trustee shall have no liability for any failure to obtain or receive any of the foregoing opinions, reports or services. The foregoing shall not, however, limit, supersede or alter any right afforded to the Trustee under the Indenture to refrain from taking action in the absence of its receipt of any such opinion, report or service which it reasonably determines is necessary for its own protection.

Trustee. The Bank will be the Trustee under the Indenture. The payment of the fees and expenses of the Trustee relating to the Securities is solely the obligation of the Issuer and solely payable out of the Assets. The Trustee and/or its affiliates may receive compensation in connection with the Trustee's investment of trust assets in certain Eligible Investments as provided in the Indenture. Eligible Investments may include investments for which the Trustee or an affiliate of the Trustee provides services. The Co-Issuers, the Collateral Manager and their affiliates may maintain other banking relationships in the ordinary course of business with the Trustee or its affiliates.

The Indenture contains provisions for the indemnification of the Trustee by the Issuer, payable solely out of the Assets, for any loss, liability or expense incurred without negligence, willful misconduct or bad faith on its part, arising out of or in connection with the acceptance or administration of the trust. The Trustee may resign at any time by providing 30 days' notice. The Trustee may be removed at any time upon 30 days' notice by an act of a

Majority of each Class of Rated Notes or, at any time when an Event of Default or Enforcement Event has occurred and is continuing, by an act of a Majority of the Controlling Class as set forth in the Indenture. No resignation or removal of the Trustee will become effective until the acceptance of the appointment of the successor Trustee.

The Trustee will make monthly reports regarding the Collateral (each, a "Monthly Report") and distribution reports (each, a "Distribution Report") available on the Trustee's Website. Parties that are unable to use the above distribution option are entitled to have a paper copy mailed to them by first-class mail. The Trustee shall have the right to change the way such reports are distributed in order to make such distribution more convenient and/or more accessible to the above parties, and the Trustee shall provide timely and adequate notification to all above parties regarding any such changes. As a condition to access to the Trustee's Website, the Trustee may require registration and the acceptance of a disclaimer. The Trustee will not be liable for the dissemination of information in accordance with the Indenture. The Trustee shall be entitled to rely on but shall not be responsible for the content or accuracy of any information provided in the information set forth in such reports and may affix thereto any disclaimer it deems appropriate in its reasonable discretion.

Form, Denomination and Registration of the Securities

The Securities will be sold only to (i) non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act or (ii) Qualified Purchasers (or entities that are beneficially owned exclusively by one or more Qualified Purchasers) that are also Qualified Institutional Buyers. Except as described below, each Security sold to a person that, at the time of the acquisition, purported acquisition or proposed acquisition of any such Security, is both a Qualified Institutional Buyer and a Qualified Purchaser in reliance on Rule 144A will be issued in the form of Rule 144A Global Securities. Except as described below, Securities sold to non-U.S. persons in offshore transactions in reliance on Regulation S will be issued in the form of Regulation S Global Securities.

The Co-Issued Notes and the Combination Securities sold to non-U.S. persons in offshore transactions in reliance on Regulation S will be issued initially in the form of Temporary Global Securities, which will be exchanged for Regulation S Global Securities after the Closing Date. Interests in a Temporary Global Security or a Regulation S Global Security may not be held at any time by a "U.S. person" (as defined in Regulation S), and U.S. re-offers or resales of Securities offered outside the United States in reliance on Regulation S may be effected only in a transaction exempt from the registration requirements of the Securities Act and not involving directly or indirectly the Issuer, the Co-Issuer or their agents, Affiliates or intermediaries. On or after the 40th day after the later of the Closing Date and the commencement of the offering of the Securities (the "Restricted Period"), interests in a Temporary Global Security will be exchangeable for interests in a Regulation S Global Security upon certification that the beneficial interests in such Temporary Global Security are owned by persons who are not U.S. persons.

A beneficial interest in a Temporary Global Security will not be transferable to a person that takes delivery in the form of an interest in a Rule 144A Global Security or a Certificated Security during the Restricted Period. After the Restricted Period, interests in Regulation S Global Securities will only be transferable upon satisfaction of certain conditions described herein. See "Transfer Restrictions." Upon the exchange of a Temporary Global Security for a Regulation S Global Security, the Regulation S Global Security will be deposited with the Trustee as custodian for DTC and registered in the name of a nominee of DTC for the account of Euroclear or Clearstream. Beneficial interests in Temporary Global Securities and Regulation S Global Securities may only be held through Euroclear or Clearstream.

Each initial investor and subsequent transferee of an interest in a Global Security (except, in the case of an initial purchaser, as may be expressly agreed in writing between such purchaser and the Co-Issuers) will be deemed to represent, among other matters, as to its status under the Securities Act, the Investment Company Act and ERISA. The Issuer has the right, under the Indenture, to compel any Non-Permitted Holder, or any beneficial owner of Rated Notes that does not consent to a Re-Pricing with respect to its Notes pursuant to the applicable terms of the Indenture, to sell its interest in such Security, or may sell such interest on behalf of such owner.

Issuer Only Securities will be issued in the form of Certificated Securities, Rule 144A Global Securities and Regulation S Global Securities; however, no Benefit Plan Investor or Controlling Person (other than a Benefit Plan Investor or a Controlling Person purchasing on the Closing Date) may hold Issuer Only Securities in the form of a Rule 144A Global Security or a Regulation S Global Security. All Issuer Only Securities sold to Benefit Plan

Investors or Controlling Persons (other than a Benefit Plan Investor or a Controlling Person purchasing on the Closing Date) will be evidenced by Certificated Securities.

Each initial investor in Issuer Only Securities will be required to provide a subscription agreement and each transferee of Securities that will take delivery in the form of Certificated Securities will be required to provide a Transfer Certificate from the transferee in which it certifies as to, among other matters, its status under the Securities Act, the Investment Company Act and ERISA. Each transferee of an interest in such Classes that will take delivery in the form of an interest in a Global Security will be deemed to make certain representations and warranties as to, among other matters, its status under the Securities Act, the Investment Company Act and ERISA.

Securities sold to persons who are not U.S. persons in offshore transactions in reliance on Regulation S or that, at the time of the acquisition, are Qualified Institutional Buyers that are also Qualified Purchasers will, if requested, be issued as Certificated Securities registered in the name of the beneficial owner or a nominee thereof, duly executed by the Co-Issuers or the Issuer, as applicable, and authenticated by the Trustee.

As used above, "U.S. person" and "offshore transaction" shall have the meanings assigned to such terms in Regulation S under the Securities Act.

The Global Securities will be deposited with the Trustee as custodian for, and registered in the name of Cede & Co., a nominee of, DTC.

A beneficial interest in a Regulation S Global Security may be transferred to a person who takes delivery in the form of an interest in the corresponding Rule 144A Global Security only upon receipt by the Trustee of a Transfer Certificate from the transferor to the effect that such transfer is being made to a person whom the transferor reasonably believes is a Qualified Institutional Buyer in a transaction meeting the requirements of Rule 144A under the Securities Act and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction and, in the case of the Issuer Only Securities, is not a Benefit Plan Investor or Controlling Person. A beneficial interest in a Rule 144A Global Security may be transferred to a person who takes delivery in the form of an interest in the applicable Regulation S Global Security only upon receipt by the Trustee of a Transfer Certificate from the transferor to the effect that such transfer is being made in accordance with Regulation S under the Securities Act and, in the case of Issuer Only Securities, is not a Benefit Plan Investor or Controlling Person.

A beneficial interest in Issuer Only Securities may be transferred to a person who takes delivery in the form of a Certificated Security. A Certificated Security may be transferred to a person who takes delivery in the form of an interest in a Global Security only upon receipt by the Issuer and the Trustee of (A) in the case of a Certificated Security, the transferor's Certificated Security and (B) a Transfer Certificate from the transferor. A beneficial interest in Regulation S Global Securities or Rule 144A Global Securities may be transferred to a person who takes delivery in an interest in the same form of Global Security without the provision of any Transfer Certificate.

Beneficial interests in Combination Securities may be transferred based on procedures similar to the procedures set forth above for Rated Notes. In addition, a Holder of a Combination Security may exchange such Combination Security for each Outstanding Underlying Class. The Trustee, upon appropriate instructions (and, if applicable, surrender of the Certificated Security) will cancel the Combination Security and effect such exchange as provided in the Indenture. If a Combination Security is submitted for exchange after an Underlying Class has been retired, the Holder will receive certificates representing any remaining Underlying Classes.

No service charge will be made for any registration of transfer or exchange of Securities but the Co-Issuers, the Registrar or the Trustee may require payment of a sum sufficient to cover any transfer, tax or other governmental charge payable in connection therewith. The Registrar or the Trustee will be permitted to request such evidence reasonably satisfactory to it documenting the identity and/or signatures of the transferor and transferee.

The registered owner of the relevant Global Security will be the only person entitled to receive payments in respect of the Securities represented thereby, and the Co-Issuers or the Issuer, as applicable, will be discharged by payment to, or to the order of, the registered owner of such Global Security in respect of each amount so paid. No person other than the registered owner of the relevant Global Security will have any claim against the Co-Issuers or the Issuer, as applicable, in respect of any payment due on that Global Security. Account holders or participants in Euroclear and Clearstream shall have no rights under the Indenture with respect to Global Securities held on their

behalf by the Trustee as custodian for DTC, and DTC may be treated by the Co-Issuers, the Trustee and any agent of the Co-Issuers or the Trustee as the Holder of Global Securities for all purposes whatsoever.

Except in the limited circumstances described below, owners of beneficial interests in the Global Securities will not be entitled to have Securities registered in their names, will not receive or be entitled to receive Certificated Securities, and will not be considered Holders under the Indenture or the Securities. If DTC notifies the Issuer or the Co-Issuers that it is unwilling or unable to continue as depositary for Global Securities of any Class or Classes or ceases to be a "clearing agency" registered under the Exchange Act and a successor depositary or custodian is not appointed by the Co-Issuers within 90 days after receiving such notice (a "Depository Event"), the Issuer will issue or cause to be issued, Certificated Securities of such Class or Classes in exchange for the applicable Global Securities to the beneficial owners of such Global Securities in the manner set forth in the Indenture. In addition, the owner of a beneficial interest in a Global Security will be entitled to receive Certificated Securities in exchange for such interest if an Event of Default or Enforcement Event has occurred and is continuing. In the event that Certificated Securities are not so issued by the Issuer to such beneficial owners of interests in Global Securities, the Issuer expressly acknowledges that such beneficial owners shall be entitled to pursue any remedy that the Holders of a Global Security would be entitled to pursue in accordance with the Indenture (but only to the extent of such beneficial owner's interest in the Global Security) as if Certificated Securities had been issued; *provided* that the Trustee shall be entitled to receive and rely upon any certificate of ownership provided by such beneficial owners and/or other forms of reasonable evidence of such ownership as it may require. In the event that Certificated Securities are issued in exchange for Global Securities as described above, the applicable Global Security will be surrendered to the Trustee by DTC and the Co-Issuers or the Issuer, as applicable, will execute and the Trustee will authenticate and deliver an equal Aggregate Outstanding Amount of Certificated Securities.

Owners of beneficial interests in Issuer Only Securities that are evidenced by Global Securities will receive Certificated Securities registered in their names in connection with a Depository Event in accordance with the procedures described under "Transfer Restrictions."

The Securities will be subject to certain restrictions on transfer set forth therein and in the Indenture and the Securities will bear the restrictive legend set forth under "Transfer Restrictions."

The Securities will be issued only in Minimum Denominations.

No Gross-Up; Tax Certification

All payments on the Securities will be made without any deduction or withholding for or on account of any tax unless such deduction or withholding is required by any applicable law, as modified by the practice of any relevant governmental revenue authority, then in effect. If the Issuer is so required to deduct or withhold, then neither the Issuer nor the Co-Issuer will be obligated to pay any additional amounts in respect of such withholding or deduction.

Each Holder and beneficial owner of a Security, by acceptance of such Security or an interest in such Security, will be deemed to understand and acknowledge that failure to provide the Issuer, the Trustee or any Paying Agent with the properly completed and signed applicable tax certifications (generally, in the case of U.S. federal income tax, an IRS Form W-9 (or applicable successor form) in the case of a U.S. Person or the applicable IRS Form W-8 (or applicable successor form) in the case of a Person that is not a U.S. Person) or the failure to meet its Holder Reporting Obligations may result in withholding from payments in respect of such Security, including U.S. federal withholding or back-up withholding.

If a Holder fails for any reason to provide to the Issuer and the Trustee information or documentation, or to update or correct such information or documentation, as may be necessary or helpful (in the sole determination of the Issuer or the Trustee or their agents, as applicable) to achieve Tax Account Reporting Rules Compliance, or such information or documentation is not accurate or complete, the Issuer will have the right to (x) compel such Holder to sell its interest in such Security, (y) sell such interest on such Holder's behalf and/or (z) assign to such Security a separate CUSIP or CUSIPs.

Each purchaser, beneficial owner and subsequent transferee of a Subordinated Note or a Combination Security, by acceptance of such Security or an interest in such Security, will be required or deemed to agree to provide the Issuer and the Trustee (i) any information as is necessary (in the sole determination of the Issuer or the Trustee, as

applicable) for the Issuer and the Trustee to comply with U.S. tax information reporting requirements relating to such purchaser's, beneficial owner's or subsequent transferee's adjusted basis in the Subordinated Notes and Combination Securities, and (ii) any additional information that the Issuer, Trustee or their agents request in connection with any 1099 reporting requirements, and to update any such information provided in clause (i) or (ii) promptly upon learning that any such information previously provided has become obsolete or incorrect or is otherwise required. Each such purchaser and beneficial owner of a Subordinated Note or a Combination Security will be required or deemed to acknowledge that the Issuer or the Trustee may provide such information and any other information concerning its investment therein to the IRS.

SECURITY FOR THE NOTES

The Issuer will grant to the Trustee, for the benefit and security of each Secured Party (to the extent of its interest under the Indenture, including under the Priority of Payments), all of its right, title and interest in, to and under, in each case, whether now owned or existing, or hereafter acquired or arising, in each case as defined in the UCC, accounts, chattel paper, commercial tort claims, deposit accounts, documents, financial assets, general intangibles, goods, instruments, investment property, letter-of-credit rights and other property of any type or nature in which the Issuer has an interest, including all proceeds (as defined in the UCC) with respect to the foregoing (subject to the exclusions noted below, the "Assets" or the "Collateral").

Such grants include, but are not limited to, the Issuer's interest in and rights under:

(a) the Collateral Obligations and Equity Securities and all payments thereon or with respect thereto;

(b) each Account (other than the Distribution Reserve Account), including any Eligible Investments purchased with funds on deposit therein, and all income from the investment of funds therein;

(c) the Collateral Management Agreement, the Collateral Administration Agreement, the Account Agreement, the Administration Agreement and the Registered Office Agreement;

(d) cash;

(e) the Issuer's ownership interest in any Blocker Subsidiary;

(f) any Selling Institution Collateral, subject to the prior lien of the relevant Selling Institution; and

(g) all proceeds with respect to the foregoing.

Such grants exclude (i) the U.S.$250 transaction fee paid to the Issuer in consideration of the issuance of the Securities, (ii) the proceeds of the issuance and allotment of the Issuer's ordinary shares, (iii) any account in the Cayman Islands maintained in respect of the funds referred to in items (i) and (ii) above (and any amounts credited thereto and any interest thereon), (iv) the membership interests of the Co-Issuer and (v) the Distribution Reserve Account, any Tax Reserve Account and any funds deposited in or credited to any such account.

Collateral Obligations

The composition of the Collateral Obligations will change over time as a result of (i) scheduled and unscheduled principal payments on the Collateral Obligations and (ii) subject to the limitations described under "—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria," (A) during the Reinvestment Period, the acquisition of additional Collateral Obligations, sales of Assets and reinvestment of Sale Proceeds and other Principal Proceeds and (B) after the Reinvestment Period, the acquisition of Substitute Obligations and sales of Assets.

The Concentration Limitations

In connection with any investment in Collateral Obligations on and after the Effective Date and during the Reinvestment Period (and in connection with the acquisition of Substitute Obligations, after the Reinvestment Period), the Collateral Obligations in the aggregate are required to comply with all of the requirements of the Concentration Limitations set forth under "Overview—Concentration Limitations" or, if not in compliance at the time of reinvestment, the relevant requirements must be maintained or improved as a result of such reinvestment as described in the Investment Criteria. See "—Assumptions" below for a description of the assumptions applicable to the determination of satisfaction of the Concentration Limitations.

The Collateral Quality Test

On any date of determination on and after the Effective Date, the Collateral Obligations in the aggregate are required to comply with all of the requirements of the Collateral Quality Test (or, after the Reinvestment Period, with certain requirements of the Collateral Quality Test) or, if not in compliance at the time of reinvestment, the relevant

requirements must be maintained or improved as described in the Investment Criteria. Measurement of the degree of compliance with the applicable requirements of the Collateral Quality Test will be required on every Measurement Date on and after the Effective Date. See "—Assumptions" for a description of the assumptions applicable to the determination of satisfaction of the Collateral Quality Test.

Assumptions

Unless otherwise specified, the assumptions described below will be applied to the determination of the Concentration Limitations, the Collateral Quality Test, the Coverage Tests and other determinations and calculations required by the Indenture.

For purposes of calculating all Concentration Limitations, in both the numerator and the denominator of any component of the Concentration Limitations, Defaulted Obligations will be treated as having a Principal Balance equal to zero. Defaulted Obligations will not be included in the calculation of the Collateral Quality Test.

For purposes of calculating the Coverage Tests and the Interest Diversion Test, except as otherwise specified in the definitions thereof, such calculations will not include scheduled interest and principal payments on Defaulted Obligations, unless such payments have actually been received in cash.

For purposes of calculating the Concentration Limitations, the amounts on deposit in the Collection Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds shall each be deemed to be a Floating Rate Obligation that is a Senior Secured Loan.

For purposes of calculating compliance with each of the Concentration Limitations, all calculations will be rounded to the nearest 0.1%. All other calculations, unless otherwise set forth in the Indenture or the context otherwise requires, shall be rounded to the nearest ten-thousandth if expressed as a percentage, and to the nearest one-hundredth if expressed otherwise.

For purposes of calculating the sale proceeds of a Collateral Obligation in sale transactions, Sale Proceeds will include any Principal Financed Accrued Interest received in respect of such sale.

For each Collection Period and as of any date of determination, the scheduled payment of principal and/or interest on any Asset (other than a Defaulted Obligation, which, except as otherwise provided herein, shall be assumed to have scheduled distributions of zero) shall be the sum of (i) the total amount of payments and collections to be received during such Collection Period in respect of such Asset (including the proceeds of the sale of such Asset received and, in the case of sales which have not yet settled, to be received during the Collection Period and not reinvested in additional Collateral Obligations or Eligible Investments or retained in the Collection Account for subsequent reinvestment) that, if received as scheduled, will be available in the Collection Account at the end of the Collection Period and (ii) any such amounts received by the Issuer in prior Collection Periods that were not disbursed on a previous Payment Date.

Each scheduled payment of principal and/or interest receivable with respect to an Asset shall be assumed to be received on the applicable due date thereof, and each such scheduled payment of principal and/or interest shall be assumed to be immediately deposited in the Collection Account to earn interest at an assumed reinvestment rate. All such funds shall be assumed to continue to earn interest until the date on which they are required to be available in the Collection Account for application, in accordance with the terms of the Indenture, to payments on the Securities or other amounts payable pursuant to the Indenture. For purposes of the applicable determinations required under the Indenture with respect to the Priority of Payments, the calculations described under "—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria" and the definition of Interest Coverage Ratio, the expected interest on the Rated Notes and Floating Rate Obligations will be calculated using the then current interest rates applicable thereto.

All calculations with respect to scheduled distributions on the Assets shall be made on the basis of information as to the terms of each such Asset and upon reports of payments, if any, received on such Asset that are furnished by or on behalf of the issuer of such Asset and, to the extent they are not manifestly in error, such information or reports may be conclusively relied upon in making such calculations.

For purposes of calculating compliance with the Investment Criteria, upon the direction of the Collateral Manager by notice to the Trustee and the Collateral Administrator, any Eligible Investment representing Principal Proceeds received upon the sale or other disposition of a Collateral Obligation may be deemed to have the characteristics of such Collateral Obligation until reinvested in an additional Collateral Obligation. Such calculations shall be based upon the principal amount of such Collateral Obligation, except in the case of Defaulted Obligations and Credit Risk Obligations, in which case the calculations will be based upon the Principal Proceeds received on the sale or other disposition of such Defaulted Obligation or Credit Risk Obligation.

If a Collateral Obligation included in the Assets would be deemed to be a Current Pay Obligation but for the applicable percentage limitation in the proviso to clause (x) of the proviso to the definition of Defaulted Obligation, then the Current Pay Obligations with the lowest Market Value (assuming that such Market Value is expressed as a percentage of the Principal Balance of such Current Pay Obligation as of the date of determination) will be deemed Defaulted Obligations. Each such Defaulted Obligation will be treated as a Defaulted Obligation for all purposes until such time as the Aggregate Principal Balance of Current Pay Obligations would not exceed, on a *pro forma* basis including such Defaulted Obligation, the applicable percentage of the Collateral Principal Amount.

References in the Priority of Payments to calculations made on a "*pro forma* basis" shall mean such calculations after giving effect to all payments, in accordance with the Priority of Payments described herein, that precede (in priority of payment) or include the clause in which such calculation is made.

For purposes of calculating compliance with the Investment Criteria, at the election of the Collateral Manager in its sole discretion (with notice to the Trustee and the Collateral Administrator), any proposed investment (whether a single Collateral Obligation or a group of Collateral Obligations) identified by the Collateral Manager as such at the time when compliance with the Investment 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 a specified period of no longer than 10 Business Days (which period does not extend over a Determination Date) following the date of determination of such compliance (such period, the "Trading Plan Period"); *provided* that (i) no Trading Plan may result in the purchase of Collateral Obligations having an Aggregate Principal Balance that exceeds 5.0% of the Collateral Principal Amount as of the first day of the Trading Plan Period, (ii) no Trading Plan Period may include a Payment Date, (iii) no Trading Plan may result in the purchase of Collateral Obligations with an Average Life less than six months, (iv) no Trading Plan may result in the purchase of a group of Collateral Obligations if the difference between the shortest Average Life of any Collateral Obligation in such group and the longest Average Life of any Collateral Obligation in such group is greater than two years, (v) no more than one Trading Plan may be in effect at any time during a Trading Plan Period and (vi) if the Investment Criteria are not satisfied with respect to any such Trading Plan, notice will be provided by the Issuer (or the Collateral Manager on its behalf) to each Rating Agency. For the avoidance of doubt, in determining whether a Collateral Obligation is a Discount Obligation, such determination will be made without regard to whether such Collateral Obligation was purchased as part of a Trading Plan.

All monetary calculations under the Indenture will be in U.S. Dollars.

If withholding tax is imposed on (w) the fees associated with any letter of credit, (x) any amendment, waiver, consent or extension fees, (y) commitment fees or other similar fees in respect of Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations or (z) payments on any other Collateral Obligations that become subject to withholding tax, the calculations of the Weighted Average Floating Spread, the Weighted Average Coupon and the Interest Coverage Test (and all component calculations of such calculations and tests, including when such a component calculation is calculated independently), as applicable, shall be made on a net basis after taking into account such withholding, unless the obligor is required to make "gross-up" payments to the Issuer that cover the full amount of any such withholding tax on an after-tax basis pursuant to the Underlying Instrument with respect thereto.

Any reference in the Indenture to an amount of the Trustee's or the Collateral Administrator's fees calculated with respect to a period at a per annum rate shall be computed on the basis of a 360-day year of twelve 30-day months prorated for the related Interest Accrual Period and shall be based on the Fee Basis Amount.

To the extent there is, in the reasonable determination of the Collateral Administrator or the Trustee, any ambiguity in the interpretation of any definition or term contained in the Indenture or to the extent the Collateral Administrator

or the Trustee reasonably determines that more than one methodology can be used to make any of the determinations or calculations set forth therein, the Collateral Administrator and/or Trustee, as the case may be, shall be entitled to request direction from the Collateral Manager as to the interpretation and/or methodology to be used, and the Collateral Administrator and the Trustee, as applicable, shall be entitled to follow such direction and conclusively rely thereon without any responsibility or liability therefor.

For purposes of calculating compliance with any tests under the Indenture (including the Target Initial Par Condition, Collateral Quality Test and Concentration Limitations), the trade date (and not the settlement date) with respect to any acquisition or disposition of a Collateral Obligation or Eligible Investment shall be used to determine whether and when such acquisition or disposition has occurred.

The equity interest in any Blocker Subsidiary and each asset of any such Blocker Subsidiary will be deemed to constitute an Asset and be deemed to be a Collateral Obligation (or, if such asset would constitute an Equity Security if acquired and held by the Issuer, an Equity Security) for all purposes of the Indenture, and each reference to Assets, Collateral Obligations and Equity Securities herein will be construed accordingly. Any future anticipated tax liabilities with respect to an asset held by such Blocker Subsidiary will be excluded from the calculation of the Weighted Average Floating Spread, the Weighted Average Coupon and the Interest Coverage Test (and all interest-related component calculations and tests, including when such a component calculation is calculated independently).

When used with respect to payments on the Subordinated Notes, the term "principal amount" will mean amounts distributable to Holders of Subordinated Notes from Principal Proceeds, and the term "interest" will mean Excess Interest distributable to Holders of Subordinated Notes in accordance with the Priority of Payments.

Any reference to LIBOR applicable to any Floating Rate Note as of any Measurement Date during the first Interest Accrual Period shall mean LIBOR for the relevant portion of the first Interest Accrual Period as determined on the preceding Interest Determination Date.

The Coverage Tests

See "—Assumptions" for a description of the assumptions applicable to the determination of satisfaction of the Coverage Tests and "Overview—Coverage Tests" for a description of the calculation of the Overcollateralization Ratio Test and Interest Coverage Test.

If a Coverage Test is not satisfied on any applicable Determination Date, the Issuer will be required to apply available amounts in the Payment Account on the related Payment Date to the repayment of principal of the Rated Notes in accordance with the Priority of Payments (with no make whole amount or premium applicable in respect of such repayment) to the extent necessary to achieve compliance with such Coverage Test.

Measurement of the degree of compliance with the Coverage Tests will be required as of each Measurement Date occurring (i) in the case of the Overcollateralization Ratio Test, on or after the Effective Date and (ii) in the case of the Interest Coverage Test, on or after the Determination Date immediately preceding the second Payment Date.

Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria

Subject to the other requirements set forth in the Indenture, the Collateral Manager on behalf of the Issuer may, but will not be required to (except as otherwise specified below), sell or otherwise dispose of any Collateral Obligation or Equity Security (which shall include the direct sale or liquidation of the equity interests of any Blocker Subsidiary or assets held by a Blocker Subsidiary) if, as certified by the Collateral Manager, such sale or other disposition meets any one of the following requirements. In the case of clauses (a) through (d), (f) and (g) below, the Collateral Manager will not be permitted to direct the Trustee to effect such sale or disposition if the maturity of the Notes has been accelerated following an Event of Default and the Trustee has provided notice to the Collateral Manager that liquidation of the Assets will commence. The Sale Proceeds of a Collateral Obligation sold by the Issuer will include any Principal Financed Accrued Interest received in respect of such sale or other disposition.

(a) The Collateral Manager may direct the Trustee to sell or otherwise dispose of any Credit Risk Obligation at any time without restriction.

(b) The Collateral Manager may direct the Trustee to sell or otherwise dispose of any Credit Improved Obligation at any time without restriction.

(c) The Collateral Manager may direct the Trustee to sell or otherwise dispose of any Defaulted Obligation at any time without restriction.

(d) The Collateral Manager may direct the Trustee to sell or otherwise dispose of any Equity Security at any time without restriction, and shall (unless such Equity Security is required to be sold or otherwise disposed of or has been transferred to a Blocker Subsidiary as set forth in clause (g) below) use its commercially reasonable efforts to effect the sale or other disposition of any Equity Security (other than an interest in a Blocker Subsidiary), regardless of price:

(i) within 45 Business Days after receipt in the case of Equity Securities received on the exercise of a conversion option relating to any Collateral Obligation (other than any Equity Security that is (A) received upon the conversion of a Defaulted Obligation, or (B) received in an exchange initiated by the obligor to avoid bankruptcy);

(ii) within 45 days after receipt if such Equity Security constitutes Margin Stock unless such sale or other disposition is prohibited by applicable law or an applicable contractual restriction, in which case such Equity Security shall be sold or otherwise disposed of as soon as such sale or other disposition is permitted by applicable law and not prohibited by such contractual restriction; and

(iii) within three years after receipt in the case of any Equity Securities not included in clause (i) or (ii) above.

(e) After the Issuer has notified the Trustee of an Optional Redemption, a Tax Redemption or a Clean-Up Call Redemption and all requirements for such redemption set forth in the Indenture are met, the Collateral Manager shall direct the Trustee to sell or otherwise dispose of (which disposition may be through participation or other arrangement) all or a portion of the Collateral Obligations. If any such disposition is made through participations, the Issuer shall use reasonable efforts to cause such participations to be converted to assignments within six months after the disposition.

(f) So long as no Event of Default has occurred and is continuing, the Collateral Manager may direct the Trustee to sell or otherwise dispose of any Collateral Obligation (such sales, "Discretionary Sales") at any time other than during a Restricted Trading Period if:

(i) after giving effect to such disposition, the Aggregate Principal Balance of all Collateral Obligations disposed of as described in this sub-paragraph (f) during the preceding 365-day period is not greater than 25.0% of the Collateral Principal Amount (as of such Measurement Date); and

(ii) either:

(A) during the Reinvestment Period, the Collateral Manager reasonably believes prior to such disposition that it will be able to enter into one or more binding commitments to reinvest all or a portion of the proceeds of such disposition, in compliance with the Investment Criteria, in one or more additional Collateral Obligations within 30 Business Days after such disposition; or

(B) after the Reinvestment Period, after giving effect to such disposition, the Aggregate Principal Balance of all Collateral Obligations (excluding the Collateral Obligation being disposed of but including, without duplication, the anticipated net proceeds of such disposition) *plus*, without duplication, the amounts on deposit in the Collection Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds, will be (1) equal to or greater than the Reinvestment Target Par Balance or (2) maintained or increased (when compared to such amount immediately prior to such sale).

For purposes of determining the percentage of Collateral Obligations sold during any such period, the amount of any Collateral Obligations sold will be reduced to the extent of any purchases of Collateral Obligations of the same obligor (which are *pari passu* or senior to such sold Collateral Obligations) occurring within 45 Business Days of such sale (determined based upon the date of any relevant trade confirmation or commitment letter).

(g) (i) Without regard to whether an Event of Default has occurred, prior to the receipt of any security or consideration that is received pursuant to an offer, exchange or restructuring that could cause the Issuer to be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes or otherwise subject to U.S. federal tax on a net income basis, the Collateral Manager on behalf of the Issuer shall sell or transfer to a Blocker Subsidiary or otherwise dispose of the Collateral Obligation or portion thereof with respect to which the Issuer will receive such security or other consideration.

(ii) In connection with the incorporation of, or transfer of any security or obligation to, any Blocker Subsidiary, the Issuer shall not be required to obtain Rating Agency Confirmation; provided that prior to the incorporation of any Blocker Subsidiary, the Collateral Manager will, on behalf of the Issuer, provide written notice thereof to each Rating Agency. The Issuer shall not be required to continue to hold in a Blocker Subsidiary (and may instead hold directly) a security that ceases to be considered an Equity Security, as determined by the Collateral Manager based on Tax Advice to the effect that the Issuer can transfer such security or obligation from the Blocker Subsidiary to the Issuer and can hold such security or obligation directly without causing the Issuer to be treated as engaged in a trade or business in the United States for U.S. federal income tax purposes. For financial accounting reporting purposes (including each Monthly Report and Distribution Report) and the Coverage Tests and the Collateral Quality Test (and, for the avoidance of doubt, not for tax purposes), the Issuer will be deemed to own an Equity Security or Collateral Obligation held by a Blocker Subsidiary rather than its interest in that Blocker Subsidiary.

(h) If the Aggregate Principal Balance of the Collateral Obligations is less than U.S.$25,000,000, the Collateral Manager may direct the Trustee to sell the Collateral Obligations without regard to the foregoing limitations.

(i) Notwithstanding the restrictions of clauses (a) through (h) above, the Collateral Manager will, no later than the Determination Date for the Stated Maturity, on behalf of the Issuer, direct the Trustee to sell (and the Trustee shall sell in the manner specified) for settlement in immediately available funds any Collateral Obligations scheduled to mature after the Stated Maturity and cause the liquidation of all assets held at each Blocker Subsidiary and distribution of any proceeds thereof to the Issuer.

Notwithstanding the other requirements set forth in the Indenture and described above and without limiting the right to make any other permitted purchases, sales or other dispositions, the Issuer will also have the right to effect the sale or other disposition of any Asset or purchase of any Collateral Obligation (*provided* that, in the case of a purchase of a Collateral Obligation, such purchase must comply with the applicable tax requirements set forth or referenced in the Indenture) (x) that has been consented to by Holders evidencing (i) with respect to purchases during the Reinvestment Period and sales or other dispositions during or after the Reinvestment Period, at least 75% of the Aggregate Outstanding Amount of each Class of Securities and (ii) with respect to purchases after the Reinvestment Period, 100% of the Aggregate Outstanding Amount of each Class of Securities and (y) of which each Rating Agency and the Trustee has been notified.

Investment Criteria. On any date during the Reinvestment Period, unless an Event of Default has occurred and is continuing, the Collateral Manager on behalf of the Issuer may subject to the other requirements in the Indenture, but will not be required to, direct the Trustee to invest Principal Proceeds, proceeds of additional notes issued in accordance with the Indenture, amounts on deposit in the Ramp-Up Account and accrued interest received with respect to any Collateral Obligation to the extent used to pay for accrued interest on additional Collateral Obligations, and the Trustee shall invest such Principal Proceeds and other amounts in accordance with such direction.

No obligation may be purchased by the Issuer during the Reinvestment Period unless each of the following conditions (the "Reinvestment Period Criteria") is satisfied as of the date the Collateral Manager commits on behalf of the Issuer to make such purchase, in each case as determined by the Collateral Manager after giving effect to such purchase and all other sales (or other dispositions) or purchases previously or simultaneously committed to; *provided* that the conditions set forth other than in clause (i) below need only be satisfied with respect to purchases of Collateral Obligations occurring on or after the Effective Date:

(i) such obligation is a Collateral Obligation;

(ii) each applicable Coverage Test will be satisfied, or if not satisfied, such Coverage Test will be maintained or improved;

(iii) in the case of additional Collateral Obligations purchased with the proceeds from the sale of a Credit Improved Obligation or a Discretionary Sale, the Reinvestment Balance Criteria will be satisfied;

(iv) in the case of additional Collateral Obligations purchased with the proceeds from the sale of a Credit Risk Obligation or Defaulted Obligation sold at the discretion of the Collateral Manager, after giving effect to such purchases, either (1) the Aggregate Principal Balance of all additional Collateral Obligations purchased with the proceeds from such sale will at least equal the related Sale Proceeds, or (2) the Reinvestment Balance Criteria will be satisfied;

(v) either (A) each requirement or test, as the case may be, of the Concentration Limitations and the Collateral Quality Test will be satisfied or (B) if any such requirement or test was not satisfied immediately prior to such investment, such requirement or test will be maintained or improved after giving effect to the investment; and

(vi) if each Coverage Test is not satisfied and such purchase occurs on or after the Effective Date (or, in the case of the Interest Coverage Tests, as specified in the definition thereof), such purchase may not be made using the Principal Proceeds (including Sale Proceeds) received in respect of any Defaulted Obligation.

During the Reinvestment Period, following the sale or other disposition of any Credit Improved Obligation or any Discretionary Sale or other discretionary disposition of a Collateral Obligation, the Collateral Manager shall use its reasonable efforts to purchase additional Collateral Obligations within 20 Business Days after such disposition; *provided* that any such purchase must comply with the Investment Criteria.

Investment after the Reinvestment Period. After the Reinvestment Period, Post-Reinvestment Investable Proceeds may be reinvested in accordance with the requirements set forth below (the "Post-Reinvestment Period Criteria" and, together with the Reinvestment Period Criteria, the "Investment Criteria").

After the Reinvestment Period, unless an Event of Default has occurred and is continuing, the Collateral Manager on behalf of the Issuer may, subject to the other requirements of the Indenture, but will not be required to, direct the Trustee to invest Post-Reinvestment Investable Proceeds (and, in the case of assets that are the subject of binding commitments entered into prior to the end of the Reinvestment Period, Principal Proceeds) in additional Collateral Obligations (each, a "Substitute Obligation") in accordance with the following requirements:

(i) such obligation is a Collateral Obligation;

(ii) either (A) each requirement or test, as the case may be, of the Concentration Limitations, the Minimum Floating Spread Test, the Minimum Weighted Average Coupon Test, the Moody's Diversity Test, the Minimum Weighted Average Moody's Recovery Rate Test and the Weighted Average Life Test will be satisfied after giving effect to the investment in the Substitute Obligations or (B) if any such requirement or test was not satisfied immediately prior to such investment, such requirement or test will be maintained or improved after giving effect to the investment in the Substitute Obligations;

(iii) the Maximum Moody's Rating Factor Test will be satisfied after giving effect to the investment in the Substitute Obligations;

(iv) the additional Collateral Obligations purchased will have (A) the same or earlier maturity (including each Collateral Obligation that is purchased as part of a Trading Plan) and (B) the same or higher Moody's Default Probability Rating as the prepaid Collateral Obligation or the Credit Risk Obligation that was sold, as applicable;

(v) each Coverage Test is satisfied after giving effect to the investment in the Substitute Obligations;

(vi) in the case of Principal Proceeds received with respect to Credit Risk Obligations, either (x) the Reinvestment Balance Criteria will be satisfied or (y) the Aggregate Principal Balance of all additional Collateral Obligations purchased with the proceeds from the sale of such Credit Risk Obligations will at least equal the related sales proceeds;

(vii) in the case of Principal Proceeds received with respect to Unscheduled Principal Payments, the Reinvestment Balance Criteria will be satisfied; and

(viii) a Restricted Trading Period is not then in effect;

provided that such Post-Reinvestment Investable Proceeds must be reinvested prior to the later of (x) 45 days after receipt of such proceeds and (y) the last day of the Collection Period in which such proceeds were received.

Except as described above, after the Reinvestment Period, the Collateral Manager shall not direct the Trustee to invest any amounts on behalf of the Issuer unless (x) consent thereto has been obtained from each Holder and (y) each Rating Agency and the Trustee has been notified of such investment.

At any time during or after the Reinvestment Period, at the direction of the Collateral Manager, the Issuer may direct the payment from amounts on deposit in the Interest Collection Account any amount required to exercise a warrant held in the Assets to the extent (x) during the Reinvestment Period, the Interest Diversion Test is satisfied after giving effect to the exercise of such warrant, (y) such payment would not result in an interest deferral on any Class of Rated Notes on the next following Payment Date and (z) any Equity Security to be received in connection with such exercise is disposed of prior to receipt by the Issuer.

At any time during or after the Reinvestment Period, the Collateral Manager may direct the Trustee to apply amounts specified in the definition of Permitted Use to one or more Permitted Uses.

During the Reinvestment Period, the Issuer (or the Collateral Manager on the Issuer's behalf) may not vote in favor of any Maturity Amendment that would extend the stated maturity date of the affected Collateral Obligation beyond the Stated Maturity. After the Reinvestment Period, the Issuer (or the Collateral Manager on the Issuer's behalf) may vote in favor of a Maturity Amendment only if (1) either (x) as determined by the Collateral Manager after giving effect to such Maturity Amendment, the Weighted Average Life Test will be satisfied or (y) such Maturity Amendment is consummated in connection with an insolvency, bankruptcy, reorganization, debt restructuring or work out of the related Obligor, (2) such Maturity Amendment would not extend the stated maturity date of the affected Collateral Obligation beyond the Stated Maturity and (3) the Overcollateralization Ratio Test with respect to the Class A Notes will be satisfied; *provided* that in the case of Maturity Amendments approved based on clause (1)(y) above, the Aggregate Principal Balance of all Collateral Obligations subject to such amendments since the Closing Date may not exceed 5.0% of the Target Initial Par Amount.

No later than five Business Days before the end of the Reinvestment Period, the Collateral Manager will send to the Trustee a schedule of purchases of Collateral Obligations for which the settlement date has not yet occurred and will certify to the Trustee that (x) sufficient Principal Proceeds will be available to effect the settlement of such Collateral Obligations and (y) based on its reasonable business judgment, it believes that settlement will occur no later than the 30th Business Day after the end of the Reinvestment Period. For the purpose of clause (x), Principal Proceeds in the Collection Account, Sale Proceeds from the sale of Collateral Obligations for which a commitment to sell has been entered prior to the end of the Reinvestment Period, and scheduled or unscheduled principal

payments with respect to which the borrower has already delivered an irrevocable notice of repayment or which are required by the terms of the applicable Underlying Instruments will be included.

The Collection Account and Payment Account

All distributions on the Collateral Obligations and any proceeds received from the disposition of any Collateral Obligations will be remitted to one of two non-interest bearing segregated accounts, one of which will be designated the "Interest Collection Account" and one of which will be designated the "Principal Collection Account," each held in the name of the Trustee for the benefit of the Secured Parties and together comprising the "Collection Account." Such distributions and proceeds of distributions will be available, together with reinvestment earnings thereon, for application in accordance with the Priority of Payments and for the acquisition of additional Collateral Obligations under the circumstances and pursuant to the requirements described herein and in the Indenture. All Interest Proceeds received by the Trustee after the Closing Date or transferred to the Collection Account from the Expense Reserve Account will be deposited in the Interest Collection Account. All other amounts received by the Trustee or transferred from the Expense Reserve Account or the Revolver Funding Account and remitted to the Collection Account will be deposited in the Principal Collection Account, including (i) any funds designated as Principal Proceeds by the Collateral Manager in accordance with the Indenture and (ii) all other Principal Proceeds (unless simultaneously reinvested in additional Collateral Obligations in accordance with the provisions of the Indenture described under "—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria" or in Eligible Investments); *provided* that on any Business Day after the Effective Date and on or before the first Determination Date following the Effective Date Cut-Off, the Trustee will, at the direction of the Collateral Manager, transfer from the Principal Collection Account into the Interest Collection Account as Interest Proceeds an amount designated by the Collateral Manager so long as the Effective Date Interest Deposit Condition is satisfied. The Issuer may, but under no circumstances will be required to, deposit from time to time into the Collection Account, in addition to any amount required hereunder to be deposited therein, such monies received from external sources for the benefit of the Secured Parties (other than payments on or in respect of the Collateral Obligations, Eligible Investments or other existing Assets) as the Issuer deems, in its sole discretion, to be advisable and to designate them as Interest Proceeds or Principal Proceeds.

The Collateral Manager on behalf of the Issuer may direct the Trustee to pay from amounts on deposit in the Collection Account on any Business Day during any Interest Accrual Period (i) any amount required to exercise a warrant or right to acquire securities held in the Assets in accordance with the requirements of "—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria" and (ii) from Interest Proceeds only, any Administrative Expenses (such payments to be counted against the Administrative Expense Cap for the applicable period and to be subject to the order of priority as stated in the definition of Administrative Expenses); *provided* that the aggregate Administrative Expenses paid as described in this paragraph during any Collection Period will not exceed the Administrative Expense Cap for the related Payment Date. The Trustee will not be obligated to make such payment if, in the reasonable determination of the Trustee, such payment would leave insufficient funds, taking into account the Administrative Expense Cap, for payments anticipated to be or become due or payable on the next Payment Date that are given a higher priority in the definition of Administrative Expenses. The Collateral Manager on behalf of the Issuer may direct the Trustee to transfer from amounts on deposit in the Interest Collection Account to the Principal Collection Account, amounts necessary for application as described under "Use of Proceeds—Effective Date." In addition, the Collateral Manager on behalf of the Issuer may direct the Trustee to deposit from the Principal Collection Account amounts representing Principal Proceeds into the Revolver Funding Account amounts that are required to meet funding requirements with respect to Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations.

Amounts received in the Collection Account during a Collection Period will be invested in Eligible Investments with stated maturities not later than the earlier of (A) the date that is 60 days after the date of delivery thereof and (B) the Business Day immediately preceding the Payment Date immediately following the date of delivery thereof. All proceeds from the Eligible Investments will be retained in the Collection Account unless used to purchase additional Collateral Obligations in accordance with the Investment Criteria, or used as otherwise permitted under the Indenture.

On the Business Day immediately preceding each Payment Date, the Trustee will deposit into a single, segregated non-interest bearing trust account held in the name of the Trustee for the benefit of the Secured Parties which will be designated as the "Payment Account" all funds in the Collection Account (other than (i) amounts required to meet

funding requirements with respect to Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations that are deposited in the Revolver Funding Account, (ii) during the Reinvestment Period, Principal Proceeds that will be used to reinvest in Collateral Obligations that the Issuer has already committed to purchase, (iii) after the Reinvestment Period, Post-Reinvestment Investable Proceeds that will be used to reinvest in Substitute Obligations that the Issuer has already committed to purchase and (iv) amounts that the Issuer is entitled to reinvest in accordance with the Investment Criteria described herein, which amounts may be retained in the Collection Account for subsequent reinvestment) required for payments to Holders of the Securities and payments of fees and expenses in accordance with the Priority of Payments. The Co-Issuers will not have any legal, equitable or beneficial interest in the Payment Account other than in accordance with the Indenture and the Priority of Payments. Amounts in the Payment Account will remain uninvested.

The Ramp-Up Account

The net proceeds of the issuance of the Securities remaining after payment of fees and expenses will be deposited on the Closing Date into a single, segregated non-interest bearing trust account held in the name of the Trustee for the benefit of the Secured Parties which will be designated as the "Ramp-Up Account." The proceeds of the issuance of the Securities which are not applied to pay for the purchase of Collateral Obligations purchased by the Issuer on or before the Closing Date (including, without limitation, repayment of any amounts borrowed by the Issuer in connection with the purchase of Collateral Obligations prior to the Closing Date) or to pay other applicable fees and expenses will be deposited in the Ramp-Up Account as Principal Proceeds on the Closing Date. On behalf of the Issuer, the Collateral Manager will direct the Trustee to, from time to time prior to the Effective Date, purchase additional Collateral Obligations and invest in Eligible Investments any amounts not used to purchase such additional Collateral Obligations. If an Event of Default or a Moody's Ramp-Up Failure occurs, the Trustee will deposit all amounts remaining in the Ramp-Up Account (excluding any proceeds that will be used to settle binding commitments entered into prior to that date, and except as provided in the next two sentences) into the Principal Collection Account as Principal Proceeds. On any Business Day after the Effective Date and before the first Determination Date following the Effective Date Cut-Off, at the direction of the Collateral Manager, funds in the Ramp-Up Account (excluding any proceeds that will be used to settle binding commitments entered into prior to the Effective Date) may be designated by written direction as either Interest Proceeds or Principal Proceeds by the Collateral Manager to the Trustee and shall be transferred from the Ramp-Up Account into the Interest Collection Account or Principal Collection Account (as directed); *provided* that after giving effect to any transfer into the Interest Collection Account as Interest Proceeds, the Effective Date Interest Deposit Condition is satisfied. On the first Determination Date, the Trustee will transfer any amounts remaining in the Ramp-Up Account into the Principal Collection Account as Principal Proceeds. Any income earned on amounts deposited in the Ramp-Up Account will be deposited in the Interest Collection Account as Interest Proceeds.

The Custodial Account

The Trustee will, on or prior to the Closing Date, establish a single, segregated non-interest bearing trust account in the name of the Trustee for the benefit of the Secured Parties which will be designated as the "Custodial Account." All Collateral Obligations, Equity Securities and equity interests in Blocker Subsidiaries shall be credited to the Custodial Account as provided in the Indenture. The only permitted withdrawals from the Custodial Account shall be in accordance with the provisions of the Indenture. The Co-Issuers shall not have any legal, equitable or beneficial interest in the Custodial Account other than in accordance with the Indenture and the Priority of Payments.

The Revolver Funding Account

Upon the purchase of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation, funds in an amount equal to the undrawn portion of such obligation shall be withdrawn first from the Ramp-Up Account and, if necessary, from the Principal Collection Account, as directed by the Collateral Manager, and deposited pursuant to such direction in a single, segregated non-interest bearing trust account established in the name of the Trustee for the benefit of the Secured Parties which will be designated as the "Revolver Funding Account"; *provided* that, if such Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation is a Participation Interest with respect to which the Selling Institution requires funds to be deposited with the Selling Institution or its custodian in an amount equal to any portion of the undrawn amount of such obligation as collateral for the funding obligations under such obligation (such funds, the "Selling Institution Collateral"), the Collateral Manager on behalf of the

Issuer shall direct the Trustee to (and pursuant to such direction the Trustee shall) deposit such funds in the amount of the Selling Institution Collateral with such Selling Institution or custodian rather than in the Revolver Funding Account, subject to the following sentence. Any such deposit of Selling Institution Collateral shall be required to be held in cash or invested in obligations that are of the type described in the definition of Eligible Investments and satisfy the following requirement (as determined and directed by the Collateral Manager): either (a) the aggregate amount of Selling Institution Collateral deposited with such Selling Institution or its custodian (unless such Selling Institution Collateral is deposited in an eligible account) under all Participation Interests shall not have an Aggregate Principal Balance in excess of 5.0% of the Collateral Principal Amount; or (b) such Selling Institution Collateral shall be deposited in an eligible account.

Upon initial purchase of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation, funds deposited in the Revolver Funding Account in respect of such Collateral Obligation and Selling Institution Collateral deposited with the Selling Institution in respect of such Collateral Obligation will be treated as part of the purchase price therefor. Amounts in the Revolver Funding Account will be invested in overnight funds that are Eligible Investments and earnings from all such investments will be deposited in the Interest Collection Account as Interest Proceeds.

Funds will be deposited in the Revolver Funding Account upon the purchase of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation, and upon the receipt by the Issuer of any Principal Proceeds with respect to a Revolving Collateral Obligation as directed by the Collateral Manager, such that the amount of funds on deposit in the Revolver Funding Account shall be equal to or greater than the aggregate amount of unfunded funding obligations (disregarding the portion, if any, of any such unfunded funding obligations that is collateralized by Selling Institution Collateral) under all such Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations then included in the Assets, as determined by the Collateral Manager.

Any funds in the Revolver Funding Account (other than earnings from Eligible Investments therein) will be available solely to cover any drawdowns on the Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations; *provided* that any excess of (A) the amounts on deposit in the Revolver Funding Account over (B) the sum of the unfunded funding obligations (disregarding the portion, if any, of any such unfunded funding obligations that is collateralized by Selling Institution Collateral) under all Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations that are included in the Assets (which excess may occur for any reason, including upon (i) the sale or maturity of a Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation, (ii) the occurrence of an event of default with respect to any such Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation or (iii) any other event or circumstance which results in the irrevocable reduction of the undrawn commitments under such Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation) may be transferred by the Trustee (at the written direction of the Collateral Manager on behalf of the Issuer) from time to time as Principal Proceeds to the Principal Collection Account.

The Expense Reserve Account

The Trustee will, prior to the Closing Date, establish a single, segregated non-interest bearing trust account held in the name of the Trustee for the benefit of the Secured Parties which will be designated as the "Expense Reserve Account." On the Closing Date, the Trustee will deposit funds in the Expense Reserve Account for the payment of certain expenses of the Issuer incurred in connection with the issuance of the Securities. On any Business Day from the Closing Date to and including the first Determination Date, the Trustee will apply funds from the Expense Reserve Account, as directed by the Collateral Manager, to pay expenses of the Co-Issuers incurred in connection with the establishment of the Co-Issuers, the structuring and consummation of the offering and the issuance of the Securities and any additional issuance. By the first Determination Date, all funds in the Expense Reserve Account (after deducting any expenses paid on such Determination Date) will be deposited in the Collection Account as Interest Proceeds and/or Principal Proceeds (in the respective amounts directed by the Collateral Manager in its sole discretion). On any Business Day after the first Determination Date, the Trustee shall apply funds from the Expense Reserve Account (except as provided in the next sentence), as directed by the Collateral Manager, to pay expenses of the Co-Issuers incurred in connection with any additional issuance of notes or as a deposit to the Collection Account as Principal Proceeds. Any income earned on amounts deposited in the Expense Reserve Account will be deposited in the Interest Collection Account as Interest Proceeds.

The Ongoing Expense Smoothing Account

The Trustee will, prior to the Closing Date, establish a single, segregated non-interest bearing trust account held in the name of the Trustee for the benefit of the Secured Parties which will be designated as the "Ongoing Expense Smoothing Account." The Trustee will transfer funds to the Ongoing Expense Smoothing Account, in the amounts and as directed by the Collateral Manager, on each Payment Date in accordance with the Priority of Interest Proceeds. The Trustee will apply funds from the Ongoing Expense Smoothing Account, in the amounts and as directed by the Collateral Manager, to pay Administrative Expenses in the order of priority contained in the definition thereof on or between Payment Dates (without regard to the Administrative Expense Cap) including, without limitation, Administrative Expenses incurred in connection with a Refinancing or Re-Pricing. Any income earned on amounts deposited in the Ongoing Expense Smoothing Account will be deposited in the Interest Collection Account as Interest Proceeds.

The Interest Reserve Account

The Trustee will, prior to the Closing Date, establish a single, segregated non-interest bearing trust account held in the name of the Trustee for the benefit of the Secured Parties which will be designated as the "Interest Reserve Account." On the Closing Date, at the direction of the Issuer, the Trustee will deposit the Interest Reserve Amount (if any) into the Interest Reserve Account. On or before the first Determination Date, at the direction of the Collateral Manager, any portion of the funds then remaining in the Interest Reserve Account may be transferred to the Collection Account and included as Interest Proceeds or Principal Proceeds (as directed by the Collateral Manager) for such Collection Period. On the second Determination Date, all amounts on deposit in the Interest Reserve Account will be transferred to the Payment Account and applied as Interest Proceeds (or Principal Proceeds if so directed by the Collateral Manager) in accordance with the Priority of Payments, and the Trustee will close the Interest Reserve Account.

The Distribution Reserve Account

The Trustee will, prior to the Closing Date, establish a single, segregated non-interest bearing trust account held in the name of the Trustee which will be designated as the "Distribution Reserve Account." On the Closing Date, U.S.$1,246,838.02 will be deposited into the Distribution Reserve Account. Funds on deposit in the Distribution Reserve Account will be paid, without regard for the Priority of Payments, as a *pro rata* distribution to one or more holders of Subordinated Notes on November 20, 2015, in an aggregate amount equal to U.S.$357,620.21, and on February 20, 2016, in an aggregate amount equal to all remaining funds on deposit in the Distribution Reserve Account (each such amount, an "Interim Subordinated Notes Payment Amount" and each such date, an "Interim Subordinated Notes Payment Date"); *provided* that the payment of each Interim Subordinated Notes Payment Amount is subject to the condition that, on the eighth Business Day prior to such Interim Subordinated Notes Payment Date, no Event of Default has occurred and is continuing. If any Interim Subordinated Notes Payment Amount is not paid because such condition is not satisfied, such funds will be distributed to such holders of the Subordinated Notes on the next succeeding Interim Subordinated Notes Payment Date or Payment Date, as the case may be, on which such condition is satisfied; *provided* that if any Interim Subordinated Notes Payment Amount remains unpaid as of the Determination Date relating to the final Payment Date following liquidation of the Assets, such funds will be paid as a distribution to such holders of the Subordinated Notes on such Payment Date. Amounts on deposit in the Distribution Reserve Account will not be available for any purpose except for the distributions described in this paragraph.

The Supplemental Reserve Account

The Trustee will, prior to the Closing Date, establish a single, segregated non-interest bearing trust account held in the name of the Trustee for the benefit of the Secured Parties which will be designated as the "Supplemental Reserve Account." On each Payment Date during or after the Reinvestment Period, at the direction of the Collateral Manager, all or a portion of the amounts designated for such purpose pursuant to the Priority of Interest Proceeds will be deposited by the Trustee into the Supplemental Reserve Account, subject to satisfaction of the Supplemental Reserve Condition. Amounts on deposit in the Supplemental Reserve Account may be applied by the Issuer at the discretion of and as directed by the Collateral Manager for a Permitted Use. Any income earned on amounts deposited in the Supplemental Reserve Account will be deposited in the Interest Collection Account as Interest Proceeds.

The Contribution Account

The Trustee will, prior to the Closing Date, establish a single, segregated non-interest bearing trust account held in the name of the Trustee for the benefit of the Secured Parties which will be designated as the "Contribution Account." At any time during or after the Reinvestment Period, any Contributor may make a Contribution to the Issuer. The Collateral Manager, on behalf of the Issuer, may accept or reject any Contribution in its sole discretion (except that the Collateral Manager may not reject a Contribution by the Closing Date Subordinated Notes Investor Affiliated Parties) and will notify the Trustee of any such acceptance. Each accepted Contribution will be received into the Contribution Account. If a Contribution is accepted, the Collateral Manager on behalf of the Issuer will apply such Contribution to a Permitted Use as directed by the Contributor at the time such Contribution is made or, if no such direction is given, at the sole discretion of the Collateral Manager. No Contribution or portion thereof will be returned to the Contributor at any time (other than by operation of the Priority of Payments). Any income earned on amounts deposited in the Contribution Account will be deposited in the Interest Collection Account as Interest Proceeds.

USE OF PROCEEDS

General

The net proceeds from the issuance of the Securities, after discounts (including original issue discounts) and payment of applicable fees and expenses in connection with the structuring and placement of the Securities (including by making a deposit to the Expense Reserve Account to be used to pay expenses following the Closing Date) and after making (i) a deposit to the Interest Reserve Account to be used as described herein and (ii) a deposit to the Distribution Reserve Account to be used as described herein, are expected to be approximately U.S.$497,750,000 which will be used to settle purchases of Collateral Obligations on the Closing Date and to fund a deposit in the Ramp-Up Account for settlement of purchases after the Closing Date.

As of the Closing Date, the Issuer expects to have committed to purchase Collateral Obligations with a principal amount equal to approximately 80% of the Target Initial Par Amount.

Effective Date

The Issuer will use commercially reasonable efforts to purchase (or enter into commitments to purchase), on or before the Effective Date Cut-Off, Collateral Obligations (a) such that the Target Initial Par Condition is satisfied and (b) that satisfy or comply with, as of the Effective Date, the Concentration Limitations, the Collateral Quality Test and the Overcollateralization Ratio Test.

Unless the Moody's Effective Date Rating Condition is satisfied, the Collateral Manager (on behalf of the Issuer) will request that Moody's confirm its Initial Ratings on the Rated Securities rated by it. If the Moody's Effective Date Rating Condition is not satisfied and Moody's has not provided such confirmation on or prior to the first Determination Date following the Effective Date Cut-Off, a "Moody's Ramp-Up Failure" will occur. The Issuer (or the Collateral Manager on the Issuer's behalf) will instruct the Trustee to transfer amounts from the Interest Collection Account to the Principal Collection Account and may, prior to the first Payment Date, use such funds on behalf of the Issuer for the purchase of additional Collateral Obligations until such time as Rating Agency Confirmation has been obtained or may effect a Special Redemption.

On any Business Day after the Effective Date and on or before the first Determination Date, the Trustee will, at the direction of the Collateral Manager, transfer from amounts remaining in the Ramp-Up Account (excluding any proceeds that will be used to settle binding commitments entered into prior to the Effective Date) and from the Principal Collection Account an amount designated by the Collateral Manager into the Interest Collection Account as Interest Proceeds, in each case, so long as the Effective Date Interest Deposit Condition is satisfied. On the first Determination Date, the Trustee will transfer any amounts remaining in the Ramp-Up Account into the Principal Collection Account as Principal Proceeds. See "Security for the Notes—The Ramp-Up Account" and "Security for the Notes—The Collection Account and Payment Account."

THE COLLATERAL MANAGER

The information appearing in this section has been prepared by CVC Credit Partners, LLC and has not been independently verified by the Co-Issuers or the Initial Purchaser. The Collateral Manager accepts responsibility for such information and to the best of its knowledge, having taken all reasonable care to ensure that such is the case, the information appearing in this section is in accordance with the facts and does not omit anything likely to affect the import of such information. Accordingly, notwithstanding anything to the contrary herein, neither of the Co-Issuers nor the Initial Purchaser assumes any responsibility for the accuracy, completeness or applicability of such information.

General

CVC Credit Partners, LLC will act as Collateral Manager and perform advisory functions with respect to the Assets pursuant to an agreement to be entered into between the Issuer and the Collateral Manager (the "Collateral Management Agreement"). CVC Credit Partners, LLC is located at 712 Fifth Avenue, 42nd Floor, New York, New York 10019. Subject to the Concentration Limitations, the Collateral Quality Tests and the Coverage Tests and other requirements set forth in the Indenture, and in accordance with the provisions of the Collateral Management Agreement, the Collateral Manager will select the portfolio of Collateral Obligations and manage the disposition and, during the Reinvestment Period, the acquisition of Collateral Obligations. Pursuant to the terms of the Collateral Management Agreement and the Indenture, the Collateral Manager will monitor the Collateral Obligations and provide the Issuer with advice (and act on the Issuer's behalf) with respect to exercising the Issuer's rights of ownership with respect to any Collateral Obligation (such as amendments, waivers, extensions, enforcement and collection) and any work out or distress situation. The Collateral Manager also will instruct the Trustee from time to time with respect to the investment of retained funds in Eligible Investments. The collateral management activities of the Collateral Manager on behalf of the Issuer will be subject to certain restrictions contained in the Indenture and the Collateral Management Agreement.

Various potential and actual conflicts of interest may arise from the various activities of the Collateral Manager and related parties. See "Risk Factors—Relating to the Collateral Manager—The Issuer will be subject to various conflicts of interest involving the Collateral Manager and its affiliates and clients."

CVC Credit Partners, LLC (formerly Apidos Capital Management, LLC ("Apidos Capital") was formed in January 2005 as a subsidiary of Resource America, Inc. (NASDAQ: REXI) ("Resource America"). It is now the U.S. subsidiary of CVC Credit Partners LP, the credit management joint venture between Resource America and CVC Capital Partners LP. The joint venture also includes U.K. affiliates, including CVC Credit Partners Limited and CVC Credit Partners Investment Management Limited. CVC Credit Partners LP and its subsidiaries are collectively referred to as "CVC Credit Partners." As of June 30, 2015, CVC Credit Partners managed approximately U.S.$13.2 billion in assets.

CVC Capital Partners LP is one of the world's leading private equity and investment advisory firms, with offices in Europe, Asia and the United States. Founded in 1981, CVC Capital Partners LP has secured commitments of over U.S.$80 billion (including CVC Credit Partners) and has completed investments in a wide range of industries and countries across the globe, with an aggregate enterprise purchase value of approximately U.S.$120 billion. Resource America is a publicly traded specialized asset management company that uses industry specific expertise to evaluate, originate, service and manage investment opportunities through its real estate, commercial finance and financial fund management operating segments. Resource America manages assets on behalf of institutional and individual investors and Resource Capital Corp. (NYSE: RSO), a diversified real estate finance company that qualifies as a real estate investment trust ("REIT"). CVC Capital Partners LP and Resource America provide financial backing and some support functions for CVC Credit Partners, including accounting, tax, human resources and information technology.

The Collateral Manager is a registered investment adviser under the Investment Advisers Act. Additional information regarding the Collateral Manager may be obtained from Part II of the Collateral Manager's most recent Form ADV. The Collateral Manager will provide a copy of Part II of the Collateral Manager's Form ADV to any holder of Securities upon request of such holder.

Senior Management

CVC Credit Partners is led by seasoned investment professionals with extensive credit analysis, loan portfolio management, trading and structuring experience. Gretchen L. Bergstresser, Christopher D. Allen, Stephen Hickey, Thomas Newberry, Mark DeNatale and Jonathan Bowers are the members of the CVC Credit Partners Operating Board.

Set forth below is information regarding personnel of the Collateral Manager and certain personnel of affiliates of the Collateral Manager that will be available to the Collateral Manager. There is no assurance that such persons will continue to hold such positions during the entire term of the Collateral Management Agreement. In addition, the Collateral Manager and its affiliates may add additional principals or employees at any time.

Key Personnel

Stephen Hickey, Chief Investment Officer and Managing Partner of CVC Credit Partners and CVC Credit Partners Operating Board Member

Mr. Hickey joined CVC Credit Partners from Goldman Sachs where he spent 20 years in various senior roles including Global Head of Leverage Finance, Co-Head of Global Loans, Member of the Firmwide Risk and Firmwide Capital Committees and Head of Loan Sales and Secondary Trading (Proprietary Investing and Flow Trading). Mr. Hickey had been a partner at Goldman Sachs since 2004. Prior to rejoining the firm, Mr. Hickey was a managing director and head of Loan Syndications, Sales and Trading at Donaldson Lufkin & Jenrette ("DLJ"), after starting the business at DLJ in 1996. Mr. Hickey was a member of the Board of Directors for the Loan Syndications and Trading Association from 2001 to 2006. Mr. Hickey earned a J.D. and an M.B.A. from Columbia University in 1987 and a B.A. from Yale University in 1983. He is a member of the State of Connecticut Bar.

Gretchen L. Bergstresser, Partner and Senior Portfolio Manager of CVC Credit Partners and CVC Credit Partners Operating Board Member

Ms. Bergstresser is the Senior Portfolio Manager and Head of U.S. Performing Credit for CVC Credit Partners. Previously, she co-founded the U.S. business of CVC Credit Partners (formerly known as Apidos Capital Management prior to the merger with CVC Cordatus) in 2005, where she had a similar role and responsibility. Over her more than 20 years in the industry, she has worked for Eaton Vance, Bank of Boston, ING and other financial institutions. She earned an M.B.A. from Boston University, an M.S. in Chemistry from the Pennsylvania State University and a B.S. from St. Lawrence University.

Christopher D. Allen, Partner and Chief Operating Officer of CVC Credit Partners and CVC Credit Partners Operating Board Member

Mr. Allen is the Chief Operating Officer of CVC Credit Partners. Previously, he co-founded the U.S. business of CVC Credit Partners (formerly known as Apidos Capital Management prior to the merger with CVC Cordatus) in 2005, where he was in charge of the oversight of the global leveraged loan platform, business development and strategic initiatives. He is the Chairman of the CVC Structured Finance Investment Committee. Prior to founding Apidos Capital in 2005, he was a Senior Managing Director of Resource America, where he helped grow the firm's asset management business. Before 2003, he was a Vice President at Trenwith Securities and an Associate at Citicorp Venture Capital focusing on management buyouts, private equity and debt transactions. Mr. Allen received his B.A. from Harvard University and received his J.D. from New York University School of Law.

Jonathan Bowers, Partner and Senior Portfolio Manager of CVC Credit Partners and CVC Credit Partners Operating Board Member

Mr. Bowers was a founding partner of CVC Cordatus Limited ("CVC Cordatus") and has over 18 years of investment banking and management experience. He joined from the European Leveraged Finance group at Deutsche Bank (Bankers Trust) where he was a senior director originating and structured numerous financings for leveraged buyouts, public to privates and corporate refinancings across senior, mezzanine, high yield and PIK instruments. Prior to this, Mr. Bowers worked in M&A at Charterhouse Bank after completing the Citibank Analyst

Programme in London and New York. Mr. Bowers holds an M.A. in French and History from the University of Oxford.

Thomas Newberry, Partner of CVC Credit Partners and CVC Credit Partners Operating Board Member

Mr. Newberry joined CVC Credit Partners after spending 11 years at Credit Suisse, where he was a Managing Director and Head of Global Leveraged Finance Capital Markets and Syndicated Loans. In this capacity, he was responsible for the underwriting of all high yield bond, mezzanine and syndicated loan transactions as well as the sale and trading of both par and distressed loan assets. Mr. Newberry joined Credit Suisse in November 2000 when CSFB merged with Donaldson, Lufkin & Jenrette where he was a Managing Director and Head of US Loan Capital Markets. He joined DLJ in 1996 from Deutsche Bank where he was a Managing Director and Head of North American Loan Syndications, responsible for all aspects of syndicated loan underwriting and distribution. Prior to that Mr. Newberry worked at Toronto-Dominion Securities and NCNB National Bank. Mr. Newberry served on the Board of Directors of the Loan Syndication & Trading Association for six years, acting as both Chairman and Vice Chairman. Mr. Newberry received his BA from the University of Virginia in 1984.

Mark DeNatale, Partner and Global Head of Trading of CVC Credit Partners and CVC Credit Partners Operating Board Member

Mr. DeNatale joined CVC Credit Partners in February 2013. Prior to joining CVC Credit Partners, Mr. DeNatale spent 17 years at Goldman Sachs as a Managing Director and Head of Loan Trading. In that capacity, Mr. DeNatale managed risk across distressed, stressed and performing credit. He actively invested and traded across the capital structure including loans, bonds, equities, and derivatives. He was instrumental in building the European loan trading platform and is a former member of the Board of Directors of the LSTA.

Brandon Bradkin, Partner of CVC Credit Partners

Prior to CVC Credit Partners, Mr. Bradkin spent six years at Park Square Capital where he was a Partner and member of the Investment Committee. Before joining Park Square, he was a Managing Director at Dresdner Anschutz Mezzanine Fund and had been a VP in Investment Banking at Chase in London. Previously, Mr. Bradkin helped lead the restructuring and sale of two distressed portfolio companies. Mr. Bradkin has a J.D. from Harvard Law School and an A.B. from Harvard College.

Philip J. Raciti, Managing Director, Portfolio Manager and Trader of CVC Credit Partners, LLC

Prior to joining Apidos Capital in March 2005, Mr. Raciti was a credit analyst for INVESCO, a U.S.$5.0 billion asset management firm managing leveraged loans across five structured vehicles. At INVESCO, Mr. Raciti's responsibilities included analyzing potential and existing transactions in the primary and secondary bank loan market for purchase/sale consideration, portfolio modeling and the implementation of web based reporting technologies. At CVC Credit Partners, LLC, Mr. Raciti is responsible for all trading activity in loans and bonds and covering the Aerospace & Defense, Software, Semiconductor and Waste industries. Mr. Raciti received a B.A. in Politics, Philosophy and Law from Binghamton University in 2001.

Kevin M. O'Meara, Managing Director and Portfolio Manager of CVC Credit Partners, LLC

Prior to joining Apidos Capital in May 2007, Mr. O'Meara spent five years at Prudential Financial, where he received his formal credit training and worked on the company's leveraged loan platform. At Prudential, Mr. O'Meara acted as a generalist, and was responsible for analyzing and modeling new transactions, tracking existing exposures and making buy and sell recommendations based on relative value and fundamental trends. At CVC Credit Partners, LLC, Mr. O'Meara is responsible for covering the Gaming, Cable and Advertising Dependent Media industries. Mr. O'Meara holds a B.S. in Finance from the University of Scranton and earned an M.B.A. in Finance from Fordham University's Graduate School of Business.

Justin H. Sughrue, Assistant Portfolio Manager and Managing Director of CVC Credit Partners, LLC

Mr. Sughrue joined Apidos Capital in April 2005, after spending two years as a high yield analyst with Merrill Lynch. At Merrill Lynch, he covered Technology and Services Credits, and his primary responsibilities included

writing research reports, creating financial models and proposing and analyzing relative value swap ideas. Before joining Merrill Lynch, Mr. Sughrue worked as an associate for the BondDesk Group, an online bond trading firm for one year, and prior to that worked for Goldman Sachs in municipal finance for two summers. At CVC Credit Parnters, Mr. Sughrue covers the Healthcare sector. Mr. Sughrue graduated from Trinity College with a B.A. in History.

LynnAnn Loufik, Assistant Portfolio Manager and Director of CVC Credit Partners, LLC

Ms. Loufik joined Apidos Capital in April 2012 as an Investment Director covering several industries, including Packaging and Chemicals. Ms. Loufik previously spent four and one half years as an Analyst at Katonah Debt Advisors, where she covered Paper/Packaging, Financials, Technology, Restaurants, Food and Beverage, Supermarkets and Retail. Prior to that, she was a High Yield Analyst at Goldman Sachs, covering Paper and Packaging. Ms. Loufik received a B.S. in Finance and Accounting from Villanova University's School of Business. Ms. Loufik is a CPA and a CFA Charterholder and a member of the New York Society of Security Analysts.

Other Key Personnel of CVC Credit Partners, LLC

Oscar K. Anderson, Managing Director and Portfolio Manager of CVC Credit Partners, LLC

Mr. Anderson joined Apidos Capital in December 2008. He currently serves as a Portfolio Manager on the CVC Global Credit Opportunities Fund. In June 2007, Mr. Anderson co-founded Tri-Mountain Partners, LLC, an alternative investment management business focused on hedge fund and direct private equity investments. From April 2004 to April 2007, Mr. Anderson was a Director in the high yield sales and trading group of Wachovia Securities in New York City. From 1996 to 2004, he was an Executive Director in the leveraged finance group of CIBC World Markets. From 1994 to 1996, Mr. Anderson was an Equity Research Associate in the Investment Management Policy Group at Brown Brothers Harriman & Co. In July 1994, he completed the two-year investment banking analyst program at Salomon Brothers Inc. Mr. Anderson received his A.B. from Harvard University.

Scott Bynum, Managing Director and Portfolio Manager of CVC Credit Partners, LLC

Mr. Bynum joined CVC Credit Partners in January 2013. Prior to joining CVC Credit Partners, Mr. Bynum spent 8 years at Goldman Sachs where he was a Vice President in a proprietary investing capacity. During the most recent 6 years at Goldman Sachs, he was in the Global Bank Loan Distressed Investing group where he was responsible for hedging and portfolio analytics as well as leading investments across the capital structure in public and private companies. For the prior 2 years, Mr. Bynum was an analyst in the Relative Value Trading group within the Structured Credit division. Mr. Bynum graduated magna cum laude with a B.S.E from Princeton University.

Caroline Benton, Managing Director of CVC Credit Partners, LLC

Ms. Benton joined CVC Credit Partners in 2013 as a Managing Director. Previously, Ms. Benton spent 15 years at Goldman Sachs in proprietary investing and risk management functions in the Special Assets, Global Bank Loan Distressed Investing, and Special Situations Investing groups within the Fixed Income division. At CVC Credit Partners, Ms. Benton is responsible for covering Credit Opportunities. Ms. Benton holds a BA in Economics and Managerial Studies from Rice University.

Christopher Hojlo, Managing Director of CVC Credit Partners, LLC

Mr. Hojlo joined CVC in 2011 and is based in New York. Prior to joining CVC, he was a principal at Court Square Capital Partners, where he led the firm's financial services investing efforts. Previously, he worked at DLJ Merchant Banking Partners. Mr. Hojlo received an A.B. cum laude in Economics from Harvard University and an MBA from the Tuck School of Business at Dartmouth.

Jay Bryant, Managing Director of CVC Credit Partners, LLC

Mr. Bryant joined CVC Credit Partners in April 2014 after spending six years at BlueMountain Capital Management, a relative value credit hedge fund. At BlueMountain Capital Management, he was responsible for marketing the firm's alternative products to North American pension, endowment and insurance investors as well as to Australian superannuation funds. Previously, Mr. Bryant worked for three years at Deutsche Bank where he ran

new issue CLO syndication and for ten years at Merrill Lynch in various structured credit marketing roles. He is a graduate of Harvard College and Columbia Business School.

Jennifer A. Patrickakos, Managing Director of CVC Credit Partners, LLC

Prior to joining Apidos Capital in 2005, Ms. Patrickakos was the Head of Operations for MJX Asset Management LLC. Prior to MJX, she was an Associate on the Bank Loan Sales and Syndications Trading Desk at Goldman Sachs and Co. Previously she was the head of the closing group, Assistant Vice President at Donaldson, Lufkin and Jenrette and was an analyst in the Institutional Recovery Management Group at Citibank. Ms. Patrickakos graduated from Providence College.

Eric Ballantine, Investment Director of CVC Credit Partners, LLC

Mr. Ballantine joined Apidos Capital in May 2007, after spending eight years as a credit analyst with Standard & Poor's. At S&P, he covered Capital Goods, Auto Suppliers, Trucking, and Truck Manufacturing credits. Mr. Ballantine's responsibilities included analyzing both high yield and investment grade credits, meeting with management teams, presenting credits to S&P credit committees, writing press releases, and conveying S&P's credit opinion to investors. While at S&P, Mr. Ballantine also helped create an internal group that looked at market-based indicators for potential credit anomalies. At CVC Credit Partners, Mr. Ballentine covers the Retail, Industrials, Autos and Transport and Agriculture sectors. Mr. Ballantine received his M.B.A from the University of Oklahoma and a B.A. in Economics and Political Science from the University of New Mexico.

Brian Miller, Investment Director of CVC Credit Partners, LLC

Mr. Miller joined CVC Credit Partners in March 2015. Prior to joining, he was a Senior Analyst with Bloomberg Intelligence covering Gaming and Lodging. At CVC Credit Partners, Mr. Miller is responsible for covering the Gaming and Lodging and Cable sectors. Mr. Miller graduated from John Carroll University with a B.S.B.A. in Finance and is a CFA charterholder.

Jeremy Love, Director and Trader of CVC Credit Partners, LLC

Mr. Love joined CVC Credit Partners in April 2015. Prior to joining CVC Credit Partners, Mr. Love was a Managing Director at Lehman Brothers Holdings where he was responsible for monetizing all non-structured equity and credit investments held by the estate upon emergence from Chapter 11 protection in March 2012. Mr. Love was previously a Senior Trader at Kingdom Capital Management and Sandell Asset Management where he was responsible for the trading strategy and execution of bonds, loans, and derivatives in multiple high-yield and distressed credit funds. Prior to that, he was a High-Yield Analyst at UBS covering Paper, Packaging and TMT. Mr. Love holds a B.S. in Advertising from the University of Texas at Austin and earned an M.B.A in Finance from the Ross School of Business at the University of Michigan.

Jan Peisert, Investment Director of CVC Credit Partners, LLC

Mr. Peisert joined CVC Credit Partners in October 2013. Prior to joining, he was an Associate at Deutsche Bank Securities, where he worked on the Leveraged Finance team originating and structuring debt transactions across a variety of sectors. Prior to Deutsche Bank, Mr. Peisert worked at Goldman Sachs International in London as a member of the High Yield and Investment Grade Capital Markets teams. At CVC Credit Partners, Mr. Peisert is responsible for covering the Business Services, Consumer Products and Food and Beverage sectors. Mr. Peisert graduated from Oxford University with a B.A. in Jurisprudence.

Bob Szuhany, Investment Director of CVC Credit Partners, LLC

Mr. Szuhany joined CVC Credit Partners in October 2013 from RBC Capital Markets where from 2011 he worked as a Research Associate within the High Yield Energy team. Prior to this, he worked for Prudential Investment Management as a Research Analyst within the Prudential Fixed Income High Yield Research team and within Prudential Financial on an asset rotation program. At CVC Credit Partners, Mr. Szuhany covers the Ecological, Airlines, Electronics, and Mining, Steel and Metals sectors. Mr. Szuhany has a BA in Economics and Business from Lafeyette College, Pennsylvania and has gained his CFA Level 2 qualification.

Andrew Milano, Investment Director of CVC Credit Partners, LLC

Mr. Milano joined Apidos Capital in November 2011. Prior to joining, he was a junior investment analyst with Prudential Financial, where he received his credit training and worked in investment grade credit research, covering Food, Beverage, Consumer Products, Retail and Utilities. At CVC Credit Partners, Mr. Milano is responsible for covering the Oil and Gas and Utilities sectors. Mr. Milano graduated from Villanova University with a B.S. in Accounting and Finance.

George Coles, Investment Director of CVC Credit Partners, LLC

Mr. Coles joined CVC Credit Partners in 2013. Prior to this, Mr. Coles was in the leveraged finance group at Jefferies and the restructuring and special situations group at Lincoln International. In these roles Mr. Coles worked on a variety of performing and non-performing high yield and leveraged loan transactions. At CVC, Mr. Coles covers the Building Products, Real Estate and Software sectors. Mr. Coles received his MBA from The Wharton School, University of Pennsylvania and his BA from the University at Albany.

Francie Ward, Investment Director of CVC Credit Partners, LLC

Ms. Ward joined CVC Credit Partners in 2014 from Oak Hill Advisors, where she worked from 2011 as a Research Associate as part of a 20-person U.S. credit investments team managing U.S.$15 billion of capital, and also worked directly with a senior energy analyst to manage U.S.$1-2 billion of credit investments. Prior to this she worked at Miller Buckfire & Co., LLC where she was a Restructuring Analyst. At CVC Credit Partners, Ms. Ward covers Credit Opportunities. Ms. Ward has a Bachelor of Arts, from Princeton University.

Molly Whiteman, Analyst/Trader of CVC Credit Partners, LLC

Ms. Whiteman joined CVC Credit Partners in February 2014 after spending three years at Delaware Investments, a member of the Macquarie Group. At Delaware Investments, she spent her first two years covering Autos/Auto Suppliers/Industrials/Diversified Cap Goods/Metals and Mining in a junior/secondary capacity, then Homebuilders/Building Materials/Transports including Air/Rail/Aerospace and Defense in a primary capacity. She spent her third year at Delaware trading high-yield bonds, loans and index product on behalf of their high-yield and loan platforms. Ms. Whiteman passed all three levels of the CFA during that time. Prior to her time at Delaware Investments, Ms. Whiteman attended Boston College and Trinity College Dublin.

Daniel J. Ryan, Investment Executive of CVC Credit Partners, LLC

Mr. Ryan joined CVC Credit Partners in April 2015. Prior to joining, he was a High Yield Research Associate at Jefferies LLC, covering Gaming, Lodging and Leisure as well as Retail. At CVC Credit Partners, Mr. Ryan is responsible for covering the Financials and Telecom sectors. Mr. Ryan graduated from Bentley University with a B.S. in Finance and Quantitative Perspectives and has passed all three levels of the CFA.

Dan Choi, Investment Executive of CVC Credit Partners, LLC

Mr. Choi joined CVC Credit Partners in August 2015. Previously, he spent 4 years at Citi in the Structured Credit and the Distressed Credit businesses. Most recently, he was an Associate on the Distressed Credit Trading Desk, where he was responsible for managing risk across the capital structure in distressed bank loans, bonds, and post re-org equities. Mr. Choi has a B.S. in Applied Mathematics and a M.A. in Statistics from Columbia University.

Julian Brais, Investment Executive of CVC Credit Partners, LLC

Mr. Brais joined CVC Credit Partners in August 2014. His primary responsibilities include portfolio analytics, risk management, and credit research. Previously, he spent 2 years as an intern/co-op at CVC Credit Partners, Sales Analytics at Salesforce, and Customer Business Development at Procter & Gamble. Mr. Brais graduated from University of Toronto with a BASc in Industrial Engineering.

David P. Tomea, Senior Analyst of CVC Credit Partners, LLC

Mr. Tomea joined Apidos Capital in July 2011. His primary responsibilities include trade settlement and operations support. Prior to joining Apidos Capital, Mr. Tomea worked as a paralegal in the bankruptcy group at Andrews Kurth LLP. Mr. Tomea graduated from Franklin & Marshall College with a B.A. in Government and English.

Paul Ahn, Analyst of CVC Credit Partners, LLC

Mr. Ahn joined CVC Credit Partners in February 2014. Previously, he was an analyst at Barclays working under the Par/Distressed Loans Closing team. Mr. Ahn graduated from New York University's Stern School of Business with a B.Sc. in Finance and Marketing.

"Max" Hyun Kim, Analyst of CVC Credit Partners, LLC

Mr. Kim joined CVC Credit Partners in May 2014. Previously, he was an analyst at Barclays working under the Par Loans Closing team. Mr. Kim graduated from the University of Texas at Austin with a B.S. in Nutritional Sciences.

Saira Bano, Analyst of CVC Credit Partners, LLC

Ms. Bano joined CVC Credit Partners in February 2015. Prior to joining, she spent three years as a Senior Hedge Fund Accountant at Citi Hedge Fund Services. Ms. Bano graduated from Rutgers University Business School with a B.S. in Accounting.

Jason Melser, Portfolio Analyst of CVC Credit Partners, LLC

Mr. Melser joined CVC Credit Partners in November 2013. Previously, he spent 3 years at J.P. Morgan in portfolio management and investor relations functions in the Private Bank and Global Access Portfolios group within the Asset Management division. Mr. Melser graduated from Hofstra University with a B.B.A. in Finance.

Other Key Personnel of CVC Credit Partners Investment Management Limited

Neale Broadhead, Managing Director of CVC Credit Partners Limited

Mr. Broadhead joined CVC Credit Partners in February 2014 from Lloyds Banking Group, where he was a Managing Director and Head of the Mid Market Acquisition Finance Group which he founded in 2004. While at Lloyds, Mr Broadhead led 80 management buyouts and arranged Lloyds' first syndicated Mandated Lead Arranger, first Second Lien and first PIK structures. Prior to this, Mr Broadhead worked as Executive Director and Originator at BNP Paribas arranging and underwriting mid-market debt facilities in the UK and Europe with combined value in excess of €750 million. Mr Broadhead holds a BSc (Hons) in Economic History.

Andrew Davies, Managing Director and Portfolio Manager of CVC Credit Partners Limited

Mr. Davies joined CVC Cordatus in 2010. Mr. Davies has ten years' experience in leverage finance and corporate finance advisory. Mr. Davies joined from GSC Group (Greenwich Street Capital Partners) in London where he was responsible for sourcing, trading, analysis and portfolio management of assets across the capital structure. Prior to this, he was at Cobalt Corporate Finance and Bear Stearns International. Mr. Davies is a graduate of the University of the Witwatersrand, Johannesburg, South Africa.

Stuart Levett, Managing Director of CVC Credit Partners Limited

Prior to CVC Credit Partners, Mr. Levett has spent more 16 years in banking with expertise in sourcing/origination, managing and trading of performing, leveraged, stressed and distressed assets. Stuart spent eight years with Credit Suisse in sales and distressed origination and two years with its predecessor Donaldson, Lufkin & Jenrette, in leverage sales. More recently, Stuart was a managing director and senior originator of distressed assets and leverage sales at UBS Stuart was also one of the founding members of the London trading platform for Cantor Fitzgerald in 2009.

Ran Landmann, Managing Director of CVC Credit Partners Limited

Mr. Landmann joined CVC Credit Partners in September 2013. Previously he was responsible for European credit investments at Owl Creek and Sandell Asset Management. Prior to that he was an associate at CVC Equity Partners in London and an analyst at Credit Suisse First Boston investment banking covering TMT in Europe. At CVC Credit Partners, Mr. Landmann will focus on European special situations credit opportunities. Mr. Landmann graduated from Queen Mary & Westfield University of London with a B.Sc. in Business Economics.

Guillaume Tarneaud, Director and Assistant Portfolio Manager of CVC Credit Partners Limited

Mr. Tarneaud joined CVC Cordatus in 2007. His previous experiences include working in the Leveraged Finance department at Natixis in Frankfurt and in Deloitte's restructuring advisory team in Paris. Mr. Tarneaud graduated from EM Lyon Business School with a M.Sc. in Management and from Paris Pantheon-Assas University with a Master's Degree in Corporate and Tax Law.

Chris Fowler, Managing Director of CVC Credit Partners Limited

Mr. Fowler joined CVC Credit Partners in 2015 from GE Capital, where he was a Managing Director in the mid-market Leveraged Finance Origination team. During his 10 years at GE, he arranged over 50 financings across Europe and the US, including senior, mezzanine, unitranche and high-yield facilities. He was also involved in launching the successful GE-Ares unitranche JV. Prior to this, he started his career with Morgan Stanley in the Investment Banking Division and Morgan Stanley Strategic Ventures, the firm's corporate VC fund. Mr. Fowler holds a BSc (Hons) in Managerial & Administrative Studies from Aston University, Birmingham.

Sue Player, Director of CVC Credit Partners Limited

Ms. Player joined CVC Cordatus in January 2007 and has over 10 years of leveraged finance experience. Ms. Player joined from IKB Deutsche Industriebank where she was responsible for sourcing and execution of new investments in a wide range of transactions in the European leveraged loan market. Prior to this, she spent 14 years with NatWest bank where *inter alia* she worked in the structured finance division. Ms. Player holds a Banking Certificate from the Chartered Institute of Bankers.

Simone Zacchi, Director of CVC Credit Partners Limited

Mr. Zacchi joined CVC Cordatus in 2011 from Ares Management, where he worked as an Associate since 2008 within the Private Debt Group in London. At Ares Management he was responsible for evaluating investments and executing a wide range of leveraged finance transactions in the U.K., France and Nordic Regions. Prior to this, Mr. Zacchi worked at RBS in the Leveraged Finance team based in Milan focusing on the Italian market. Mr. Zacchi holds an M.Sc. in Corporate Finance and Accounting from Bocconi University, Milan.

François Manivel, Director of CVC Credit Partners Limited

Prior to joining Apidos Capital in 2008, Mr. Manivel worked for Apidos Capital's European affiliate, Resource Europe Management Ltd. ("REML"). Prior to REML, Mr. Manivel was a Vice President at NIBC Bank NV in London, where he was responsible for monitoring the European leveraged loan portfolio of the bank and three CDO funds. Prior to NIBC, Mr. Manivel worked as a Manager for four years with IKB Deutsche Industriebank AG in Paris in the acquisition finance department. At IKB, he monitored the portfolio of leveraged French credits, provided support to the originators and negotiated restructurings and work-outs of nonperforming assets. Prior to joining IKB, Mr. Manivel worked as an Analyst at Bank of Scotland Structured Finance in Paris and Edinburgh. Mr. Manivel graduated from EDHEC Business School (Lille – France) with a Master's Degree in Management.

Mitchell Glynn, Investment Director of CVC Credit Partners Limited

Mr. Glynn joined CVC Credit Partners in 2013 from Neuberger Berman, where he worked as an Associate from 2008 in the Non-Investment Grade Team in London. At Neuberger, he was responsible for evaluating investments across a wide range of industries. Mr. Glynn holds an MSc in Business Economics and Finance from Loughborough University, and attained the Chartered Financial Analyst designation in 2012.

Lucie Bonnieux, Investment Executive of CVC Credit Partners Limited

Ms. Bonnieux joined CVC Credit Partners in July 2013 from Societe Generale where she worked as an analyst in Leveraged Finance in London and Madrid. At SG, she worked on a wide range of European leveraged finance transactions including LBO, refinancing, High Yield bond and restructuring. Prior to this, she was an intern in the Corporate Development department of BNP Paribas based in Paris and Sydney. Ms. Bonnieux holds a Specialised Master in Corporate Finance from EMLYON Business School and a MSc in management from IPAG Business School (France).

Dominic Connelly, Investment Executive of CVC Credit Partners Limited

Mr. Connelly joined CVC Credit Partners in February 2015 from BNP Paribas, where he worked as an Analyst in the Leveraged Finance team in London. At BNPP, Mr. Connelly worked on a variety of LBOs, refinancings and restructurings across various sectors in the UK and Europe. Mr. Connelly holds an MSc in Economics and Management from the London School of Economics and a First Class honours degree in Economics from the University of Southampton.

Nikita Fedyuk, Investment Executive of CVC Credit Partners Limited

Mr. Fedyuk joined CVC Credit Partners in April 2015 from JP Morgan where he worked as an associate in Leveraged Finance in London. At JP Morgan, Mr. Fedyuk worked on a broad range of cross-product transactions across corporate finance, including syndicated loans, high yield bonds, private placement instruments, structured finance, liability management, LBOs and acquisition finance. Prior to this, he was an intern in AXA Private Equity and Deloitte. Mr. Fedyuk holds an MSc in Finance from Bocconi University and a BSc in Economics from Higher School of Economics in Russia and LSE.

Marcos Martinez-Tello, Investment Executive of CVC Credit Partners Limited

Mr. Martinez-Tello joined CVC Credit Partners in September 2015 from Deutsche Bank where he worked as an associate in Leveraged Finance in London. At Deutsche Bank, Mr. Martinez-Tello worked on a wide range of transactions across corporate finance including left-lead execution of transactions concerning the issuance of new debt facilities in the context of LBOs, restructurings and refinancings. Prior to this he was an analyst in M&A at Deutsche Bank. Mr. Martinez-Tello holds a MSc in Management from HEC Paris and a MEng in Civil Engineering from Universitat Politecnica de Catalunya in Spain.

Greg Jones, Analyst of CVC Credit Partners Limited

Mr. Jones joined CVC Credit Partners in 2014. Mr. Jones previously worked as an analyst at Rothschild in the Investment Banking Division in London, where he worked primarily in the Mergers and Acquisitions Industrials and Business Services team. Mr. Jones holds a BSc (Hons) in Economics from The London School of Economics and Political Science.

THE COLLATERAL MANAGEMENT AGREEMENT

General

The Collateral Manager will perform certain investment management functions, including directing the purchase and sale of Collateral Obligations and performing certain administrative functions on behalf of the Issuer in accordance with the applicable provisions of the Indenture. The Collateral Manager agrees, and will be authorized, to (i) select the Collateral Obligations to be acquired by the Issuer, (ii) monitor the portfolio of Collateral Obligations on an ongoing basis and advise the Issuer as to which Collateral Obligations to sell and which Collateral Obligations to acquire, (iii) instruct the Trustee with respect to any disposition or tender of a Collateral Obligation or Eligible Investment by the Issuer and (iv) assist the Issuer in the preparation of reports, orders and other documents to the extent required pursuant to the Indenture.

The Collateral Management Agreement also permits the Collateral Manager, in its discretion, to engage on behalf of the Issuer in (a) cross transactions between the Issuer and another client of the Collateral Manager provided it has reasonable grounds to believe that any such cross transaction is justified from the perspective of the Issuer and is consistent with the Issuer's investment policies and (b) agency cross transactions effected through a broker-dealer affiliated with the Collateral Manager pursuant to the requirements of Rule 206(3)-2 under the Investment Advisers Act (or any successor rule applicable to agency cross transactions).

The Collateral Management Agreement also permits the Collateral Manager to engage on behalf of the Issuer in principal transactions, subject to procedures developed by the Collateral Manager to address the conflicts of interest and its obtaining any consents required by the Investment Advisers Act. The Collateral Manager's current procedures regarding principal transactions require that it obtain, prior to effecting any principal transaction, the consent of the board of directors of the Issuer to such principal transaction. Those procedures require that the Collateral Manager disclose to the board of directors of the Issuer (i) the capacity in which it is acting; (ii) that the transaction is a purchase or sale for no consideration other than cash payment against prompt delivery of the Collateral Obligation for which market quotations are readily available; (iii) that the transaction is effected at the independent current market price determined as follows (x) if the transaction is an interest in a bank loan traded in a dealer market, at the next price reported at the close of such market by an independent pricing service so long as the reliability of the prices provided by the pricing service have been found to be indicative of market value; and (y) for all other transactions, the average of at least two current independent bids determined on the basis of reasonable inquiry; (iv) that the transaction is consistent with the investment policies of the Issuer; and (v) that no brokerage commission or fee (except for customary transfer fees or other remuneration) will be paid in connection with the transaction.

Neither the Collateral Manager nor its Affiliates will be liable to the Issuer, the Trustee, the Holders of Securities or any other Person for any loss incurred as a result of the actions taken by or recommended by the Collateral Manager under the Collateral Management Agreement or the Indenture, except by reason of acts or omissions constituting bad faith, willful misconduct, gross negligence or reckless disregard in the performance of its obligations thereunder. Subject to the above mentioned standard of conduct, the Collateral Manager, its shareholders, directors, officers, partners, members, managers, attorneys, advisors, agents, employees and Affiliates will be entitled to indemnification by the Issuer for any losses or liabilities, including legal or other expenses, relating to the issuance of the Securities, the transactions contemplated by the Indenture or the performance of the Collateral Manager's obligations under the Collateral Management Agreement, which will be payable in accordance with the Priority of Payments.

The Collateral Manager may be removed for cause by the Issuer, solely at the direction of a Majority of the Controlling Class or a Majority of the Subordinated Notes (in each case, excluding any Manager Securities) upon 20 Business Days' prior written notice to the Collateral Manager and the Trustee (for forwarding to each Rating Agency.

For this purpose, "cause" will mean:

- the Collateral Manager willfully breaches any provision of the Collateral Management Agreement or the Indenture applicable to it (it being understood that an action (or failure to act) by the Collateral Manager based on its good faith interpretation of a provision of the Collateral Management Agreement or the

Indenture will not be considered a willful breach), which breach would be reasonably likely to have a material adverse effect on any Class of Securities or the Issuer;

- the Collateral Manager breaches any representation or warranty of the Collateral Manager, any other provision of the Collateral Management Agreement or the Indenture applicable to it or any certification delivered by the Collateral Manager under the Collateral Management Agreement or the Indenture, which breach would be reasonably likely to have a material adverse effect on any Class of Securities or the Issuer and fails to cure such breach within 30 days of becoming aware of, or the date that written notice is provided to the Collateral Manager from the Trustee of such breach (the "cure period"), unless the Collateral Manager demonstrates that no such breach occurred or takes action that the Collateral Manager in good faith believes will remedy, and that does in fact remedy, such failure prior to the later of (x) the next Payment Date or (y) the date that is 60 days following the end of the cure period;

- certain events of bankruptcy, insolvency, conservatorship, or receivership in respect of the Collateral Manager;

- the occurrence of an Event of Default that consists of a default in the payment of principal or interest on the Notes when due and payable and that results substantially from a breach by the Collateral Manager of any provision of the Collateral Management Agreement or the Indenture applicable to it, which Event of Default is not cured within any applicable grace period; or

- the Collateral Manager performs an act that constitutes fraud or criminal activity in the performance of its obligations under the Collateral Management Agreement, the Collateral Administration Agreement or the Indenture, or the Collateral Manager or any officer, member, partner or other principal of the Collateral Manager primarily responsible for the management of the Collateral is indicted for a felony offense materially related to the Collateral Manager's activities in any securities, financial advisory or other management business; *provided* that any indictment arising from practices that have become the subject of contemporaneous actions against multiple investment advisers shall not constitute "cause" for purposes of this clause, (A) unless such indictment otherwise meets the requirements of this clause and (B) until more than 30 days have expired since the commencement of such indictment during which period the Collateral Manager has failed to cure such indictment. For purposes of this clause (B), an indictment against no more than two such officers or employees will be deemed to be cured if the Collateral Manager removes responsibility for the management of the Collateral from such officers or employees of the Collateral Manager that are the subject of the applicable indictment.

The Trustee will agree in the Indenture to notify the Holders of the Securities of its receipt of any written notice from the Collateral Manager to the effect that any of the events specified in the definition of cause has occurred.

Prior to the delivery of a notice of removal of the Collateral Manager for cause, the Issuer at the direction of a Majority of the Controlling Class and a Majority of the Subordinated Notes will waive any event constituting cause as a basis for removal of the Collateral Manager upon written notice to the Issuer, the Collateral Manager and the Trustee (for forwarding to the Holders). Following the delivery of a direction for the removal of the Collateral Manager for cause, but prior to the effective appointment of, and acceptance by, a successor Collateral Manager in accordance with the Collateral Management Agreement, such direction may be withdrawn by a Majority of the Class submitting such direction by written notice to the Issuer, the Collateral Manager and the Trustee (for forwarding to each Rating Agency).

The Collateral Manager may resign and terminate its obligations under the Collateral Management Agreement upon 30 days' written notice to the Issuer, the Trustee and each Rating Agency. Notwithstanding the foregoing, no such removal or termination of the Collateral Management Agreement by the Collateral Manager shall become effective until the Issuer executes an agreement with a successor Collateral Manager (the "Successor Manager") pursuant to which the Successor Manager accepts its appointment as collateral manager and assumes the duties of the resigning Collateral Manager under the Collateral Management Agreement. If the Collateral Manager is removed for cause, until the Successor Manager accepts its appointment as collateral manager and assumes its duties as Collateral Manager, the removed Collateral Manager will not be permitted to direct the Trustee to effect the purchase of any Collateral Obligation nor the sale or disposition of any Collateral Obligation (other than a Credit Risk Obligation, a Defaulted Obligation or an Equity Security).

Within 30 days after the date of resignation or removal of the Collateral Manager (a "Manager Termination Date"), by written notice to the Issuer and the Trustee (who will forward any such notice to the Holders), a Majority of the Subordinated Notes may propose one or more successors that satisfy the Successor Criteria, and the Issuer will appoint such Successor Manager unless a Majority of the Controlling Class has provided written notice of objection to the Issuer within 15 days after receipt of notice thereof. If a Majority of the Controlling Class gives a timely notice of objection, a Majority of the Subordinated Notes may follow the same procedures to make one or more additional proposals.

If a Majority of the Subordinated Notes has not exercised its right to appoint a replacement Collateral Manager (x) during the 30-day period described above or (y) within 15 days after a proposed replacement Collateral Manager has been objected to by a Majority of the Controlling Class, then a Majority of the Controlling Class will have the right to appoint a replacement Collateral Manager by written notice to the Issuer and the Trustee (who will forward any such notice to the Holders), and the Issuer will appoint such Successor Manager unless a Majority of the Subordinated Notes has provided written notice of objection to the Issuer within 15 days after receipt of notice thereof.

For purposes of the foregoing procedures for appointment of a Successor Manager, (i) a Successor Manager proposed by a Majority of the Subordinated Notes may not be an Affiliate of any beneficial owner of Subordinated Notes included in such Majority, (ii) a Successor Manager proposed by a Majority of the Controlling Class may not be an Affiliate of any beneficial owner of Notes of the Controlling Class included in such Majority and (iii) following a removal of the Collateral Manager for cause, any requisite Majority of the Controlling Class or the Subordinated Notes will exclude any Manager Securities.

If no Successor Manager has been appointed within 120 days of the Manager Termination Date, a Majority of the Controlling Class or a Majority of the Subordinated Notes (in each case, excluding any Manager Securities) may petition any court of competent jurisdiction for the appointment of a Successor Manager; *provided* that if neither a Majority of the Controlling Class nor a Majority of the Subordinated Notes has so petitioned for the appointment of a Successor Manager within 150 days of the Manager Termination Date, the Issuer, the Collateral Manager, the Trustee or any Holder may so petition. Any such appointment by any court of competent jurisdiction will not require the consent of, nor be subject to the disapproval of, the Issuer, any Holder or the Collateral Manager. The Issuer will provide notice to the Holders and the Trustee (for forwarding to each Rating Agency) of the appointment of a Successor Manager promptly after the effectiveness of such appointment.

Any Successor Manager is required to be an established entity that satisfies the following criteria (collectively, the "Successor Criteria"):

- has the ability to professionally and competently perform duties similar to those imposed upon the Collateral Manager under the Collateral Management Agreement; and

- is legally qualified and has the capacity to act as Collateral Manager under the Collateral Management Agreement.

The Collateral Manager may assign the Collateral Management Agreement subject to the following requirements, and subject to certain conditions in the Collateral Management Agreement:

- except as set forth in the next bullet point, with the consent of a Majority of the Subordinated Notes for so long as the Majority Equity Condition is satisfied and for so long as a Majority of the Controlling Class (excluding any Manager Securities) shall not have objected within 15 days after notice of such proposed assignment or delegation; or

- without obtaining consent of any Holder, to any Person that is (A) the surviving entity of a merger, consolidation or restructuring or (B) an Affiliate or other entity to which all or substantially all of the assets and personnel of the Collateral Manager have been transferred.

Any consent required for an assignment under the Investment Advisers Act that does not require consent under the Collateral Management Agreement will be obtained from the Issuer. The Collateral Manager will provide notice to

the Trustee (for forwarding to Holders and each Rating Agency) of any assignment of the Collateral Management Agreement.

The Collateral Management Agreement may be amended by an agreement in writing executed by the parties (a) without the consent of any Holders with respect to certain amendments, such as to correct inconsistencies, typographical or other errors, defects or ambiguities or to conform the Collateral Management Agreement to this Offering Memorandum or the Indenture or of the type described in the Indenture that may be made to the Indenture without the consent of the Holders, (b) only with the written consent of a Majority of the Controlling Class and a Majority of the Subordinated Notes with respect to any modification of the standard of care applicable to the Collateral Manager or requirements for assignment or amendment of the Collateral Management Agreement, removal of the Collateral Manager for cause or appointment of a Successor Manager that would be reasonably expected to have a material adverse effect on the Controlling Class or the Subordinated Notes and (c) except as provided in clause (b), only with the consent of a Majority of any Class that is materially and adversely affected by such amendment. The Collateral Manager will provide notice to the Trustee (for forwarding to the Holders, the Initial Purchaser and each Rating Agency) at least 20 days prior to the execution of any amendment of the Collateral Management Agreement. If Holders of at least (A) in the case of clause (b), a Majority of the Controlling Class or a Majority of the Subordinated Notes or (B) in the case of clause (c), a Majority of any Class, have provided notice to the Collateral Manager and the Issuer at least one Business Day prior to the proposed execution date of any amendment such Class would be materially and adversely affected thereby, the Collateral Manager and the Issuer will not enter into such amendment without consent from a Majority of such Class (or, in the case of clause (b), a Majority of the Controlling Class and a Majority of the Subordinated Notes).

As compensation for the performance of its obligations as Collateral Manager, the Collateral Manager will be entitled to receive a fee, which will be payable to the Collateral Manager in arrears on each Payment Date (prorated for the related Interest Accrual Period), in an amount equal to the sum of (a) 0.15% per annum (calculated on the basis of a 360-day year consisting of twelve 30-day months) of the Fee Basis Amount at the beginning of the Collection Period relating to such Payment Date (the "Base Management Fee"), (b) 0.35% per annum (calculated on the basis of a 360-day year consisting of twelve 30-day months) of the Fee Basis Amount at the beginning of the Collection Period relating to such Payment Date (the "Subordinated Management Fee") and (c) after the Subordinated Notes have realized the Incentive Management Fee Target Return, an amount equal to, as applicable on such Payment Date, (i) the sum of 20% of any remaining Interest Proceeds distributable pursuant to clause (Z) of the Priority of Interest Proceeds and 20% of any remaining Principal Proceeds distributable pursuant to clause (U) of the Priority of Principal Proceeds or (ii) 20% of any remaining Interest Proceeds and Principal Proceeds distributable pursuant to clause (W) of the Special Priority of Payments (such payments described in this clause (c), collectively, the "Incentive Management Fee" and, together with the Base Management Fee and the Subordinated Management Fee, the "Management Fee"). The Collateral Manager may rebate or otherwise not receive a portion of the Management Fee that relates to the ownership of Subordinated Notes by holders with whom the Collateral Manager has other fee arrangements.

On any Payment Date, the Collateral Manager may, in its sole discretion but with the prior written consent of the Closing Date Subordinated Notes Investor (except as otherwise agreed with such investor), waive or defer all or a portion of its Subordinated Management Fee (the "Deferred Subordinated Fee") by written notice to the Trustee on or before the related Determination Date. An amount equal to the Deferred Subordinated Fee for any Payment Date may at the sole option of the Collateral Manager be (i) distributed as Interest Proceeds on such Payment Date, (ii) deposited into the Interest Collection Account as Interest Proceeds, (iii) deposited into the Principal Collection Account as Principal Proceeds or (iv) applied by the Issuer at the discretion of and as directed by the Collateral Manager for a Permitted Use. After such Payment Date, the Deferred Subordinated Fee will be added to the cumulative amount of the Deferred Subordinated Fee that the Collateral Manager has elected to defer on prior Payment Dates and has not yet been repaid (the "Cumulative Deferred Subordinated Fee") and will accrue interest (in arrears) for the period commencing on the Payment Date on which it was deferred to (but excluding) the Payment Date on which it is repaid (at the election of the Collateral Manager or a Majority of the Subordinated Notes) at the LIBOR rate applicable to the Rated Notes for each Interest Accrual Period that such amount is unpaid. The Cumulative Deferred Subordinated Fee and any accrued and unpaid interest thereon will be payable on any subsequent Payment Date at the election of the Collateral Manager or a Majority of the Subordinated Notes to the extent funds are available for such purpose in accordance with the Priority of Payments by notice to the Trustee on or before the related Determination Date.

If on any Payment Date there are insufficient funds to pay any amount in respect of the Management Fee in full, the amount not so paid will be deferred and will be payable on such later Payment Date on which funds are available therefor in accordance with the Priority of Payments. Any Base Management Fee deferred in accordance with the Priority of Payments will accrue interest at the LIBOR rate applicable to the Rated Notes for each Interest Accrual Period that such amount is unpaid.

The Collateral Manager has agreed to provide to one or more affiliated investors purchasing a Majority of the Subordinated Notes on the Closing Date (collectively, the "Closing Date Subordinated Notes Investor"), upon its reasonable request, certain information, documents, records, research, scoring or reports ("requested information") relating to the Collateral Obligations, any obligor or the Issuer's or the Collateral Manager's performance or compliance with any of the requirements set forth in this Offering Memorandum, the Indenture, the Collateral Management Agreement or other Transaction Document to the extent that the Collateral Manager or the Issuer is not prohibited from doing so by contract or under applicable law. The Collateral Manager will make personnel available for quarterly calls with the Closing Date Subordinated Notes Investor regarding any requested information. The Collateral Manager has agreed to pay to one of the Closing Date Subordinated Notes Investor Affiliated Parties a portion of the Base Management Fee and the Subordinated Management Fee paid to the Collateral Manager on each Payment Date and not to defer, waive, amend or otherwise modify the Base Management Fee or the Subordinated Management Fee or modify the Incentive Management Fee without the prior written consent of such investor. The arrangements described in this paragraph will not be extended to any purchaser of Subordinated Notes after the Closing Date (other than certain specified affiliated entities (such affiliated entities, together with the Closing Date Subordinated Notes Investor, the "Closing Date Subordinated Notes Investor Affiliated Parties") to whom the Closing Date Subordinated Notes Investor transfers all or a portion of its interest).

The Closing Date Subordinated Notes Investor has represented, warranted and certified that it will not directly or indirectly provide investment advice to the Issuer, and has acknowledged and agreed that the Collateral Manager will not accept advice or direction from such Closing Date Subordinated Notes Investor in connection with the Collateral Manager's provision of investment advice to the Issuer, including but not limited to in respect of the acquisition, holding or disposition of Assets.

On the Closing Date, the Closing Date Subordinated Notes Investor will be reimbursed by the Issuer for certain of its legal fees incurred in connection with its investment.

On the Closing Date, the Collateral Manager will be reimbursed by the Issuer for certain of its third-party expenses incurred in connection with the offering of the Securities and the negotiation and documentation of the Transaction Documents, including the Collateral Management Agreement (including legal fees and expenses). The Collateral Manager will also be reimbursed by the Issuer for certain of its third-party expenses incurred in the performance of its obligations under the Collateral Management Agreement to the extent provided therein, including, without limitation, legal fees and expenses, brokerage commissions, custodial fees, bank service fees, withholding and transfer fees and clearing and settlement fees and any Wall Street Office fees for software or other related expenses; provided, however, that the Collateral Manager will be responsible for its ordinary overhead expenses (including, without limitation, rent, office expenses and employee salaries, wages and benefits) incurred in connection with the operation of its business. Any such reimbursable expenses will be reimbursed by the Issuer to the extent funds are available therefore in accordance with and subject to the Priority of Payments and the other limitations contained in the Indenture. To the extent that such expenses are incurred in connection with obligations that are also held by the Collateral Manager, any of its Affiliates or other accounts managed by the Collateral Manager, the Collateral Manager is required to allocate such expenses in a fair and equitable manner.

THE CO-ISSUERS

General

Apidos CLO XXII (the "Issuer") is an exempted company incorporated with limited liability under the laws of the Cayman Islands and is a special purpose entity established for the sole purpose of acquiring the Collateral Obligations, issuing the Securities and engaging in certain related transactions. The Issuer was incorporated on February 23, 2015 in the Cayman Islands with registered number MC-296881 and has an indefinite existence. The Issuer's registered office is at the offices of MaplesFS Limited, P. O. Box 1093, Queensgate House, Grand Cayman KY1-1102, Cayman Islands, Attention: The Directors, telephone no. +1 (345) 945-7099, facsimile no. +1 (345) 945-7100. The directors of the Issuer are Guy Major and Cleveland Stewart. The directors of the Issuer serve as directors of and provide services to other special purpose entities that issue collateralized obligations and perform other duties for the Administrator. The Issuer has no prior operating history. The Issuer does not publish any financial statements.

Subject to the contracting restrictions imposed upon the Issuer by the Indenture, the directors of the Issuer have the power to borrow on behalf of the Issuer. A director of the Issuer is not required to own any shares in the Issuer in order to qualify as a director.

A director of the Issuer (or his or her alternate director in his or her absence) is at liberty to vote in respect of any contract or transaction in which he or she is interested; *provided* that the nature of the interest of any director or alternate director in any such contract or transaction is disclosed by him or her or the alternate director appointed by him of her at or prior to its consideration and any vote on it.

As of the Closing Date, the authorized share capital of the Issuer will consist of 50,000 ordinary shares, U.S.$1.00 par value per share, 250 of which have been issued (the "Issuer Ordinary Shares") and are held by MaplesFS Limited (in such capacity, the "Share Trustee"), under the terms of a declaration of trust ultimately for charitable purposes. The Issuer will not have any material assets other than the Collateral Obligations and certain other eligible assets. The Collateral Obligations and such other eligible assets will be pledged to the Trustee as security for the Issuer's obligations under the Notes and the Indenture.

Apidos CLO XXII LLC (the "Co-Issuer") was formed under the laws of the State of Delaware and is a special purpose entity established for the sole purpose of co-issuing the Co-Issued Notes. The Co-Issuer was formed on September 23, 2015 in the State of Delaware with authentication number 10116859 and has an indefinite existence. The Co-Issuer's registered office is located at the offices of Puglisi & Associates, 850 Library Avenue, Suite 204, Newark, Delaware 19711, telephone no. +1 (302) 738-6680, facsimile no. +1 (302) 738-7210. The Co-Issuer has no substantial assets and will not pledge any assets to secure the Notes.

The sole manager the Co-Issuer is Donald J. Puglisi. The principal outside function of Donald J. Puglisi, a finance professor emeritus at the University of Delaware, is serving as a corporate director for a variety of entities. Donald J. Puglisi may be contacted at the registered office of the Co-Issuer. The Co-Issuer has no prior operating history. Unless otherwise required pursuant to the Indenture, the Co-Issuer will not publish any financial statements.

The Co-Issuer will only be capitalized to the extent of its membership interests of U.S.$10.00. As of the Closing Date, the sole member of the Co-Issuer will be the Issuer.

The Securities are not obligations of the Trustee, the Collateral Manager, the Initial Purchaser, the Collateral Administrator, or any of their respective affiliates, the Administrator, the Share Trustee or any directors, members, managers, shareholders or officers of the Co-Issuers. The Co-Issuer will not make any payments of interest or principal or other distributions on the Securities.

Capitalization of the Issuer

The Issuer's initial proposed capitalization and indebtedness as of the Closing Date after giving effect to the issuance of the Securities and the Issuer Ordinary Shares before deducting expenses of the offering including discounts (including original issue discounts) is set forth below:

	Amount (U.S.$)[1]
Class X Notes	1,750,000
Class A-1 Notes	320,000,000
Class A-2A Notes	33,000,000
Class A-2B Notes	27,000,000
Class B Notes	27,000,000
Class C Notes	28,750,000
Class D Notes	25,500,000
Class E Notes	8,750,000
Subordinated Notes	41,750,000
Total Debt	513,500,000
Issuer Ordinary Shares	250
Total Equity	250
Total Capitalization	513,500,250

[1] Unaudited. Combination Securities are included in the Underlying Classes.

The Co-Issuer has no other liabilities other than the Co-Issued Notes.

Business of the Co-Issuers

The Issuer's Memorandum of Association provides that the objects of the Issuer are unrestricted and therefore include the activities to be carried out by the Issuer in connection with the Securities. The Co-Issuer's organizational documents describe the objects of the Co-Issuer, which include the activities to be carried out by the Co-Issuer in connection with the Co-Issued Notes. The Co-Issuers have not issued securities, other than membership interests, prior to the date of the Offering Memorandum and have not listed any securities on any exchange. The Issuer will not undertake any activities other than issuing, paying and redeeming the Securities and any additional notes issued pursuant to the Indenture, acquiring, holding, selling, exchanging, redeeming and pledging, solely for its own account, Collateral Obligations and Eligible Investments, acquiring, holding, selling, exchanging, redeeming and pledging shares in Blocker Subsidiaries and other activities incidental thereto, including entering into the Purchase Agreement and the Transaction Documents to which it is a party. The Co-Issuer shall not engage in any business or activity other than issuing and selling the Co-Issued Notes and any additional Rated Notes issued pursuant to the Indenture and other activities incidental thereto, including entering into the Purchase Agreement and the Transaction Documents to which it is a party. Neither of the Co-Issuers will have any subsidiaries (other than any Blocker Subsidiaries and the Co-Issuer, in the case of the Issuer). In general, subject to the credit quality and diversity of the Collateral Obligations and general market conditions and the need (in the judgment of the Collateral Manager) to satisfy the Coverage Tests, the Concentration Limitations and the Collateral Quality Test or to obtain funds for the redemption or payment of the Notes, the Issuer will own the Assets and will receive payments of interest and principal on the Collateral Obligations and Eligible Investments as the principal source of its income. The ability to purchase additional Collateral Obligations and sell Collateral Obligations prior to maturity is subject to significant restrictions under the Indenture. See "Security for the Notes—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria."

In addition, pursuant to the terms of an agreement to be entered into on or prior to the Closing Date among the Issuer, the Collateral Manager and the Collateral Administrator (the "Collateral Administration Agreement"), the Issuer will retain the Bank, in such capacity as collateral administrator (the "Collateral Administrator") to, among other things, perform certain administrative duties of the Issuer with respect to the Assets, including the compilation of certain reports and the performance of certain calculations with respect to the Collateral Quality Test and the Coverage Tests, subject, in each case, to the Collateral Administrator's receipt from the Collateral Manager of information with respect to the Assets that is not contained in the collateral database maintained under the Collateral

Administration Agreement. The compensation paid by the Issuer for such services will be in addition to the fees paid to the Collateral Manager and will be treated as an expense of the Issuer and will be subject to the Priority of Payments. If the Collateral Administrator resigns or is removed, the Issuer will appoint a successor.

In addition, the Issuer (or the Collateral Manager on behalf of the Issuer) may retain one or more firms to provide software databases and applications for the purpose of modeling, evaluating and monitoring the Assets and the Securities pursuant to a licensing or other agreement and the compensation paid to such firms will be treated as an expense of the Issuer and will be subject to the Priority of Payments.

MaplesFS Limited, a Cayman Islands licensed trust company, will also act as the administrator of the Issuer (in such capacity, the "Administrator"). The office of the Administrator will serve as the general business office of the Issuer. Through this office, and pursuant to the terms of an Administration Agreement between the Issuer and the Administrator (the "Administration Agreement"), the Administrator will perform in the Cayman Islands or such other jurisdiction as may be agreed by the parties from time to time various management functions on behalf of the Issuer and the provision of certain clerical, administrative and other corporate services until termination of the Administration Agreement. The Issuer and the Administrator have also entered into a registered office agreement dated February 23, 2015 (the "Registered Office Agreement") for the provision of registered office facilities to the Issuer. In consideration of the foregoing, the Administrator will receive various fees payable by the Issuer at rates agreed upon from time to time, plus expenses. The terms of the Administration Agreement and the Registered Office Agreement provide that either the Issuer or the Administrator may terminate such agreements upon the occurrence of certain stated events, including any breach by the other party of its obligations under such agreements. In addition, the Administration Agreement and the Registered Office Agreement provide that either party shall be entitled to terminate such agreements by giving at least three months' notice in writing to the other party with a copy to any applicable rating agency.

The Administrator will be subject to the overview of the Issuer's board of directors. The Administrator's principal office, and the business address of each of the directors of the Issuer, is at MaplesFS Limited, P.O. Box 1093, Boundary Hall, Cricket Square, Grand Cayman KY1-1102, Cayman Islands.

CERTAIN U.S. FEDERAL INCOME TAX CONSIDERATIONS

In General

The following summary describes certain U.S. federal income tax consequences of the purchase, ownership and disposition of the Securities. It does not purport to be a comprehensive description of all the tax considerations that may be relevant to a decision to purchase the Securities. In particular, special tax considerations that may apply to certain types of taxpayers, including securities dealers, entities taxed as partnerships or partners therein, banks and insurance companies, and subsequent purchasers of Securities, are not addressed. In addition, this summary does not describe any tax consequences arising under the laws of any taxing jurisdiction other than the United States federal government. In general, the summary assumes that a holder acquires a Security at original issuance (and, in the case of the Rated Notes, at its issue price) and holds such Security as a capital asset and not as part of a hedge, straddle, or conversion transaction.

This summary is based on the U.S. tax laws, regulations, rulings and decisions in effect or available on the date of this Offering Memorandum. All of the foregoing are subject to change, and any change may apply retroactively and could affect the continued validity of this summary.

As discussed in more detail below, withholding or deduction of taxes may be required in certain circumstances in respect of payments on the Securities. In the event that any such withholding or deduction of taxes is required, in any jurisdiction, neither of the Co-Issuers will be under any obligation to make any additional payments to the holders of the Securities in respect of such withholding or deduction.

Prospective purchasers of the Securities should consult their own tax advisors as to U.S. federal income tax consequences of the purchase, ownership and disposition of the Securities, as well as the possible application of state, local, non-U.S. or other tax laws.

As used in this section, the term "U.S. holder" means a beneficial owner of a Security that is, for U.S. federal income tax purposes, a citizen or individual resident of the United States, a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) that was organized under the laws of the United States, any state thereof, or the District of Columbia, or that otherwise is subject to U.S. federal taxation on a net income basis in respect of the Security.

As used in this section, the term "non-U.S. holder" means a beneficial owner of a Security that is not a U.S. holder.

Tax Treatment of the Issuer

Generally. The Issuer will be treated as a foreign corporation for U.S. federal income tax purposes.

U.S. Federal Income Taxes. The Issuer expects to conduct its affairs so that it will not be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes (including as a result of lending activities). As a consequence, the Issuer expects that its net income will not become subject to U.S. federal income tax. There can be no assurance, however, that the Issuer's net income will not become subject to U.S. federal income tax. In this regard, on the Closing Date the Issuer will receive an opinion from Cleary Gottlieb Steen & Hamilton LLP to the effect that, under current law and assuming compliance with the Memorandum and Articles of Association, the Indenture, the Collateral Management Agreement, the Operating Guidelines and other related documents, while there are no authorities that deal with situations substantially identical to the Issuer's, the Issuer's contemplated activities will not cause it to be engaged in a trade or business within the United States for U.S. federal income tax purposes. You should be aware, however, that the opinion simply represents counsel's best judgment, and is not binding on the IRS or the courts. In this regard, the Issuer could be treated as engaged in the conduct of a trade or business within the United States for U.S. federal income tax purposes as a result of unanticipated activities, changes in law, contrary conclusions by the IRS or other causes. In addition, you should be aware that the opinion referred to above will expressly rely on the Collateral Manager's compliance with the Operating Guidelines, which are intended to prevent the Issuer from engaging in activities that could give rise to a trade or business within the United States for U.S. federal income tax purposes. Although the Collateral Manager has generally undertaken to comply with the Operating Guidelines, the Collateral Manager is permitted to depart from the Operating Guidelines if it obtains Tax Advice to the effect that the departure, when considered in light of the other activities of the Issuer,

will not cause the Issuer to be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes. Any such departures would not be covered by the opinion of Cleary Gottlieb Steen & Hamilton LLP referred to above. The opinion of Cleary Gottlieb Steen & Hamilton LLP also will not address situations in which a party may take actions or acquire assets only upon receiving Tax Advice or an opinion of nationally recognized tax counsel. If the Issuer were determined to be engaged in a trade or business within the United States for U.S. federal income tax purposes, its income (computed possibly without any allowance for deductions) would be subject to U.S. federal income tax at the usual corporate rate, and possibly to a branch profits tax of 30% as well. The imposition of such taxes would materially affect the Issuer's financial ability to make payments on the Securities.

Withholding and Gross Income Taxes. Although the Issuer does not intend to be subject to U.S. federal income tax with respect to its net income, income derived by the Issuer may be subject to withholding or gross income taxes imposed by the United States or other countries, and the imposition of such taxes could materially affect its financial ability to make payments on the Securities. In this regard and subject to certain exceptions, the Issuer may generally acquire a particular Collateral Obligation only if, at the time of commitment to purchase, either the interest payments thereon are not subject to withholding tax or the issuer of the Collateral Obligation is required to make "gross-up" payments. The Issuer may, however, be subject to withholding or gross income taxes in respect of (i) commitment fees, letter of credit fees, facility fees, and other similar fees, dividend or substitute dividend payments and (ii) interest and disposition proceeds in respect of U.S. Collateral Obligations issued or materially modified on or after July 1, 2014 (as discussed in more detail below), and such withholding or gross income taxes may not be grossed up.

Notwithstanding the foregoing, there can be no assurance that income derived by the Issuer will not become subject to withholding or gross income taxes as a result of changes in law, contrary conclusions by the IRS, or other causes. In that event, such withholding or gross income taxes could be applied retroactively to fees or other income previously received by the Issuer. To the extent that withholding or gross income taxes are imposed and not paid through withholding, the Issuer may be directly liable to the taxing authority to pay such taxes.

Taxation in Respect of a Blocker Subsidiary. To reduce the risk that the Issuer will be engaged in a trade or business within the United States for U.S. federal income tax purposes, in certain circumstances set forth in the Indenture, certain Equity Securities, Defaulted Obligations and securities or obligations received in an offer may be owned by one or more Blocker Subsidiaries wholly owned by the Issuer that will be treated as either U.S. or foreign corporations for U.S. federal income tax purposes. Any foreign Blocker Subsidiary may be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes and may be subject to U.S. federal income tax (and possibly a 30% branch profits tax) on a net income basis at normal corporate tax rates, and may file U.S. tax returns and reports (or protective U.S. tax returns and reports), and/or the Blocker Subsidiary may be subject to a 30% U.S. withholding tax on some or all of its income. In addition, U.S. holders will not be permitted to use losses recognized by the Blocker Subsidiary to offset gains recognized by the Issuer and may be subject to the adverse passive foreign investment company or controlled foreign corporation rules with respect to the Blocker Subsidiary described below under "—Tax Treatment of U.S. Holders of Subordinated Notes." In the case of a U.S. Blocker Subsidiary, the Blocker Subsidiary would be subject to U.S. federal income tax on a net income basis at normal corporate tax rates, and would be required to file U.S. tax returns and reports. In addition, distributions from the Blocker Subsidiary to the Issuer may be subject to a 30% U.S. withholding tax. Prospective investors should consult their tax advisors regarding their consequences if the Issuer organizes a Blocker Subsidiary.

Issuance of Securities. For U.S. federal income tax purposes, the Issuer, and not the Co-Issuer, will be treated as the issuer of the Co-Issued Notes.

Tax Treatment of U.S. Holders of Rated Notes

Status of, and Interest on, the Class X Notes and the Class A Notes. The Class X Notes and the Class A Notes will be treated as debt for U.S. federal income tax purposes. U.S. holders of Class X Notes and Class A Notes will treat stated interest on the Class X Notes and the Class A Notes as ordinary income when paid or accrued, in accordance with their tax method of accounting.

Status of, and Interest and Discount on, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes. The Class B Notes and the Class C Notes will be treated as debt for U.S. federal income tax purposes.

The Class D Notes should be treated as debt for U.S. federal income tax purposes. The Issuer intends to treat the Class E Notes as debt for U.S. federal income tax purposes. In general, the characterization of an instrument for such purposes as debt or equity by its issuer as of the time of issuance is binding on a holder unless the holder takes an inconsistent position and discloses such position in its tax return, and the Indenture requires holders to agree that they will treat the Rated Notes as indebtedness for U.S. tax purposes. This characterization, however, is not binding on the IRS. In particular, there can be no assurances that the IRS would not contend, and that a court would not ultimately hold, that the Class E Notes constitute equity of the Issuer. Investors should consult their own tax advisors regarding the tax rules that would apply if a Class of Securities were recharacterized as equity by the IRS. In general, if a Class of Securities were treated as equity, the discussion under the headings "—Tax Treatment of U.S. Holders of Subordinated Notes" and "—Reporting Requirements" below and elsewhere of the tax consequences of holding Subordinated Notes would be relevant to holders of that Class as well. The discussion in the remainder of this section assumes that the Class E Notes will be treated as debt. Because payments of stated interest on the Deferred Interest Notes are subject to deferral, the Deferred Interest Notes will be treated for U.S. federal income tax purposes as having original issue discount ("OID"). The total amount of such discount with respect to a Deferred Interest Note will equal the sum of all payments to be received under such Deferred Interest Note less its issue price (the first price at which a substantial amount of Deferred Interest Notes of the same Class was sold to investors). A U.S. holder of Deferred Interest Notes will be required to include OID in income as it accrues. The amount of OID accruing in any Interest Accrual Period will generally equal the stated interest accruing in that period (whether or not currently due) plus any additional amount representing the accrual under a constant yield method of any additional OID represented by the excess of the principal amount of the Deferred Interest Notes over their issue price. Accruals of any such additional OID will generally be based on the projected weighted average life of such Class of Deferred Interest Notes rather than their stated maturity. In the case of Deferred Interest Notes, accruals of OID should generally be calculated by assuming that interest will be paid over the life of the Deferred Interest Note based on the value of LIBOR used in setting interest for the first portion of the first Interest Accrual Period, and then adjusting the income for the second portion of the first Interest Accrual Period and each subsequent Interest Accrual Period for any difference between the actual value of LIBOR used in setting interest for those periods and the assumed rate.

Sale and Retirement of the Rated Notes. In general, a U.S. holder of a Rated Note will have a basis in such Rated Note equal to the cost of such Rated Note to such holder, increased by any amount includible in income by such holder as OID and reduced by any payments thereon other than, in the case of the Class X Notes and the Class A Notes, payments of stated interest. Upon a sale or exchange of the Rated Note, a U.S. holder will generally recognize gain or loss equal to the difference between the amount realized (less any accrued interest, which would be taxable as such) and the holder's tax basis in such Rated Note. Such gain or loss will be long-term capital gain or loss if the U.S. holder has held such Rated Note for more than one year at the time of disposition. In certain circumstances, U.S. holders that are individuals may be entitled to preferential treatment for net long-term capital gains. The ability of U.S. holders to offset capital losses against ordinary income is limited.

Re-Pricing. A U.S. holder that continues to own a Security following a Re-Pricing of such Security may be deemed, under Section 1001 of the Code, to have exchanged a debt instrument with the characteristics of such Security prior to the Re-Pricing for a newly issued debt instrument with the characteristics of such Security after the Re-Pricing. Therefore, as a result of having so participated in the Re-Pricing, such a U.S. holder, among other consequences, may be required to recognize taxable gain during the taxable year in which the Re-Pricing occurs as a result of the deemed exchange, and may recognize short-term capital gain or loss if it sells, exchanges, retires or otherwise disposes of such Security within one year after the Re-Pricing, even if such gain or loss otherwise would have been long-term capital gain or loss. A deemed exchange of the Security for a newly issued debt instrument may alternatively be treated as a tax-free recapitalization if the Security and newly issued debt instrument are both considered to be "securities" under Section 354 of the Code. If a Re-Pricing of a Security is treated as a recapitalization, a U.S. holder will generally not recognize gain or loss upon the deemed exchange and the holder's tax basis in the deemed new debt instrument will be the same as the holder's tax basis in the Securities. However, the timing and amount of income on the Securities may be affected by the deemed exchange. U.S. holders should consult their tax advisors regarding the U.S. federal income tax consequences to them of participating in a Re-Pricing.

Contributions. U.S. holders of Rated Notes should consult their own tax advisors concerning the tax consequences to them of contributing cash to the Issuer.

Information Regarding OID. Further information regarding OID may be obtained by contacting the Issuer at its registered office as described under "The Co-Issuers."

Tax Treatment of U.S. Holders of Combination Securities

Each Component of a Combination Security will be treated separately for U.S. federal income tax purposes. A U.S. holder of Combination Securities will be treated as owning an amount of Class A-2B Notes, Class B Notes, Class C Notes and Subordinated Notes in proportion to each Component, and will be taxed accordingly. See "—Status of, and Interest on, the Class X Notes and the Class A Notes," "—Status of, and Interest and Discount on, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes," "—Sale and Retirement of the Rated Notes," "—Tax Treatment of U.S. Holders of Subordinated Notes" and "—Potential Treatment of Subordinated Notes as Debt" for a discussion of the tax consequences of owning and selling those Classes of Notes. In calculating its basis in each of the Components, a U.S. holder will be required to allocate the purchase price paid for its Combination Security among the Components in proportion to their relative fair market values at the time of purchase. A similar principle would apply in determining the amount allocable to each Component upon a sale. The exchange of a Combination Security for the Underlying Classes will not be a taxable event.

Tax Treatment of U.S. Holders of Subordinated Notes

The Subordinated Notes will be characterized as debt of the Issuer for purposes of Cayman Islands law. However, a strong likelihood exists that the Subordinated Notes will be treated as equity of the Issuer for U.S. federal income tax purposes. The Issuer will treat the Subordinated Notes as equity for U.S. federal income tax purposes. Except where otherwise indicated, this summary also assumes such treatment. No assurance can be given, however, that the IRS will respect this position in light of the Subordinated Notes' status as debt for purposes of Cayman Islands law. In general, the characterization of an instrument for such purposes as debt or equity by its issuer as of the time of issuance is binding on a holder (but not the IRS) unless the holder takes an inconsistent position and discloses such position in its tax return.

In general, the timing and character of income under the Subordinated Notes may differ substantially depending on whether the Subordinated Notes are treated for U.S. federal income tax purposes as debt instruments or as equity of the Issuer. Investors should consider the tax consequences of an investment in the Subordinated Notes under either possible characterization.

Investment in a Passive Foreign Investment Company. The Issuer will meet the income and asset tests so as to qualify as a "passive foreign investment company" ("PFIC"). In general, to avoid certain adverse tax rules described below that apply to deferred income from a PFIC, a U.S. holder of Subordinated Notes may want to make an election to treat the Issuer as a "qualified electing fund" ("QEF") with respect to such holder. Generally, a QEF election should be made on or before the due date for filing a U.S. holder's federal income tax return for the first taxable year in which it held Subordinated Notes. If a timely QEF election is made, an electing U.S. holder of Subordinated Notes will be required to include in its ordinary income such holder's *pro rata* share of the Issuer's ordinary earnings and to include in its long-term capital gain income such holder's *pro rata* share of the Issuer's net capital gain, whether or not distributed, assuming that the Issuer is not a "controlled foreign corporation" as discussed below. Under Section 1293 of the Code, a U.S. holder's *pro rata* share of the Issuer's ordinary income and net capital gain is the amount which would have been distributed with respect to such holder's Subordinated Notes if, on each day during the taxable year of the Issuer, the Issuer had distributed to each holder of Subordinated Notes a *pro rata* share of that day's ratable share of the Issuer's ordinary earnings and net capital gain for such year. In certain cases in which a QEF does not distribute all of its earnings in a taxable year, its U.S. holders may also be permitted to elect to defer payment of some or all of the taxes on the QEF's undistributed income but will then be subject to an interest charge on the deferred amount. Prospective purchasers of the Subordinated Notes should be aware that the Collateral Obligations may be purchased by the Issuer with substantial original issue discount. As a result, the Issuer may have significant ordinary earnings from such instruments, but the receipt of cash attributable to such earnings may be deferred, perhaps for a substantial period of time. In addition, under certain circumstances, Interest Proceeds may be used to pay principal of the Rated Notes or to purchase additional Collateral Obligations. Furthermore, if the Issuer discharges its debt at a price less than its adjusted issue price (which may include a deemed discharge arising from a significant modification to the terms of the debt), it could recognize cancellation of debt income equal to that difference, although such income may be deferred if the Issuer is insolvent at the time of the discharge. Thus, absent an election to defer the payment of taxes, U.S. holders that make a QEF election may

owe tax on a significant amount of "phantom" income. A Contribution by a holder of a Rated Note may also increase the income a U.S. holder of Subordinated Notes is required to recognize in respect of its Subordinated Notes.

The Issuer will provide to each holder of Subordinated Notes (i) all information that a U.S. holder of such Securities making a QEF election is required to obtain for U.S. federal income tax purposes (e.g., the U.S. holder's *pro rata* share of ordinary income and net capital gain), and (ii) a "PFIC Annual Information Statement" as described in Treasury Regulation section 1.1295-1 (or in any successor IRS release or Treasury regulation), including all representations and statements required by such statement, and will take any other steps it reasonably can to facilitate such election. The Issuer will also provide, upon request, such information to a holder of Class D Notes or Class E Notes that has made a protective QEF election, as described below.

If a U.S. holder of Subordinated Notes does not make a timely QEF election for the year in which it acquired its Subordinated Notes and the PFIC rules are otherwise applicable, such holder will be subject to a special tax at ordinary income tax rates on so-called "excess distributions," including both certain distributions from the Issuer and gain on the sale of Subordinated Notes. The amount of income tax on excess distributions will be increased by an interest charge to compensate for tax deferral calculated as if excess distributions were earned ratably over the period the taxpayer held its Subordinated Notes. In many cases, the tax on excess distributions will be more onerous than the taxes that would apply if a timely QEF election were made. Classification as a PFIC may also have other adverse tax consequences, including in the case of individuals, the denial of a "step up" in the basis of the Subordinated Notes at death.

Where a QEF election is not timely made by a U.S. holder of Subordinated Notes for the year in which it acquired its Subordinated Notes, but is made for a later year, the excess distribution rules can be avoided by making an election to recognize gain from a deemed sale of the Subordinated Notes at the time when the QEF election becomes effective. U.S. holders should consult with their tax counsel regarding the U.S. federal income tax consequences of investing in a PFIC and the desirability of making the QEF election.

As described under "—Status of, and Interest and Discount on, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes," the Issuer intends to treat the Class D Notes and the Class E Notes as debt for U.S. federal income tax purposes, and the Indenture requires holders to agree that they will treat the Class D Notes and the Class E Notes as debt for U.S. federal income tax purposes. Nevertheless, the IRS could assert that the Class D Notes and/or the Class E Notes are equity in the Issuer for U.S. federal income tax purposes. A U.S. holder of Class D Notes or Class E Notes may make a protective QEF election, although doing so may increase the risk of the treatment of Class D Notes or Class E Notes as equity for U.S. federal income tax purposes. U.S. holders of Class D Notes or Class E Notes should consult with their tax counsel regarding the desirability of making the QEF election.

U.S. HOLDERS OF SUBORDINATED NOTES SHOULD CONSIDER CAREFULLY WHETHER TO MAKE A QEF ELECTION WITH RESPECT TO THE SUBORDINATED NOTES AND THE CONSEQUENCES OF NOT MAKING SUCH AN ELECTION.

PFIC Reporting Requirements. As discussed in more detail below under "—Reporting Requirements—PFIC Reporting (Form 8621)," generally, a U.S. holder of Subordinated Notes will be required to file an annual report containing information with respect to its interest in a PFIC.

Investment in a Controlled Foreign Corporation. Depending on the degree of ownership of the Subordinated Notes by U.S. Shareholders (as defined below), the Issuer may be considered a controlled foreign corporation ("CFC"). In general, a foreign corporation will be a CFC if more than 50% of the shares of the corporation, measured by combined voting power or value, are held, directly or indirectly, by U.S. Shareholders. A "U.S. Shareholder" for this purpose is any U.S. person who owns or is treated as owning, under specified attribution rules, 10% or more of the combined voting power of all classes of shares of a corporation. It is possible that the IRS would assert that the Subordinated Notes are voting securities and that U.S. holders owning 10% or more of the Subordinated Notes are U.S. Shareholders. If this argument were successful and more than 50% of the Subordinated Notes were held by such U.S. Shareholders, the Issuer would be treated as a CFC.

If the Issuer were a CFC, subject to certain exceptions, a U.S. Shareholder of the Issuer at the end of a taxable year of the Issuer would be required to recognize ordinary income in an amount equal to that person's *pro rata* share of

the "subpart F income" of the Issuer for the year, whether or not such income is distributed currently to the U.S. Shareholder. Among other items, and subject to certain exceptions, "subpart F income" includes interest, gains from the sale of securities and income from certain notional principal contracts (e.g., swaps and caps). It is likely that, if the Issuer were a CFC, substantially all of its income would be subpart F income. If more than 70% of the Issuer's income is subpart F income, then 100% of its income will be so treated. The Issuer's income may include non-cash items, as described under "—Investment in a Passive Foreign Investment Company."

If the Issuer were a CFC, a U.S. Shareholder of the Issuer would be taxable on the subpart F income of the Issuer under the CFC regime and not under the PFIC rules previously described. As a result, to the extent subpart F income of the Issuer includes net capital gains, such gains would be treated as ordinary income of the U.S. Shareholder, notwithstanding the fact that generally the character of such gains otherwise would be preserved under the PFIC rules if a QEF election were made. Also, the PFIC rule permitting the deferral of tax on undistributed earnings would not apply.

Additionally, a holder of Subordinated Notes that is a U.S. Shareholder of the Issuer subject to the CFC rules for only a portion of the time in which it holds Subordinated Notes should consult its own tax advisors regarding the interaction of the PFIC and CFC rules.

Indirect Interests in PFICs and CFCs. If the Issuer holds a security of a non-U.S. corporation that is treated as equity for U.S. federal income tax purposes, U.S. holders of Subordinated Notes could be treated as holding an indirect investment in a PFIC or a CFC and could be subject to certain adverse tax consequences (including additional reporting obligations). Prospective purchasers should consult their tax advisors regarding the issues relating to such investments.

Distributions on Subordinated Notes. The treatment of actual cash distributions on the Subordinated Notes, in very general terms, will vary depending on whether a U.S. holder has made a timely QEF election as described above. See "—Investment in a Passive Foreign Investment Company." If a timely QEF election has been made, dividends (which are distributions up to the amount of current and accumulated earnings and profits of the Issuer) allocable to amounts previously taxed pursuant to the QEF election will not be taxable to U.S. holders. Similarly, if the Issuer is a CFC of which the U.S. holder is a U.S. Shareholder, dividends will be allocated first to amounts previously taxed pursuant to the CFC rules and to this extent will not be taxable to U.S. holders. Dividends in excess of such previously taxed amounts will be taxable to U.S. holders as ordinary income upon receipt. Distributions in excess of any current and accumulated earnings and profits will be treated first as a nontaxable return of capital, to the extent of the holder's tax basis in the Subordinated Notes, and then as capital gain. The distributions on the Subordinated Notes do not qualify for the benefit of the reduced U.S. tax rate applicable to certain dividends received by individuals.

In the event that a U.S. holder of Subordinated Notes does not make a timely QEF election, then except to the extent that distributions may be attributable to amounts previously taxed pursuant to the CFC rules, some or all of any dividends distributed with respect to the Subordinated Notes may be considered excess distributions, taxable as previously described. See "—Investment in a Passive Foreign Investment Company."

Sale, Redemption or other Disposition of Subordinated Notes. In general, a U.S. holder of Subordinated Notes will recognize gain or loss (which will be capital gain or loss, except as discussed below) upon the sale or exchange of Subordinated Notes equal to the difference between the amount realized and such holder's adjusted tax basis in the Subordinated Notes. A U.S. holder's tax basis in Subordinated Notes will generally equal the amount it paid for the Subordinated Notes, increased by amounts taxable to such holder by virtue of a QEF election, or under the CFC rules, and decreased by actual distributions from the Issuer that are deemed to consist of such previously taxed amounts or represent a return of capital.

If a U.S. holder does not make a timely QEF election as described above and the PFIC rules are otherwise applicable, any gain realized on the sale or exchange of Subordinated Notes will be treated as an excess distribution and effectively taxed as ordinary income with an interest charge under the special tax rules described above. See "—Investment in a Passive Foreign Investment Company." The pledge of stock of a PFIC may in some circumstances be treated as a disposition of such stock.

If the Issuer were treated as a CFC and a U.S. holder were treated as a U.S. Shareholder therein, then any gain realized by such holder upon the disposition of Subordinated Notes, other than gain constituting an excess distribution under the PFIC rules, would be treated as ordinary income to the extent of the U.S. holder's share of the current and accumulated earnings and profits of the Issuer. In this respect, earnings and profits would not include any amounts previously taxed pursuant to a QEF election or pursuant to the CFC rules.

It is unclear how amounts in the Distribution Reserve Account will be treated for U.S. federal income tax purposes (e.g., whether they will be treated as an asset of the Issuer or amounts retained by the related holders of Subordinated Notes). Accordingly, it is also unclear how payments of the Interim Subordinated Notes Payment Amounts to the related holders of Subordinated Notes will be treated for U.S. federal income tax purposes. The related holders of Subordinated Notes should consult their tax advisors about the effect of receiving the Interim Subordinated Notes Payment Amounts.

Medicare Contribution Tax on Net Investment Income. Section 1411 of the Code imposes a 3.8% tax (in addition to other federal income taxes) on the net investment income ("NII") of U.S. holders who are individuals, estates or trusts to the extent NII exceeds an income threshold. NII generally includes all income from the Securities.

Special rules apply in the case of a U.S. holder of Subordinated Notes or any other class of Securities that is treated as equity of the Issuer for federal income tax purposes and is not held in a business of trading financial instruments. As described above under "—Investment in a Controlled Foreign Corporation" and "—Investment in a Passive Foreign Investment Company," such a U.S. holder may be taxable for regular federal income tax purposes on its share of the earnings of the Issuer as those earnings accrue to the Issuer and not when they are distributed (and in that case, such U.S. holder's basis in such Securities is increased by the amount of earnings that have been taxed to such U.S. holder but not distributed). Pursuant to regulations, a U.S. holder may elect to follow a similar approach in measuring NII. Otherwise, post-2012 earnings that are included in income for regular federal income tax purposes by such a U.S. holder prior to distribution under the CFC rules or PFIC rules for QEFs generally are included in NII only when distributed (i.e., when those earnings are treated for regular federal income tax purposes as previously taxed amounts, as described above under "—Distributions on Subordinated Notes"), and the U.S. holder's basis would not be increased to reflect previously taxed undistributed earnings. Such an election by a U.S. holder generally must be made for the first taxable year in which the U.S. holder has income from the undistributed earnings of equity interests in CFCs or QEFs and is or would be subject to the tax on NII. The election once made would be irrevocable and would apply to the taxable year for which it is made and all subsequent taxable years, as well as to all subsequently acquired equity interests in the CFC or QEF (including if the investor exits its interests and later reinvests).

U.S. holders, and in particular U.S. holders of Subordinated Notes or any other class of Securities that is treated as equity of the Issuer for U.S. federal income tax purposes, are urged to consult their tax advisors regarding the effect, if any, of Section 1411 and regulations thereunder on their investment in the Securities in their particular circumstances.

Potential Treatment of Subordinated Notes as Debt

If, contrary to the above discussion, the Subordinated Notes were treated as debt for U.S. federal income tax purposes, they would be subject to certain regulations governing contingent payment debt instruments. In that event, the timing and character of income, gain or loss recognized with respect to an investment in the Subordinated Notes would be materially different from that summarized above. In general, holders would be required to accrue income on the Subordinated Notes based on the Issuer's normal cost of funds, subject to later adjustment to reflect differences between the accrued and actual income amounts, and all income from the Subordinated Notes (including gains on sale) would be ordinary interest income. Potential U.S. holders of the Subordinated Notes should, in consultation with their tax advisors, carefully consider the potential U.S. income tax characterization of the Subordinated Notes and the potential consequences thereof.

Tax Treatment of Tax-Exempt U.S. Holders of the Securities

In general, a tax-exempt U.S. holder of Securities will not be subject to tax on unrelated business taxable income ("UBTI") with respect to the income from the Securities regardless of whether they are treated as equity or debt for U.S. federal income tax purposes, except to the extent that the Securities are considered debt-financed property (as

defined in the Code) of that entity. A tax-exempt U.S. holder that owns more than 50% of the Outstanding Subordinated Notes and also owns other Classes of Securities should consider the possible application of the special UBTI rules for amounts received from controlled entities.

A tax-exempt entity may not make a QEF election if the tax-exempt entity would not otherwise be subject to tax on income from the Subordinated Notes.

Tax Treatment of Non-U.S. Holders of the Securities

Assuming that the Issuer is not treated as engaged in a trade or business within the United States for U.S. federal income tax purposes, as discussed above under "—Tax Treatment of the Issuer—U.S. Federal Income Taxes," payments on the Securities to a non-U.S. holder, or gain realized on a sale, exchange or redemption of such Securities by such holder, will not be subject to U.S. federal income or withholding tax, as the case may be, unless (i) such non-U.S. holder is subject to backup withholding tax, described under "—Information Reporting and Backup Withholding," as a result of failing to comply with applicable certification procedures to establish that it is not a U.S. holder; or (ii) such non-U.S. holder is subject to withholding as described under "—U.S. Foreign Account Tax Compliance Rules" below. A non-U.S. holder will not be considered to be engaged in a trade or business within the United States for U.S. federal income tax purposes solely by reason of holding Securities. If the Issuer were determined to be engaged in a trade or business within the United States for U.S. federal income tax purposes, and had income effectively connected therewith, then interest paid on the Securities to a non-U.S. holder could be subject to a 30% United States withholding tax.

Information Reporting and Backup Withholding

Information reporting to the IRS generally will be required with respect to payments on the Securities and proceeds of the sale of the Securities to holders other than corporations or other exempt recipients. A "backup" withholding tax will apply to those payments if such holder fails to provide certain identifying information (such as such holder's taxpayer identification number) to the Trustee or other paying agent. Non-U.S. holders generally will be required to comply with applicable certification procedures to establish that they are not U.S. holders in order to avoid the application of such information reporting requirements and backup withholding.

Backup withholding is not an additional tax. The amount of any backup withholding collected from a payment will be allowed as a credit against the recipient's U.S. federal income tax liability and may entitle the recipient to a refund, so long as the required information is properly furnished to the IRS. U.S. holders should consult their own tax advisors about any additional reporting requirements that may arise as a result of their purchasing, holding or disposing of Securities.

Reporting Requirements

U.S. holders, and in certain cases non-U.S. holders, of the Securities may be subject to information reporting requirements, described below. Depending on, among other matters, the amount of Securities held by a particular investor, more than one reporting requirement may apply to an investor. The failure to comply with these reporting requirements may result in penalties, which may be substantial, and, in the case of Forms 926, 5471, 8621 and 8938, the failure to file a required form will suspend the statute of limitations with respect to any tax return, event or period to which such information relates. As a result, even if an investor reports all of its taxable income from its investment in Securities, if the investor fails to file a required information return, the period during which the IRS can assess taxes will remain open, potentially including with respect to items that do not relate to the holder's investment in the Securities. The reporting requirements applicable to the Subordinated Notes would also apply to any other class of Securities that is treated as equity in the Issuer for U.S. federal income tax purposes. Purchasers of Securities are urged to consult their own tax advisors regarding these reporting requirements, including, in the case of the Class D Notes or the Class E Notes, the desirability of filing protective information returns.

Specified Foreign Financial Assets (Form 8938). Individual U.S. holders that own "specified foreign financial assets" with an aggregate value in excess of U.S.$50,000 are generally required to file an information statement along with their tax returns, currently on Form 8938, with respect to such assets. "Specified foreign financial assets" include any financial accounts held at a non-U.S. financial institution, as well as securities issued by a non-U.S. issuer that are not held in accounts maintained by financial institutions. Regulations have been proposed that would

extend this reporting requirement to certain entities that are treated as formed or availed of to hold direct or indirect interests in specified foreign financial assets based on certain objective criteria. The understatement of income attributable to "specified foreign financial assets" in excess of U.S.$5,000 extends the statute of limitations with respect to the tax return to six years after the return was filed. U.S. holders who fail to report the required information could be subject to substantial penalties. Potential investors are encouraged to consult with their own tax advisors regarding the possible application of this new legislation to an investment in the Securities.

U.S. Transferors of Property to a Foreign Corporation (Form 926). Treasury regulations require reporting for certain transfers of property (including cash) to a foreign corporation by U.S. persons. In general, U.S. holders who acquire Subordinated Notes will be required to file a Form 926 with the IRS and to supply certain information to the IRS. If a U.S. holder fails to comply with the reporting requirements, the U.S. holder may be subject to a penalty equal to 10% of the gross amount paid for the Subordinated Notes, subject to a maximum penalty of U.S.$100,000 (except in cases involving intentional disregard). Purchasers of Subordinated Notes are urged to consult their own tax advisors regarding these reporting requirements.

Ownership or Acquisition of a Foreign Corporation (Form 5471). Any U.S. holder that directly or indirectly owns or acquires a significant portion of the voting power or value of the Issuer's equity (generally 10%, but in some cases more than 50%) is required to comply with certain additional reporting requirements. While it is unclear how the voting power of the Subordinated Notes would be measured for this purpose, a U.S. holder that owns less than 10% (or 50% or less, as applicable) of the voting power or value of the Issuer (including the Subordinated Notes) should not be required to file this return. In general, a U.S. holder that is deemed to own or acquire the applicable percentage of the voting power or value of the Issuer's equity will be required to file a Form 5471 with the IRS and to supply certain information to the IRS, including with respect to the activities and assets of the Issuer and other holders of the Subordinated Notes. If a U.S. holder fails to comply with the reporting requirements, the U.S. holder may be subject to a penalty, depending on the circumstances, equal to U.S.$10,000 for each failure to comply, subject to a maximum of U.S.$60,000. Purchasers of Subordinated Notes are urged to consult their own tax advisors regarding these reporting requirements.

PFIC Reporting (Form 8621). Subject to certain exceptions, a U.S. holder of Subordinated Notes is required to file an annual information return, currently on Form 8621, with respect to each PFIC in which it owns an interest directly or, in some cases, indirectly (including through certain pass-through entities). If the Issuer owns an interest in a PFIC, such as a foreign Blocker Subsidiary that is a PFIC, holders of Subordinated Notes would be treated as owning a proportionate amount (by value) of the stock of such other PFIC. The Issuer will use reasonable efforts to provide each holder of Subordinated Notes with the information necessary to comply with the holder's reporting obligations with respect to such other PFIC. These PFIC reporting requirements generally do not apply to tax-exempt U.S. holders. U.S. holders should consult their own tax advisors regarding the PFIC reporting requirements.

FBAR (FinCEN Report 114). U.S. holders, and non-U.S. holders with certain minimum contacts with the United States, of Subordinated Notes may be required to report certain information on United States Treasury FinCEN Report 114 (the "FBAR") for any calendar year in which they hold such Securities. The FBAR reports on accounts in the preceding calendar year, is not filed as part of an annual tax return, and the reporting requirements thereunder are not governed by the Code. For the current taxable year, the FBAR must be received by the U.S. Treasury by June 30, 2016. For taxable years beginning after December 31, 2015, the deadline for receipt will be April 15 (or in the case of certain individuals living abroad, June 15), with the possibility of extension to October 15. Purchasers of Subordinated Notes should consult their own tax advisors regarding these reporting requirements.

Reportable Transactions (Form 8886). Any person that is required to file a U.S. federal income tax return or U.S. federal information return and participates in a "reportable transaction" in a taxable year is required to disclose certain information on IRS Form 8886 (or its successor form) attached to such person's U.S. tax return for such taxable year (and also file a copy of such form with the IRS's Office of Tax Shelter Analysis) and to retain certain documents related to the transaction. Various penalties and adverse consequences can result from a failure to file. A person that is a U.S. Shareholder may be considered to participate in any reportable transactions entered into by the Issuer. Although none are anticipated, the Issuer could participate in reportable transactions.

Because of the status of the Issuer as a PFIC (and without regard to whether it is a CFC), a transaction in which a person claims a loss deduction in respect of the Subordinated Notes may be considered a reportable transaction if the

amount of such loss exceeds certain thresholds (generally U.S.$2,000,000 in one year or U.S.$4,000,000 in any combination of years for individuals, and U.S.$10,000,000 in one year or U.S.$20,000,000 in any combination of years for corporations), regardless of whether such Subordinated Notes were purchased with cash or were otherwise held with a "qualifying basis" (as such term is defined in IRS Revenue Procedure 2013-11). There is an exception for certain mark-to-market losses.

The definition of reportable transaction is technical, and prospective investors in the Securities should consult their own tax advisors concerning any possible disclosure obligations under the reportable transaction rules with respect to their ownership or disposition of the Securities in light of their particular circumstances.

U.S. Foreign Account Tax Compliance Rules

FATCA potentially imposes a withholding tax of 30% on certain payments made to the Issuer, including potentially all interest paid on (and after December 31, 2018, proceeds from the sale or other disposition of) U.S. Collateral Obligations issued or materially modified on or after July 1, 2014, unless the Issuer complies with the Cayman-US IGA. The Cayman-US IGA requires, among other things, that the Issuer or its agent collect and provide to the Cayman Islands Tax Information Authority substantial information regarding certain direct and indirect holders of the Securities. In addition, in some cases, future laws or regulations concerning "foreign passthru payments" (as described below) may require withholding on certain payments to certain holders of Securities. The Issuer intends to comply with its obligations under the Cayman-US IGA. However, in some cases, the ability to avoid such withholding tax will depend on factors outside of the Issuer's control. For example, the Issuer may not be considered to comply with FATCA if more than 50% of the Subordinated Notes (and any other classes of Securities treated as equity for U.S. federal income tax purposes) are owned by a person that is, or is affiliated with, a foreign financial institution that is not compliant with FATCA. The Issuer or its agent will report information to the Cayman Islands Tax Information Authority, which will exchange such information with the IRS under the terms of the Cayman-US IGA. Under the terms of the Cayman-US IGA, withholding will not be imposed on payments made to the Issuer, or on payments made by the Issuer, unless the IRS has specifically listed the Issuer as a non-participating financial institution, the Issuer has otherwise assumed responsibility for withholding under U.S. tax law, or the Issuer cannot comply with FATCA as a result of factors outside of its control, as described above.

In addition, future guidance under FATCA may subject payments on Subordinated Notes (or other classes of Securities that are treated as equity for U.S. federal income tax purposes), and Rated Notes that are materially modified more than six months after the issuance of such future guidance, to a withholding tax of 30% if each foreign financial institution that holds any such Security, or through which any such Security is held, has not entered into an information reporting agreement with the IRS, qualified for an exception from the requirement to enter into such an agreement or complied with the terms of a relevant intergovernmental agreement.

Each owner of an interest in Securities will be required to provide the Issuer and the Trustee or their agents with information necessary to comply with the Cayman-US IGA as discussed above. Owners that do not supply required information, or whose ownership of Securities may otherwise prevent the Issuer from complying with FATCA (for example by causing the Issuer to be affiliated with a non-compliant foreign financial institution), may be subjected to punitive measures, including forced transfer of their Securities. There can be no assurance, however, that these measures will be effective, and that the Issuer and owners of the Securities will not be subject to the noted withholding taxes. The imposition of such taxes could materially affect the Issuer's ability to make payments on the Securities or could reduce such payments. The imposition of withholding taxes in excess of certain thresholds (whether actually imposed or reasonably anticipated) is a Tax Event that allows the Issuer to retire Securities.

CAYMAN ISLANDS INCOME TAX CONSIDERATIONS

The following is a discussion of certain Cayman Islands tax consequences of an investment in the Securities. The discussion is a general summary of present law, which is subject to prospective and retroactive change. It is not intended as tax advice, does not consider your particular circumstances, and does not consider tax consequences other than those arising under Cayman Islands law.

Under existing Cayman Islands Laws:

(a) Payments of interest, principal and other amounts on the Rated Notes and amounts in respect of the Subordinated Notes and the Combination Securities will not be subject to taxation in the Cayman Islands and no withholding will be required on the payment of interest and principal and other amounts on the Rated Notes or a distribution to any holder of the Subordinated Notes or the Combination Securities, nor will gains derived from the disposal of the Securities be subject to Cayman Islands income or corporation tax. The Cayman Islands currently have no income, corporation or capital gains tax and no estate duty, inheritance tax or gift tax.

(b) No stamp duty is payable in respect of the issue of the Securities although duty may be payable if Notes are executed in or brought into the Cayman Islands.

(c) An instrument transferring title to a Note, if executed in or brought into the Cayman Islands, would be subject to Cayman Islands stamp duty.

The Issuer has been incorporated as an exempted company with limited liability under the laws of the Cayman Islands and, as such, has applied for and received an undertaking from the Governor in Cabinet of the Cayman Islands in the following form:

THE TAX CONCESSIONS LAW
(2011 REVISION)
UNDERTAKING AS TO TAX CONCESSIONS

In accordance with Section 6 of the Tax Concessions Law (2011 Revision) the Governor in Cabinet undertakes with:

Apidos CLO XXII "the Company"

(a) that no Law which is hereafter enacted in the Islands imposing any tax to be levied on profits, income, gains or appreciations shall apply to the Company or its operations; and

(b) in addition, that no tax to be levied on profits, income, gains or appreciations or which is in the nature of estate duty or inheritance tax shall be payable

  (i) on or in respect of the shares debentures or other obligations of the Company; or

  (ii) by way of the withholding in whole or part of any relevant payment as defined in Section 6(3) of the Tax Concessions Law (2011 Revision).

These concessions shall be for a period of TWENTY years from the 10th day of March, 2015.

ACTING CLERK OF THE CABINET

The Cayman Islands does not have an income tax treaty arrangement with the United States; however, the Cayman Islands has entered into a tax information exchange agreement with the United States.

THE PRECEDING DISCUSSION IS ONLY A SUMMARY OF CERTAIN OF THE TAX IMPLICATIONS OF AN INVESTMENT IN THE SECURITIES. PROSPECTIVE INVESTORS ARE URGED TO CONSULT WITH THEIR TAX ADVISORS PRIOR TO INVESTING TO DETERMINE THE TAX IMPLICATIONS OF SUCH INVESTMENT, BOTH GENERALLY AND IN LIGHT OF THEIR OWN CIRCUMSTANCES.

CERTAIN ERISA AND RELATED CONSIDERATIONS

The U.S. Employee Retirement Income Security Act of 1974, as amended ("ERISA"), imposes certain requirements on "employee benefit plans" (as defined in Section 3(3) of ERISA) subject to Title I of ERISA, including entities such as collective investment funds and separate accounts whose underlying assets 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 investment prudence and diversification and the requirement that an ERISA Plan's investments be made in accordance with the documents governing the ERISA Plan. The prudence of a particular investment must be determined by the responsible fiduciary of an ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment including, but not limited to, the matters discussed above under "Risk Factors" and the fact that in the future there may be no market in which such fiduciary will be able to sell or otherwise dispose of any Securities it may purchase.

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan (as well as those plans that are not subject to ERISA but to which Section 4975 of the Code applies, such as individual retirement accounts and Keogh plans, including entities whose underlying assets include the assets of such plans (collectively, together with ERISA Plans, "Plans")) and certain persons (referred to as "parties in interest" or "disqualified persons") having certain relationships to such Plans, unless a statutory or administrative exemption is applicable to the transaction (each a "prohibited transaction"). A party in interest or disqualified person who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code. In addition, the fiduciary of the Plan that is engaged in such a non-exempt prohibited transaction may be subject to penalties under ERISA and the Code.

The Co-Issuers, the Initial Purchaser, the Trustee and the Collateral Manager and any of their respective Affiliates may be parties in interest and disqualified persons with respect to many Plans. Prohibited transactions within the meaning of Section 406 of ERISA or Section 4975 of the Code may arise if Securities are acquired or held by a Plan with respect to which the Co-Issuers, the Initial Purchaser, the Trustee and the Collateral Manager, or any of their respective Affiliates, is a party in interest or a disqualified person. Certain exemptions from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code may be applicable, however, in certain cases, depending in part on the type of Plan fiduciary making the decision to acquire any Securities and the circumstances under which such decision is made. Included among these exemptions are Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code (relating to transactions with certain service providers) and Prohibited Transaction Class Exemption ("PTCE") 91-38 (relating to investments by bank collective investment funds), PTCE 84-14 (relating to transactions effected by independent "qualified professional asset managers"), PTCE 95-60 (relating to transactions involving insurance company general accounts), PTCE 90-1 (relating to investments by insurance company pooled separate accounts) and PTCE 96-23 (relating to transactions determined by certain "in-house asset managers"). There can be no assurance that any of these exemptions or any other exemption will be available with respect to any particular transaction involving Securities.

Governmental plans (as defined in Section 3(32) of ERISA), non-U.S. plans (as defined in Section 4(b)(4) of ERISA) and certain church plans (as defined in Section 3(33) of ERISA), while not subject to the fiduciary responsibility provisions of ERISA or the provisions of Section 4975 of the Code, may nevertheless be subject to non-U.S., federal, state, local or other applicable laws that are substantially similar to the foregoing provisions of ERISA and the Code ("Similar Laws"). Fiduciaries of any such plans should consult with their counsel before purchasing any Securities.

EACH PURCHASER OF ISSUER ONLY SECURITIES IN THE INITIAL OFFERING THEREOF AND TRANSFEREES TAKING DELIVERY OF CERTIFICATED SECURITIES WILL BE REQUIRED TO REPRESENT AND WARRANT, AND EACH PURCHASER OF AN INTEREST IN A CO-ISSUED NOTE IN THE INITIAL OFFERING THEREOF AND TRANSFEREES OF ANY CLASS REPRESENTED BY AN INTEREST IN ANY GLOBAL SECURITY WILL BE DEEMED BY SUCH PURCHASE OR ACQUISITION TO HAVE REPRESENTED AND WARRANTED, ON EACH DAY FROM THE DATE ON WHICH THE PURCHASER ACQUIRES SUCH INTEREST THROUGH AND INCLUDING THE DATE ON WHICH THE PURCHASER DISPOSES OF SUCH INTEREST, THAT ITS PURCHASE, HOLDING AND DISPOSITION OF SUCH INTEREST WILL NOT CONSTITUTE OR RESULT IN A PROHIBITED TRANSACTION UNDER

SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (OR IN A VIOLATION OF ANY SIMILAR LAWS) UNLESS AN EXEMPTION IS AVAILABLE AND ALL CONDITIONS HAVE BEEN SATISFIED.

In addition, U.S. Department of Labor regulation, 29 C.F.R. Section 2510.3-101 (as modified by Section 3(42) of ERISA, the "Plan Asset Regulation") describes what constitutes the assets of a Plan with respect to the Plan's investment in an entity for purposes of certain provisions of ERISA, including the fiduciary responsibility provisions of Title I of ERISA, and Section 4975 of the Code. Under the Plan Asset Regulation, if a Plan invests in an "equity interest" of an entity that is neither a "publicly-offered security" nor a security issued by an investment company registered under the Investment Company Act, the Plan's assets include both the equity interest and an undivided interest in each of the entity's underlying assets, unless it is established that the entity is an "operating company" or that equity participation in the entity by Benefit Plan Investors is not "significant." Under the Plan Asset Regulation, an "equity interest" means any interest in an entity other than an instrument that is treated as indebtedness under applicable local law and which has no substantial equity features. A "Benefit Plan Investor" means (i) any "employee benefit plan" (as defined in Section 3(3) of ERISA), subject to Title I of ERISA, (ii) any "plan" described in Section 4975(e)(1) of the Code to which Section 4975 of the Code applies, or (iii) any entity whose underlying assets could be deemed to include "plan assets" by reason of an employee benefit plan's or a plan's investment in the entity within the meaning of the Plan Asset Regulation or otherwise. Such an entity is considered to hold plan assets only to the extent of the percentage of its equity interests held by Benefit Plan Investors.

The Co-Issuers do not intend to treat the Co-Issued Notes as "equity interests" in the Co-Issuers. However, for purposes of the Plan Asset Regulation, the Issuer Only Securities may be considered "equity interests" in the Issuer for purposes of the Plan Asset Regulation and will not constitute "publicly-offered securities" for purposes of the Plan Asset Regulation. In addition, the Co-Issuers will not be registered under the Investment Company Act, and it is not likely that the Co-Issuers will qualify as an "operating company" for purposes of the Plan Asset Regulation. Therefore, if equity participation in any Class of Issuer Only Securities by Benefit Plan Investors is "significant" within the meaning of the Plan Asset Regulation, the assets of the Co-Issuers could be considered to be the assets of any Plans that purchase the Issuer Only Securities. In such circumstances, in addition to considering the applicability of ERISA and Section 4975 of the Code to the Issuer Only Securities, a Plan fiduciary considering an investment in the Issuer Only Securities should consider, among other things, the applicability of ERISA and Section 4975 of the Code to transactions involving any Transaction Party or their respective Affiliates, including whether such transactions might constitute a prohibited transaction under ERISA or Section 4975 of the Code or otherwise may result in a breach of fiduciary duty under ERISA.

Under the Plan Asset Regulation, equity participation in an entity by Benefit Plan Investors is "significant" on any date if, immediately after the most recent acquisition of any equity interest in the entity, 25% or more of the value of any class of equity interests in the entity is held by Benefit Plan Investors. For purposes of this determination, the value of equity interests held by a person (other than a Benefit Plan Investor) that has discretionary authority or control with respect to the assets of the entity or that provides investment advice for a fee (direct or indirect) with respect to such assets (or any "affiliate" of such a person (as defined in the Plan Asset Regulation)) is disregarded (any such person with respect to the Co-Issuers, a "Controlling Person").

The Co-Issuers intend to limit equity participation by Benefit Plan Investors to less than 25% of each Class of the Issuer Only Securities. Each prospective purchaser of Issuer Only Securities on the Closing Date and each transferee of Issuer Only Securities taking delivery in the form of Certificated Securities will be required to make a written representation as to whether it is a Benefit Plan Investor or Controlling Person. Each transferee of Issuer Only Securities taking delivery in the form of an interest in Global Securities will be deemed to represent, warrant and covenant that, for so long as it holds a beneficial interest in such Global Securities, it (and each account for which it is acquiring such Global Securities) is not a Benefit Plan Investor or a Controlling Person (other than a Benefit Plan Investor or a Controlling Person purchasing on the Closing Date). See "Transfer Restrictions" below. No interest in an Issuer Only Security 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% or more of the Aggregate Outstanding Amount of (x) the Class of Issuer Only Securities being transferred or (y) with respect to Combination Securities, any Underlying Class of Issuer Only Notes, including in the Aggregate Outstanding Amount of any Class of Issuer Only Notes all related Components and, in each case, determined in accordance with the Plan Asset Regulations and Indenture assuming, for this purpose, that all the

representations made or deemed to be made by holders of Issuer Only Securities are true. Each interest in an Issuer Only Security held as principal by any of the Transaction Parties, any of their respective Affiliates and 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% limitation.

There can be no assurance that there will not be circumstances in which transfers of an interest in the Issuer Only Securities will be restricted in order to comply with the aforementioned limitations. Moreover, there can be no assurance that, despite the restrictions relating to purchases by or transfers to Benefit Plan Investors and Controlling Persons and the procedures to be employed by the Initial Purchaser, participation by Benefit Plan Investors in any Class will not be "significant."

Each Plan fiduciary who is responsible for making the investment decisions whether to purchase or commit to purchase and to hold Securities should determine whether, under the general fiduciary standards of investment prudence and diversification and under the documents and instruments governing the Plan, an investment in such Securities is appropriate for the Plan, taking into account the overall investment policy of the Plan and the composition of the Plan's investment portfolio. Any Plan proposing to invest in Securities should consult with its counsel to confirm that such investment will not result in a prohibited transaction and will satisfy the other requirements of ERISA and the Code.

The sale of any Securities to a purchaser is in no respect a representation by any of the Co-Issuers, the Initial Purchaser, the Trustee and the Collateral Manager or any of its respective Affiliates that such an investment meets all relevant legal requirements with respect to investments by purchasers generally or any particular purchaser, or that such an investment is appropriate for purchasers generally or any particular purchaser.

PLAN OF DISTRIBUTION

Merrill Lynch, Pierce, Fenner & Smith Incorporated ("Merrill Lynch") will, in its capacity as Initial Purchaser under a securities purchase agreement to be entered into on the Closing Date between Merrill Lynch and the Co-Issuers (the "Purchase Agreement") and pursuant to and subject to the terms and conditions thereof, agree to purchase the Securities. Pursuant to the Purchase Agreement, the Securities will be offered by the Initial Purchaser from time to time for sale to investors in individually negotiated transactions at varying prices to be determined in each case at the time of sale. The offering price and other terms of the offering may be changed at any time without notice. Pursuant to the Purchase Agreement, the Initial Purchaser will receive from the Issuer certain fees and reimbursement of certain expenses on the Closing Date.

The offering of the Securities has not been and will not be registered under the Securities Act or the securities laws of any state or other jurisdiction, and the Securities may not be offered or sold in non-offshore transactions except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state and other securities laws.

No action has been taken or is being contemplated by the Issuer that would permit a public offering of the Securities or possession or distribution of this Offering Memorandum or any amendment thereof, or supplement thereto or any other offering material relating to the Securities in any jurisdiction (other than Ireland) where, or in any other circumstances in which, action for those purposes is required. No offers, sales or deliveries of any Securities, or distribution of this Offering Memorandum or any other offering material relating to the Securities, may be made in or from any jurisdiction except in circumstances that will result in compliance with any applicable laws and regulations and will not impose any obligations on the Issuer or the Initial Purchaser. Because of the restrictions contained in the front of this Offering Memorandum, purchasers are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the Securities.

The Co-Issuers have been advised by the Initial Purchaser that it proposes to offer the Securities only (I) to non-U.S. persons outside the United States in reliance on Regulation S and (II) to, or for the account or benefit of, persons that are (A) Qualified Institutional Buyers and (B) (i) Qualified Purchasers or (ii) entities owned exclusively by Qualified Purchasers. Any offer or sale of Securities in the United States in the offering will be made by the Initial Purchaser or other broker-dealers, including Affiliates of the Initial Purchaser, who are registered as broker-dealers under the Exchange Act.

Interests in a Regulation S Global Security may not be held at any time by a U.S. person, and U.S. re-offers or resales of Securities originally offered in offshore transactions in reliance on Regulation S under the Securities Act may be effected only in a transaction exempt from the registration requirements of the Securities Act and not involving directly or indirectly the Issuer, the Co-Issuer or their respective agents, Affiliates or intermediaries. In addition, until the expiration of 40 days after the later of the Closing Date and the commencement of the offering of the Securities, a re-offer or resale of any Security originally sold pursuant to Regulation S to, or for the account or benefit of, a U.S. person by a dealer or person receiving a concession, fee or remuneration in respect of the Securities (whether or not they participated in the offering) may violate the registration requirements of the Securities Act, unless such offer and sale is made in compliance with an exemption from such registration requirements.

The Securities are a new issue of securities for which there is currently no market. The Initial Purchaser is under no obligation to make a market in any Class of Securities and any market making activity, if commenced, may be discontinued at any time. There can be no assurance that a secondary market for any Class of Securities will develop, or if one does develop, that it will continue. Accordingly, no assurance can be given as to the liquidity of or trading market for the Securities.

As determined by the Initial Purchaser, original purchasers of certain Classes of Securities will be required to execute and deliver a subscription agreement in form and substance satisfactory to the Initial Purchaser that contains certain representations, warranties and agreements in connection with its investment therein.

In the Purchase Agreement, each of the Co-Issuers will agree to indemnify the Initial Purchaser against certain liabilities under the Securities Act, the Exchange Act or otherwise, insofar as such liabilities arise out of or are connected with the consummation of the transactions contemplated by the offering documents for the Securities

(including the preliminary offering memoranda for the Securities and this Offering Memorandum) or the execution and delivery of, and the consummation of the transactions contemplated by, the Purchase Agreement or the Transaction Documents, or to contribute to payments that the Initial Purchaser may be required to make in respect thereof.

The Co-Issuers will extend to each prospective investor in the Securities the opportunity, prior to the consummation of the sale of the Securities, to ask questions of and receive answers from the Co-Issuers or a person or persons acting on behalf of the Co-Issuers, including the Initial Purchaser, concerning the Securities, the initial portfolio of Collateral Obligations and the terms and conditions of this offering and to obtain any additional information in order to verify the accuracy of the information set forth herein, to the extent the Co-Issuers possess the same or can acquire the same without unreasonable effort or expense. Requests for such additional information can be directed to the Initial Purchaser at One Bryant Park, 3rd Floor, New York, New York 10036, Attention: Global Credit and Special Situations Structured Products Group.

For a description of other relationships of Merrill Lynch and its Affiliates relating to the Securities and transactions described herein, see "Risk Factors—Relating to Certain Conflicts of Interest—Conflicts of interest involving the Initial Purchaser and its Affiliates."

CERTAIN SELLING RESTRICTIONS

Australia

The Initial Purchaser has represented and agreed that:

(a) the Offering Memorandum has not, and no prospectus or other disclosure document in relation to the Securities has been, lodged with or registered by the Australian Securities and Investments Commission ("ASIC"); and

(b) it has not offered for subscription or purchase or issued invitations to subscribe for or buy, or made or invited applications for an offer of the Securities for issue, sale or purchase, nor has it sold the Securities, and it will not offer for subscription or purchase or issue invitations to subscribe for or buy, or make or invite applications for an offer of the Securities for issue, sale or purchase, nor will it sell the Securities, and it has not distributed and will not distribute any draft, preliminary or definitive offering memorandum, advertisement or other offering material relating to the Securities (including this Offering Memorandum), in each such case in the Commonwealth of Australia, its territories or possessions, unless:

(c) the minimum aggregate consideration payable by each offeree is a minimum amount of A$500,000 (calculated in accordance with section 708(9) of the Corporations Act and Regulation 7.1.18 of the Corporations Regulations 2001(Cth)) or the offer, invitation or issue is otherwise an offer, invitation or issue for which no disclosure is required pursuant to Part 6D.2 of the Corporations Act;

(d) the offer or invitation is not made to a person who is a "retail client" within the meaning of section 761G of the Corporations Act; and

(e) the offer, invitation or distribution complies with all applicable laws, regulations and directives (including, without limitation, the licensing in Chapter 7 of the Corporations Act 2001 (Cth)) and does not require any document to be lodged with ASIC.

Austria

The Securities are not registered or otherwise authorised for public offer either under the Capital Market Act (*Kapitalmarktgesetz*), the Investment Funds Act (*Investmentfondsgesetz*) or any other securities regulation in Austria. The Initial Purchaser has represented and agreed with the Issuer that (i) the Securities may only be offered in the Republic of Austria in compliance with the provisions of the Austrian Capital Market Act and other laws applicable in the Republic of Austria governing the offer and sale of the Securities in the Republic of Austria; and (ii) the recipients of the Offering Memorandum and other selling material in respect of the Securities have been individually selected and identified before the offer being made and are targeted exclusively on the basis of a private placement; and (iii) the Securities have not been, must not be and are not being offered or advertised publicly or offered similarly under either the Capital Market Act, the Investment Funds Act or any other securities regulation in Austria; and (iv) any offers of the Securities have not been made and no offer of the Securities will be made to any persons other than the recipients to whom the Offering Memorandum is personally addressed.

Cayman Islands

The Initial Purchaser has represented and agreed with the Issuer that no invitation to subscribe for the Securities may be made to the public in the Cayman Islands.

Sweden

The Initial Purchaser has represented to and agreed with the Issuer that any offer, or any actions which could be deemed an offering according to the Swedish Financial Instruments Act, performed by the Initial Purchaser has been made and will be made in accordance with the relevant exemptions under the Swedish Financial Instruments Act, in order to ensure that no Securities are offered or sold in such a manner that would require the registration of a prospectus by the Swedish Financial Supervisory Authority under the Swedish Financial Instruments Act.

United Kingdom

The Initial Purchaser has represented to and agreed with the Issuer 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 (the "FSMA")) received by it in connection with the issue or sale of any Securities 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 any Securities in, from or otherwise involving the United Kingdom.

United States

The Initial Purchaser has represented and agreed that, except for offers made to non-U.S. persons in compliance with Regulation S, it has not offered, and it will not offer, the Securities to any person who is not a Qualified Purchaser that is also a Qualified Institutional Buyer.

The Initial Purchaser has represented that it has not solicited any offer to buy or offered, and agrees that it will not solicit any offer to buy or offer, the Securities by means of any form of general solicitation or general advertising (as those terms are used in Regulation D) or in any manner involving a public offering in the United States within the meaning of Section 4(a)(2) of the Securities Act.

General

No action is being taken or is contemplated by the Co-Issuers that would permit a public offering of the Securities or possession or distribution of any offering memorandum (in preliminary or final form) or any amendment thereof, any supplement thereto or any other offering material relating to the Securities in any jurisdiction where, or in any other circumstances in which, action for those purposes is required. The Initial Purchaser understands and agrees that it is solely responsible for its own compliance with all laws applicable in each jurisdiction in which it offers and sells Securities or distributes any offering memorandum (in preliminary or final form) or any amendments thereof or supplements thereto or any other material, and it agrees to comply with all these laws.

Purchasers of the Securities may be required to pay stamp taxes and other charges on the Securities in accordance with the laws and practices of the country of purchase in addition to the purchase price. Purchasers of the Securities may be required, as a condition to payment of amounts on the Securities without the imposition of withholding tax, to provide certain certifications with respect to any applicable taxes or reporting requirements of the United States or the Cayman Islands.

TRANSFER RESTRICTIONS

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

The Securities 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 Indenture.

Without limiting the foregoing, by holding a Security, each Purchaser will acknowledge and agree, among other things, that it understands that neither of the Co-Issuers nor the pool of Collateral is registered as an investment company under the Investment Company Act, and that the Co-Issuers are exempt from registration as such 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 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).

Global Securities

Each Purchaser of Securities represented by Global Securities will be deemed to have represented and agreed as follows:

(i) (A) In the case of Regulation S Global Securities, it is not a "U.S. person" as defined in Regulation S and is acquiring such Securities in an offshore transaction (as defined in Regulation S) in reliance on the exemption from registration under the Securities Act provided by Regulation S.

(B) In the case of Rule 144A Global Securities, (1) it is both (x) a "qualified institutional buyer" (as defined under Rule 144A under the Securities Act) that is not a broker-dealer which owns and invests on a discretionary basis less than U.S.$25,000,000 in securities of issuers that are not affiliated persons of the dealer and is not a plan referred to in paragraph (a)(1)(i)(D) or (a)(1)(i)(E) of Rule 144A under the Securities Act or a trust fund referred to in paragraph (a)(1)(i)(F) of Rule 144A under the Securities Act that holds the assets of such a plan, if investment decisions with respect to the plan are made by beneficiaries of the plan and (y) a "qualified purchaser" for purposes of Section 3(c)(7) of the Investment Company Act or an entity owned exclusively by "qualified purchasers"; and (2) it is acquiring its interest in such Securities for its own account or for one or more accounts all of the holders of which are "qualified institutional buyers" and "qualified purchasers" and as to which accounts it exercises sole investment discretion.

(ii) Unless it is acquiring such Securities in an offshore transaction (as defined in Regulation S) in reliance on the exemption from registration under the Securities Act provided by Regulation S, (A) if it would be an investment company but for the exclusions from the Investment Company Act provided by Section 3(c)(1) or Section 3(c)(7) thereof, (x) all of the beneficial owners of its outstanding securities (other than short-term paper) that acquired such securities on or before April 30, 1996 ("pre-amendment beneficial owners") have consented to its treatment as a "qualified purchaser" and (y) all of the pre-amendment beneficial owners of a company that would be an investment company but for the exclusions from the Investment Company Act provided by Section 3(c)(1) or Section 3(c)(7) thereof and that directly or indirectly owned any of its outstanding securities (other than short-term paper) have consented to its treatment as a "qualified purchaser"; and (B) it is acquiring such Securities for investment and not for sale in connection with any distribution thereof and was not formed for the purpose of investing in such Securities and is not a partnership, common trust fund, special trust or pension, profit sharing or other retirement trust fund or plan in which partners, beneficiaries or participants, as applicable, may

designate the particular investments to be made, and it agrees that it will not hold such Securities for the benefit of any other person and will be the sole beneficial owner thereof for all purposes and that, in accordance with the provisions therefor in the Indenture, it will not sell participation interests in such Securities or enter into any other arrangement pursuant to which any other person will be entitled to a beneficial interest in the distributions on such Securities, and further that all Securities purchased directly or indirectly by it constitute an investment of no more than 40% of its assets.

(iii) In connection with its purchase of such Securities: (A) none of the Transaction Parties or any of their respective Affiliates is acting as a fiduciary or financial or investment advisor for it; (B) it is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Transaction Parties or any of their respective Affiliates; (C) it has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisors to the extent it has deemed necessary and has made its own investment decisions (including decisions regarding the suitability of any transaction pursuant to the Indenture) based upon its own judgment and upon any advice from such advisors as it has deemed necessary and not upon any view expressed by the Transaction Parties or any of their respective Affiliates; (D) it has read and understands the Offering Memorandum for such Securities; (E) it will hold at least the Minimum Denomination of such Securities; (F) it is a sophisticated investor and is purchasing such Securities with a full understanding of all of the terms, conditions and risks thereof, and is capable of and willing to assume those risks; (G) it understands that such Securities are illiquid and it is prepared to hold such Securities until their maturity; and (H) it is not purchasing such Securities with a view to the resale, distribution or other disposition thereof in violation of the Securities Act; *provided* that none of the representations in clauses (A) through (C) is made with respect to the Collateral Manager by any Affiliate of the Collateral Manager or any account for which the Collateral Manager or any of its Affiliates acts as investment adviser.

(iv) It understands that such Securities are being offered only in a transaction not involving any public offering in the United States within the meaning of the Securities Act, such Securities have not been and will not be registered under the Securities Act, and, if in the future it decides to offer, resell, pledge or otherwise transfer such Securities, such Securities may be offered, resold, pledged or otherwise transferred only in accordance with the provisions of the Indenture and the legend on such Securities. It acknowledges that no representation has been made as to the availability of any exemption under the Securities Act or any state securities laws for resale of such Securities. It understands that neither of the Co-Issuers has been registered under the Investment Company Act in reliance on an exemption from registration thereunder.

(v) It will not, at any time, offer to buy or offer to sell such Securities 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.

(vi) It will provide notice to each person to whom it proposes to transfer any interest in such Securities of the transfer restrictions and representations set forth in Section 2.5 of the Indenture, including the Exhibits referenced therein.

(vii) It agrees that it will not, prior to the date which is one year (or, if longer, the applicable preference period then in effect) *plus* one day after the payment in full of all Securities, institute against, or join any other Person in instituting against, the Issuer, the Co-Issuer or any Blocker Subsidiary any bankruptcy, reorganization, arrangement, insolvency, winding-up, moratorium or liquidation proceedings, or other similar proceedings under Cayman Islands, U.S. federal or state bankruptcy or similar laws. It further acknowledges and agrees that if it causes the filing of a petition in bankruptcy against the Issuer, the Co-Issuer or any Blocker Subsidiary prior to the expiration of the period specified in the preceding sentence, any claim that it has against the Co-Issuers (including under all Securities of any Class held by it) or with respect to any Assets (including any

proceeds thereof) will, notwithstanding anything to the contrary in the Priority of Payments and notwithstanding any objection to, or rescission of, such filing, be fully subordinate in right of payment to the claims of each Holder or beneficial owner of any Security that is not a Filing Holder (and each other secured creditor of the Issuer), with such subordination being effective until each Security held by each Holder or beneficial owner that is not a Filing Holder (and each claim of each other secured creditor of the Issuer) is paid in full in accordance with the Priority of Payments (after giving effect to such subordination). This agreement will constitute a "subordination agreement" within the meaning of Section 510(a) of the Bankruptcy Code. The Issuer will direct the Trustee to segregate payments and take other reasonable steps to effect the foregoing. In order to give effect to the foregoing, the Issuer may, to the extent necessary, obtain and assign a separate CUSIP or CUSIPs to the Securities of each Class of Securities held by each Filing Holder. For purposes of subordination, and the benefits and obligations thereof, the Combination Securities will not be treated as a separate Class, but each Component of a Combination Security will be treated as Notes of the Underlying Class.

(viii) It understands and agrees that such Securities (including the related Components of Combination Securities) are limited recourse obligations of the Issuer (and, in the case of Co-Issued Notes (including the related Components of Combination Securities), the Co-Issuer), payable solely from proceeds of the Assets in accordance with the Priority of Payments, and following realization of the Assets and application of the proceeds thereof in accordance with the Indenture, all obligations of and any claims against the Issuer (and, in the case of Co-Issued Notes (including the related Components of Combination Securities), the Co-Issuer) thereunder or in connection therewith after such realization will be extinguished and will not thereafter revive.

(ix) It acknowledges and agrees that (A) the Issuer has the right to compel any Non-Permitted Holder to sell its interest in such Securities or to sell such interest on behalf of such Non-Permitted Holder and (B) in the case of Re-Pricing Eligible Notes, the Issuer has the right to compel any Non-Consenting Holder to sell its interest in such Securities, to sell such interest on behalf of such Non-Consenting Holder or to redeem such Securities.

(x) It understands that (A) the Trustee and the Bank in its other capacities under the Transaction Documents will be required to provide certain information to the Issuer and the Collateral Manager regarding the Holders and beneficial owners of the Securities (including, without limitation, the identity of the Holders as contained in the Register and, unless any such Certifying Person instructs the Trustee otherwise, the identity of each Certifying Person) and (B) neither the Trustee nor the Bank in any of its capacities will have any liability for any such disclosure or, subject to its respective duties and responsibilities set forth in the applicable Transaction Documents, for the accuracy thereof.

(xi) It agrees to provide to the Issuer and the Collateral Manager all information reasonably available to it that is reasonably requested by the Issuer or the Collateral Manager in connection with regulatory matters, including any information that is necessary or advisable in order for the Issuer or the Collateral Manager (or its parent or Affiliates) to comply with regulatory requirements applicable to the Issuer or the Collateral Manager from time to time.

(xii) It understands that, subject to certain exceptions set forth in the Indenture, all information delivered to it by or on behalf of the Co-Issuers in connection with and relating to the transactions contemplated by the Indenture (including, without limitation, the information contained in the reports made available to such holder on the Trustee's Website) is confidential. It agrees that, except as expressly permitted by the Indenture, it will use such information for the sole purpose of administering its investment in such Securities and that, to the extent it discloses any such information in accordance with the Indenture, it will use reasonable efforts to protect the confidentiality of such information.

(xiii) It is not a member of the public in the Cayman Islands.

(xiv) It is not a person with whom dealings are restricted or prohibited under any law relating to economic sanctions or anti-money laundering of the United States, the European Union, Switzerland or any other applicable jurisdiction, and its purchase of such Securities will not result in the violation of any such law by any Transaction Party, whether as a result of the identity of it or its beneficial owners, their source of funds or otherwise.

(xv) It agrees to provide upon request certification acceptable to the Issuer or, in the case of Co-Issued Notes, the Co-Issuers to permit the Issuer or the Co-Issuers, as applicable, to (A) make payments to it without, or at a reduced rate of, withholding, (B) qualify for a reduced rate of withholding in any jurisdiction from or through which the Issuer receives payments on its assets and (C) comply with applicable law. It has read and understands the summary of the U.S. federal income tax considerations contained in the Offering Memorandum as it relates to such Securities, and it represents that it will treat such Securities for U.S. tax purposes in a manner consistent with the treatment of such Securities by the Issuer described therein (including, in the case of Combination Securities, treating each Component separately for U.S. federal and, to the extent permitted by law, state and local income and franchise tax purposes unless otherwise required by any relevant taxing authority) and will take no action inconsistent with such treatment, it being understood that this paragraph will not prevent a holder of Class D Notes or Class E Notes from making a protective "qualified electing fund" election or filing protective information returns.

(xvi) It agrees (A) except as prohibited by applicable law, to obtain and provide the Issuer and the Trustee (including their agents and representatives) with information or documentation, and to update or correct such information or documentation, as may be necessary or helpful (in the sole determination of the Issuer or the Trustee or their agents or representatives, as applicable) to achieve Tax Account Reporting Rules Compliance or to comply with similar requirements in other jurisdictions (the obligations undertaken pursuant to this clause (A), the "Holder Reporting Obligations"), (B) that the Issuer and/or the Trustee or their agents or representatives may (1) provide such information and documentation and any other information concerning its investment in such Securities to the Cayman Islands Tax Information Authority, the IRS and any other relevant tax authority and (2) take such other steps as they deem necessary or helpful to achieve Tax Account Reporting Rules Compliance, including withholding on "passthru payments" (as defined in the Code), and (C) that if it fails for any reason to comply with its Holder Reporting Obligations or otherwise is or becomes a Non-Permitted Tax Holder, the Issuer will have the right, in addition to withholding on passthru payments, to (1) compel it to sell its interest in such Securities, (2) sell such interest on its behalf in accordance with the procedures specified in Section 2.11(b) of the Indenture and/or (3) assign to such Securities a separate CUSIP or CUSIPs and, in the case of this subclause (3), to deposit payments on such Securities into a Tax Reserve Account, which amounts will be either (x) released to the Holder of such Securities at such time that the Issuer determines that the Holder of such Securities complies with its Holder Reporting Obligations and is not otherwise a Non-Permitted Tax Holder or (y) released to pay costs related to such noncompliance (including Taxes imposed by FATCA); *provided* that any amounts remaining in a Tax Reserve Account will be released to the applicable Holder (a) on the date of final payment for the applicable Class (or as soon as reasonably practical thereafter) or (b) at the request of the applicable Holder on any Business Day after such Holder has certified to the Issuer and the Trustee that it no longer holds an interest in any Securities. Any amounts deposited into a Tax Reserve Account in respect of Securities held by a Non-Permitted Tax Holder will be treated for all purposes under the Indenture as if such amounts had been paid directly to the Holder of such Securities. It agrees to indemnify the Issuer, the Collateral Manager, the Trustee and other beneficial owners of Securities for all damages, costs and expenses that result from its failure to comply with its Holder Reporting Obligations. This indemnification will continue even after it ceases to have an ownership interest in such Securities.

(xvii) In the case of Subordinated Notes and Combination Securities, it agrees to provide the Issuer and the Trustee (A) any information as is necessary (in the sole determination of the Issuer or the Trustee, as applicable) for the Issuer and the Trustee to comply with U.S. tax information reporting requirements relating to its adjusted basis in such Securities and (B) any additional

information that the Issuer, the Trustee or their agents request in connection with any Form 1099 reporting requirements, and to update any such information provided in clause (A) or (B) promptly upon learning that any such information previously provided has become obsolete or incorrect or is otherwise required. It acknowledges that the Issuer or the Trustee may provide such information and any other information concerning its investment in such Securities to the IRS.

(xviii) If it is not a United States person within the meaning of Section 7701(a)(30) of the Code, it is not acquiring such Securities as part of a plan to reduce, avoid or evade U.S. federal income tax.

(xix) In the case of Issuer Only Securities, if it is a bank organized outside the United States, it (A) is acquiring such Securities as a capital markets investment and will not for any purpose treat such Securities or the assets of the Issuer as loans acquired in its banking business and (B) is not acquiring such Securities as part of a plan having as one of its principal purposes the avoidance of U.S. withholding taxes.

(xx) In the case of Issuer Only Securities, it agrees not to treat any income generated by such Securities 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.

(xxi) (A) Its acquisition, holding and disposition of such Securities will not constitute or result in a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or in a violation of any Similar Laws or other applicable law) unless an exemption is available and all conditions have been satisfied.

(B) In the case of Issuer Only Securities, unless otherwise specified in a subscription agreement in connection with the Closing Date, for so long as it holds a beneficial interest in such Securities, it is not a Benefit Plan Investor or a Controlling Person.

(C) It understands that the representations made in clauses (A) and (B) will be deemed made on each day from the date of its acquisition of an interest in such Securities through and including the date on which it disposes of such interest. If any such representation becomes untrue, or if there is a change in its status as a Benefit Plan Investor or a Controlling Person, it will promptly notify the Issuer and the Trustee. It agrees to indemnify and hold harmless the Issuer, the Trustee, the Initial Purchaser and the Collateral Manager and their respective Affiliates from any cost, damage, or loss incurred by them as a result of any such representation being untrue.

Certificated Securities

Each Purchaser of Certificated Securities after the Closing Date (including by way of a transfer of an interest in Global Securities to Certificated Securities) will be required to provide the Trustee with a Transfer Certificate containing representations and agreements substantially similar to those set forth above under "Global Securities" and representations as to the Purchaser's status under the Securities Act, the Investment Company Act and ERISA. Initial purchasers of Issuer Only Securities will be required to provide the Initial Purchaser or the Issuer with a subscription agreement containing representations and agreements substantially similar to those set forth above under "Global Securities" and representations as to its status under the Securities Act, the Investment Company Act and ERISA.

Legends

The Securities will bear a legend substantially to the following effect unless the Issuer determines otherwise in compliance with applicable law:

(a) with respect to Rated Notes and Combination Securities:

THIS SECURITY IS SUBJECT TO THE TERMS AND CONDITIONS OF THE INDENTURE REFERRED TO BELOW. THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED

UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND NEITHER OF THE CO-ISSUERS HAS BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THIS SECURITY AND INTERESTS HEREIN MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, EXCEPT (A)(1) TO A QUALIFIED PURCHASER (FOR PURPOSES OF THE INVESTMENT COMPANY ACT) THAT THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT THAT IS NOT A BROKER-DEALER WHICH OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25 MILLION IN SECURITIES OF ISSUERS THAT ARE NOT AFFILIATED PERSONS OF THE DEALER AND IS NOT A PLAN REFERRED TO IN PARAGRAPH (A)(1)(i)(D) OR (A)(1)(i)(E) OF RULE 144A OR A TRUST FUND REFERRED TO IN PARAGRAPH (A)(1)(i)(F) OF RULE 144A THAT HOLDS THE ASSETS OF SUCH A PLAN, IF INVESTMENT DECISIONS WITH RESPECT TO THE PLAN ARE MADE BY THE BENEFICIARIES OF THE PLAN, PURCHASING FOR ITS OWN ACCOUNT OR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT, OR (2) TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 (AS APPLICABLE) OF REGULATION S UNDER THE SECURITIES ACT, IN EACH CASE SUBJECT TO THE SATISFACTION OF CERTAIN CONDITIONS SPECIFIED IN THE INDENTURE, AND IN EACH CASE WHICH MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION, (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION AND (C) IN A MINIMUM DENOMINATION FOR THE PURCHASER AND FOR EACH SUCH ACCOUNT. EACH PURCHASER OF THIS SECURITY WILL BE DEEMED TO HAVE MADE THE REPRESENTATIONS AND AGREEMENTS SET FORTH IN SECTION 2.5 OF THE INDENTURE, OR, IF REQUIRED UNDER THE INDENTURE, MUST DELIVER A TRANSFER CERTIFICATE IN THE FORM PROVIDED IN THE INDENTURE. 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 CO-ISSUER, THE TRUSTEE OR ANY INTERMEDIARY. THE ISSUER HAS THE RIGHT, UNDER THE INDENTURE, TO COMPEL ANY NON-PERMITTED HOLDER (AS DEFINED IN THE INDENTURE) TO SELL ITS INTEREST IN THE SECURITIES, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.

(b) with respect to Subordinated Notes:

THIS SECURITY IS SUBJECT TO THE TERMS AND CONDITIONS OF THE INDENTURE REFERRED TO BELOW. THIS SECURITY HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND NEITHER OF THE CO-ISSUERS HAS BEEN REGISTERED UNDER THE UNITED STATES INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "INVESTMENT COMPANY ACT"). THIS SECURITY AND INTERESTS HEREIN MAY NOT BE OFFERED, SOLD, PLEDGED OR OTHERWISE TRANSFERRED, EXCEPT (A)(1) TO A QUALIFIED PURCHASER (FOR PURPOSES OF THE INVESTMENT COMPANY ACT) THAT THE SELLER REASONABLY BELIEVES IS A QUALIFIED INSTITUTIONAL BUYER WITHIN THE MEANING OF RULE 144A UNDER THE SECURITIES ACT THAT IS NOT A BROKER-DEALER WHICH OWNS AND INVESTS ON A DISCRETIONARY BASIS LESS THAN U.S.$25 MILLION IN SECURITIES OF ISSUERS THAT ARE NOT AFFILIATED PERSONS OF THE DEALER AND IS NOT A PLAN REFERRED TO IN PARAGRAPH (A)(1)(i)(D) OR (A)(1)(i)(E) OF RULE 144A OR A TRUST FUND REFERRED TO IN PARAGRAPH (A)(1)(i)(F) OF RULE 144A THAT HOLDS THE ASSETS OF SUCH A PLAN, IF INVESTMENT DECISIONS WITH RESPECT TO THE PLAN ARE MADE BY THE BENEFICIARIES OF THE PLAN, PURCHASING FOR ITS OWN ACCOUNT OR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER, IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT, OR (2) TO A NON-U.S. PERSON IN AN OFFSHORE TRANSACTION IN ACCORDANCE WITH RULE 903 OR RULE 904 (AS APPLICABLE) OF

REGULATION S UNDER THE SECURITIES ACT, IN EACH CASE SUBJECT TO THE SATISFACTION OF CERTAIN CONDITIONS SPECIFIED IN THE INDENTURE, AND IN EACH CASE WHICH MAY BE EFFECTED WITHOUT LOSS OF ANY APPLICABLE INVESTMENT COMPANY ACT EXEMPTION, (B) IN ACCORDANCE WITH ALL APPLICABLE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES AND ANY OTHER APPLICABLE JURISDICTION AND (C) IN A MINIMUM DENOMINATION FOR THE PURCHASER AND FOR EACH SUCH ACCOUNT. EACH PURCHASER OF THIS SECURITY WILL BE DEEMED TO HAVE MADE THE REPRESENTATIONS AND AGREEMENTS SET FORTH IN SECTION 2.5 OF THE INDENTURE, OR, IF REQUIRED UNDER THE INDENTURE, MUST DELIVER A TRANSFER CERTIFICATE IN THE FORM PROVIDED IN THE INDENTURE. 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 TRUSTEE OR ANY INTERMEDIARY. THE ISSUER HAS THE RIGHT, UNDER THE INDENTURE, TO COMPEL ANY NON-PERMITTED HOLDER (AS DEFINED IN THE INDENTURE) TO SELL ITS INTEREST IN THE SECURITIES, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER. THIS SECURITY MAY BE PURCHASED BY A BENEFIT PLAN INVESTOR OR A CONTROLLING PERSON (EACH, AS DEFINED IN THE INDENTURE) ONLY SUBJECT TO CERTAIN CONDITIONS AS SET FORTH IN THE INDENTURE.

(c) Additionally, the Rated Notes (other than the Class X Notes and the Class A Notes) and the Combination Securities will bear a legend substantially to the following effect:

THIS SECURITY HAS BEEN ISSUED WITH ORIGINAL ISSUE DISCOUNT ("OID") FOR U.S. FEDERAL INCOME TAX PURPOSES. THE ISSUE PRICE, AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY OF THIS SECURITY MAY BE OBTAINED BY WRITING TO THE ISSUER AT ITS REGISTERED OFFICE.

(d) Additionally, each Class of Re-Pricing Eligible Notes will bear a legend substantially to the following effect:

THE ISSUER ALSO HAS THE RIGHT, UNDER THE INDENTURE, TO COMPEL ANY HOLDER THAT DOES NOT CONSENT TO A RE-PRICING WITH RESPECT TO THIS SECURITY PURSUANT TO THE APPLICABLE TERMS OF THE INDENTURE TO SELL ITS INTEREST IN THIS SECURITY, TO SELL SUCH INTEREST ON BEHALF OF SUCH OWNER OR TO REDEEM THIS SECURITY.

(e) Additionally, Class D Notes, Class E Notes and Combination Securities will bear a legend substantially to the following effect:

THIS SECURITY MAY BE PURCHASED BY A BENEFIT PLAN INVESTOR OR A CONTROLLING PERSON (EACH, AS DEFINED IN THE INDENTURE) ONLY SUBJECT TO CERTAIN CONDITIONS AS SET FORTH IN THE INDENTURE.

Non-Permitted Holders

Any transfer of a beneficial interest in any Security to a Non-Permitted Holder will be null and void and any such purported transfer of which the Issuer, the Co-Issuer or the Trustee has notice may be disregarded by the Issuer, the Co-Issuer and the Trustee for all purposes.

If any Non-Permitted Holder becomes the beneficial owner of any Security or an interest in any Security, the Issuer shall, promptly after discovery that such Person is a Non-Permitted Holder by the Issuer, the Co-Issuer or the Trustee (and notice to the Issuer, if either of the Co-Issuer or the Trustee makes the discovery), send notice (with a copy to the Collateral Manager) to such Non-Permitted Holder demanding that such Non-Permitted Holder transfer its Securities or interest therein to a Person that is not a Non-Permitted Holder within 30 days after the date of such notice. If such Person fails to transfer its Securities (or the required portion of its Securities), the Issuer will have the right to sell such Securities to a purchaser selected by the Issuer. The Issuer (or its agent) will request such Person

to provide (within 10 days after such request) the names of prospective purchasers, and the Issuer (or its agent) will solicit bids from any such identified prospective purchasers and may also solicit bids from one or more brokers or other market professionals that regularly deal in securities similar to the Securities. The Issuer agrees that it will accept the highest of such bids, subject to the bidder satisfying the transfer restrictions set forth in the Indenture. If the procedure above does not result in any bids from qualified investors, the Issuer may select a purchaser by any other means determined by it in its sole discretion. The proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale will be remitted to the Non-Permitted Holder. The terms and conditions of any such sale will be determined in the sole discretion of the Issuer, and none of the Issuer, the Collateral Manager or the Trustee will be liable to any Person having an interest in the Securities sold as a result of any such sale or the exercise of such discretion.

The Trustee will promptly notify the Issuer and the Collateral Manager if the Trustee obtains actual knowledge that any holder or beneficial owner of an interest in a Security is a Non-Permitted Holder.

LISTING AND GENERAL INFORMATION

1. Application has been made to the Irish Stock Exchange for the Securities to be admitted to the Official List and to trading on its Global Exchange Market. There can be no assurance that any such listing will be maintained. It is expected that the total expenses related to admission to trading will be approximately €19,940.

2. For the term of the Securities, copies of the Memorandum and Articles of Association of the Issuer, the Limited Liability Company Agreement of the Co-Issuer and the Indenture will be available in electronic form for inspection at the principal office of the Issuer and the offices of the Trustee at The Bank of New York Mellon Trust Company, National Association, 601 Travis Street, 16th Floor, Houston, Texas 77002, Attention: Global Corporate Trust – CDO Group – Apidos CLO XXII, and copies thereof may be obtained upon request.

3. Since formation and as of the date hereof, neither the Issuer nor the Co-Issuer has commenced trading, prepared any financial statements, established any accounts or declared any dividends, except for the transactions described herein.

4. Neither of the Co-Issuers is, or has since formation been, involved in any litigation, governmental proceedings or arbitration proceedings relating to claims in amounts which may have or have had a significant effect on the financial position or profitability of the Co-Issuers nor, so far as either Co-Issuer is aware, is any such litigation, governmental proceedings or arbitration involving it pending or threatened.

5. The issuance by the Issuer of the Securities has been authorized by the board of directors of the Issuer by resolutions passed on or about the Closing Date and the issuance by the Co-Issuer of the Co-Issued Notes has been authorized by the manager of the Co-Issuer by resolutions passed on the Closing Date.

6. The Issuer is not required by Cayman Islands law, and the Issuer does not intend, to publish annual reports and accounts, nor has it done so as of the date hereof. The Co-Issuer is not required by Delaware law, and the Co-Issuer does not intend, to publish annual reports and accounts, nor has it done so as of the date hereof. The Indenture, however, requires the Issuer to provide the Trustee with written confirmation, on an annual basis, that to the best of its knowledge following review of the activities of the prior year, no Event of Default has occurred and is continuing or, if one has, specifying the same. The Co-Issuers do not intend to provide to the public post-issuance transaction information regarding the securities to be admitted to trading or the performance of the underlying collateral.

7. Maples and Calder is acting solely in its capacity as listing agent for the Issuer (and not on its own behalf) in connection with the application for admission of the Securities to the Official List of the Irish Stock Exchange and to trading on its Global Exchange Market.

8. No website referred to in this document forms part of the document for the purposes of the listing of the Securities on the Irish Stock Exchange.

9. The Securities sold in offshore transactions in reliance on Regulation S under the Securities Act and represented by Regulation S Global Securities have been accepted for clearance through Clearstream and Euroclear. The Securities sold to persons that are Qualified Institutional Buyers and Qualified Purchasers in reliance on Rule 144A under the Securities Act and represented by Rule 144A Global Securities have been accepted for clearance through DTC. The CUSIP Numbers, Common Codes and International Securities Identification Numbers (ISIN), as applicable, for the Global Securities are set forth below. The identification numbers for Certificated Securities are available upon request.

	Rule 144A Global			**Regulation S Global**		
	CUSIP	**ISIN**	**Common Code**	**CUSIP**	**ISIN**	**Common Code**
Class X Notes	03765XAA4	US03765XAA46	129674962	G0487XAA0	USG0487XAA03	129675098
Class A-1 Notes	03765XAB2	US03765XAB29	129674997	G0487XAB8	USG0487XAB85	129675080
Class A-2A Notes	03765XAC0	US03765XAC02	129674989	G0487XAC6	USG0487XAC68	129675101
Class A-2B Notes	03765XAD8	US03765XAD84	129675004	G0487XAD4	USG0487XAD42	129675128
Class B Notes	03765XAE6	US03765XAE67	129675039	G0487XAE2	USG0487XAE25	129675110
Class C Notes	03765XAF3	US03765XAF33	129675012	G0487XAF9	USG0487XAF99	129675136
Class D Notes	03766AAA3	US03766AAA34	129675047	G0488CAA5	USG0488CAA56	129675152
Class E Notes	03766AAB1	US03766AAB17	129675063	G0488CAB3	USG0488CAB30	129675144
Subordinated Notes	03766AAC9	US03766AAC99	129675055	G0488CAC1	USG0488CAC13	129675179
Combination Securities	03766AAD7	US03766AAD72	129675071	G0488CAD9	USG0488CAD95	129675187

LEGAL MATTERS

Certain legal matters with respect to the Securities will be passed upon for the Co-Issuers by Cleary Gottlieb Steen & Hamilton LLP. Certain legal matters with respect to Cayman Islands law will be passed upon for the Issuer by Maples and Calder. Certain legal matters with respect to the Collateral Manager will be passed upon by Dechert LLP.

GLOSSARY OF CERTAIN DEFINED TERMS

"Accounts": Each of (i) the Payment Account, (ii) the Collection Account, (iii) the Ramp-Up Account, (iv) the Revolver Funding Account, (v) the Expense Reserve Account, (vi) the Ongoing Expense Smoothing Account, (vii) the Interest Reserve Account, (viii) the Custodial Account, (ix) the Supplemental Reserve Account (x) the Contribution Account and (xi) the Distribution Reserve Account.

"Account Agreement": The Account Agreement dated as of the Closing Date among the Issuer, the Trustee and the securities intermediary named therein.

"Additional Subordinated Notes Proceeds": Proceeds of any additional issuance pursuant to which only additional Subordinated Notes were issued.

"Adjusted Collateral Principal Amount": As of any date of determination:

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

(b) without duplication, the amounts on deposit in the Collection Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds; *plus*

(c) with respect to each Defaulted Obligation and Deferring Obligation, its Moody's Collateral Value; *provided* that the amount determined under this clause (c) will be zero for any Defaulted Obligation that has not been disposed of within three years after becoming a Defaulted Obligation; *plus*

(d) with respect to each Discount Obligation, the product of (i) the outstanding principal amount of such Discount Obligation as of such date, multiplied by (ii) the purchase price of such Discount Obligation (expressed as a percentage of par), excluding accrued interest; *minus*

(e) the Excess CCC/Caa Adjustment Amount;

provided that, with respect to any Collateral Obligation that satisfies more than one of the definitions of Defaulted Obligation, Deferring Obligation or Discount Obligation, or any asset that falls into the CCC/Caa Excess, such Collateral Obligation shall, for the purposes of this definition, be treated as belonging to the category of Collateral Obligations which results in the lowest Adjusted Collateral Principal Amount on any date of determination.

"Adjusted Weighted Average Moody's Rating Factor": As of any date of determination, a number equal to the Weighted Average Moody's Rating Factor determined in the following manner: for purposes of determining a Moody's Default Probability Rating in connection with determining the Weighted Average Moody's 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 subcategory, (b) negative watch will be treated as having been downgraded by two rating subcategories and (c) negative outlook will be treated as having been downgraded by one rating subcategory.

"Administrative Expense Cap": An amount equal on any Payment Date (when taken together with any Administrative Expenses paid during the period since the preceding Payment Date other than Administrative Expenses paid pursuant to the Priority of Partial Redemption Proceeds, or in the case of the first Payment Date, the period since the Closing Date), to the sum of (a) 0.02% per annum (prorated for the related Interest Accrual Period on the basis of a 360-day year consisting of twelve 30-day months) of the Fee Basis Amount on the related Determination Date and (b) U.S.$200,000 per annum (prorated for the related Interest Accrual Period on the basis of a 360-day year consisting of twelve 30-day months) or, with respect to this clause (b), if an Event of Default has occurred and is continuing, such higher amount as may be agreed between the Trustee and a Majority of the Controlling Class; *provided* that (1) in respect of any Payment Date after the third Payment Date following the Closing Date, if the aggregate amount of Administrative Expenses paid pursuant to clause (A) of the Priority of Interest Proceeds, clause (A) of the Priority of Principal Proceeds and clause (A) of the Special Priority of Payments (including any excess applied in accordance with this proviso) on the three immediately preceding Payment Dates and during the related Collection Periods is less than the stated Administrative Expense Cap (without regard to any

excess applied in accordance with this proviso) in the aggregate for such three preceding Payment Dates, then the excess may be applied to the Administrative Expense Cap with respect to the then-current Payment Date; and (2) in respect of the third Payment Date following the Closing Date, such excess amount shall be calculated based on the Payment Dates preceding such Payment Date.

"Administrative Expenses": The fees, expenses (including indemnities) and other amounts due or accrued with respect to any Payment Date (including, with respect to any Payment Date, any such amounts that were due and not paid on any prior Payment Date) and payable in the following order by the Issuer or the Co-Issuer: *first*, to the Trustee pursuant to the Indenture, *second*, to the Bank (in each of its capacities under the Transaction Documents) including as Collateral Administrator pursuant to the Collateral Administration Agreement, *third*, on a *pro rata* basis, the following amounts (excluding indemnities) to the following parties:

(i) the Independent accountants, agents (other than the Collateral Manager) and counsel of the Issuer for fees and expenses;

(ii) the Rating Agencies for fees and expenses (including any annual fee, amendment fees and surveillance fees) in connection with any rating of the Rated Securities or in connection with the rating of (or provision of credit estimates in respect of) any Collateral Obligations;

(iii) the Collateral Manager under the Indenture and the Collateral Management Agreement, excluding the Management Fee;

(iv) the Administrator pursuant to the Administration Agreement and the Registered Office Agreement; and

(v) any other Person in respect of any other fees or expenses permitted under the Indenture and the documents delivered pursuant to or in connection with the Indenture (including any expenses related to Tax Account Reporting Rules Compliance, any Blocker Subsidiary, the payment of facility rating fees and all legal and other fees and expenses incurred in connection with the purchase or sale of any Collateral Obligations and any other expenses incurred in connection with the Collateral Obligations) and the Securities, including but not limited to, amounts owed to the Co-Issuer pursuant to the Indenture, any amounts due in respect of the listing of the Securities on any stock exchange or trading system and any expenses related to a Refinancing, a Re-Pricing or an issuance of additional notes (including any reserve for a Refinancing or a Re-Pricing),

and *fourth*, on a *pro rata* basis, indemnities payable to any Person pursuant to any Transaction Document or the Purchase Agreement; *provided* that (x) amounts due in respect of actions taken on or before the Closing Date shall not be payable as Administrative Expenses, but shall be payable only from the Expense Reserve Account in accordance with the Indenture, (y) for the avoidance of doubt, amounts that are expressly payable to any Person under the Priority of Payments in respect of an amount that is stated to be payable as an amount other than as Administrative Expenses (including, without limitation, interest and principal in respect of the Rated Notes and distributions on the Subordinated Notes) shall not constitute Administrative Expenses and (z) no amount shall be payable to the Collateral Manager as Administrative Expenses in reimbursement of fees or expenses of any third party unless the Collateral Manager shall have first paid the fees or expenses that are the subject of such reimbursement.

"Affiliate": 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, employee, member, shareholder or general partner (i) of such Person, (ii) of any subsidiary or parent company of such Person or (iii) of any Person described in clause (a) of this sentence. For the purposes of this definition, "control" of a Person means the power, direct or indirect, (x) to vote more than 50% of the securities having ordinary voting power for the election of directors of such Persons or (y) to direct or cause the direction of the management and policies of such Person whether by contract or otherwise. For purposes of this definition, (i) no entity shall be deemed to be an Affiliate of the Issuer or the Co-Issuer solely because the Administrator or any of its Affiliates acts as administrator or share trustee for such entity and (ii) no entity to which the Collateral Manager provides collateral management or advisory services shall be deemed to be an Affiliate of the Collateral Manager solely because the Collateral Manager

acts in such capacity, unless either of the foregoing clauses (a) or (b) is satisfied as between such entity and the Collateral Manager.

"Aggregate Coupon": As of any Measurement Date, the sum of the products obtained by multiplying, in the case of each Fixed Rate Obligation, (a) the stated coupon on such Collateral Obligation (excluding any Deferrable Obligation or Partial Deferrable Obligation to the extent of any non-cash interest and the unfunded portion of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation) expressed as a percentage; and (b) the Principal Balance (including for this purpose any capitalized interest) of such Collateral Obligation; *provided* that for purposes of this definition, the interest coupon will be deemed to be, with respect to (i) any Step-Up Obligation, the current interest coupon; and (ii) any Deferrable Obligation or Partial Deferrable Obligation, that portion of the interest coupon that must be paid in cash and may not be deferred (without defaulting) under the Underlying Instruments.

"Aggregate Excess Funded Spread": As of any Measurement Date, the amount obtained by multiplying:

(a) the amount equal to LIBOR applicable to the Rated Notes during the Interest Accrual Period in which such Measurement Date occurs; by

(b) the amount (not less than zero) equal to (i) the Aggregate Principal Balance (including for this purpose any capitalized interest) of the Collateral Obligations as of such Measurement Date *minus* (ii) the Reinvestment Target Par Balance.

"Aggregate Funded Spread": As of any Measurement Date, the sum of:

(a) in the case of each Floating Rate Obligation that bears interest at a spread over a London interbank offered rate based index, (i) the stated interest rate spread (excluding any Deferrable Obligation or Partial Deferrable Obligation to the extent of any non-cash interest and the unfunded portion of any Delayed Drawdown Collateral Obligation and Revolving Collateral Obligation) on such Collateral Obligation above such index multiplied by (ii) the Principal Balance (including for this purpose any capitalized interest but excluding the unfunded portion of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation) of such Collateral Obligation; and

(b) in the case of each Floating Rate Obligation that bears interest at a spread over an index other than a London interbank offered rate based index, (i) the excess of the sum of such spread and such index (excluding any Deferrable Obligation or Partial Deferrable Obligation to the extent of any non-cash interest and the unfunded portion of any Delayed Drawdown Collateral Obligation and Revolving Collateral Obligation) over LIBOR as of the immediately preceding Interest Determination Date (which spread or excess may be expressed as a negative percentage) multiplied by (ii) the Principal Balance (including for this purpose any capitalized interest but excluding the unfunded portion of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation) of each such Collateral Obligation;

provided that for purposes of this definition, the interest rate spread will be deemed to be, with respect to (i) any Floating Rate Obligation that has a LIBOR floor, the stated interest rate spread plus, if positive, (x) the LIBOR floor value *minus* (y) LIBOR as in effect for the current Interest Accrual Period; (ii) any Step-Up Obligation, the current spread; and (iii) any Deferrable Obligation or Partial Deferrable Obligation, that portion of the spread that must be paid in cash and may not be deferred (without defaulting) under the Underlying Instruments.

"Aggregate Outstanding Amount": With respect to (i) any of the Rated Notes as of any date, the aggregate principal amount of such Notes Outstanding (including any Deferred Interest previously added to the principal amount that remains unpaid) on such date, (ii) the Subordinated Notes, the aggregate principal amount of the Subordinated Notes issued on the Closing Date *plus* the aggregate principal amount of any additional Subordinated Notes issued after the Closing Date and (iii) any of the Combination Securities as of any date, the sum of the aggregate principal amount of each of its Components Outstanding on such date. The principal amount of Notes of each Underlying Class represented by a Component is included in the Aggregate Outstanding Amount of that respective Class of Notes.

"Aggregate Principal Balance": When used with respect to all or a portion of the Collateral Obligations or the Assets, the sum of the Principal Balances of all or of such portion of the Collateral Obligations or Assets, respectively.

"Aggregate Unfunded Spread": As of any Measurement Date, the sum of the products obtained by multiplying (i) for each Delayed Drawdown Collateral Obligation and Revolving Collateral Obligation (other than Defaulted Obligations), the related commitment fee then in effect as of such date and (ii) the undrawn commitments of each such Delayed Drawdown Collateral Obligation and Revolving Collateral Obligation as of such date.

"Approved Index List": The nationally recognized indices specified in a schedule to the Indenture as amended from time to time by the Collateral Manager with prior notice of any amendment to each Rating Agency in respect of such amendment and a copy of any such amended Approved Index List to the Collateral Administrator; *provided* that any new index added to the Approved Index List by amendment will be a nationally recognized index.

"Asset-backed Commercial Paper": Commercial paper or other short-term obligations of a program that primarily issues externally rated commercial paper backed by assets or exposures held in a bankruptcy-remote, special purpose entity.

"Asset Quality Matrix": The following chart used to determine which Matrix Combination is applicable for purposes of determining compliance with the Moody's Diversity Test, the Maximum Moody's Rating Factor Test and the Minimum Floating Spread Test:

Minimum Weighted Average Spread (%)	**Minimum Diversity Score**											
	35	**40**	**45**	**50**	**55**	**60**	**65**	**70**	**75**	**80**	**85**	**90**
2.00	540	550	565	585	590	595	605	615	620	625	630	635
2.10	740	755	775	790	805	815	825	835	845	850	855	860
2.20	925	950	975	990	1010	1020	1030	1040	1050	1060	1070	1075
2.30	1115	1145	1160	1180	1200	1210	1225	1240	1245	1255	1265	1270
2.40	1230	1255	1280	1300	1315	1330	1345	1355	1365	1375	1385	1390
2.50	1330	1360	1385	1405	1420	1440	1455	1465	1475	1485	1495	1500
2.60	1435	1465	1490	1510	1530	1545	1560	1575	1585	1595	1605	1615
2.70	1535	1570	1595	1615	1635	1655	1670	1680	1695	1705	1715	1725
2.80	1640	1670	1700	1720	1740	1760	1775	1790	1800	1810	1820	1830
2.90	1740	1775	1800	1825	1845	1865	1880	1895	1905	1920	1930	1935
3.00	1845	1875	1905	1930	1950	1970	1985	2000	2010	2025	2035	2045
3.10	1945	1980	2005	2035	2055	2075	2090	2105	2120	2130	2140	2150
3.20	2030	2070	2100	2125	2150	2170	2185	2200	2215	2225	2235	2250
3.30	2075	2140	2205	2235	2255	2275	2290	2310	2320	2335	2345	2355
3.40	2115	2185	2245	2295	2340	2375	2395	2415	2425	2440	2450	2465
3.50	2155	2230	2285	2340	2380	2420	2455	2475	2495	2515	2530	2545
3.60	2190	2270	2330	2380	2425	2460	2495	2525	2550	2575	2585	2600
3.70	2235	2305	2370	2420	2465	2505	2535	2565	2595	2620	2640	2660
3.80	2275	2345	2405	2460	2505	2545	2575	2610	2635	2660	2680	2700
3.90	2310	2390	2450	2500	2545	2585	2615	2645	2675	2700	2720	2740
4.00	2345	2420	2485	2540	2585	2620	2655	2690	2715	2740	2760	2785
4.10	2375	2460	2520	2575	2625	2660	2695	2725	2755	2780	2800	2820

Minimum Weighted Average Spread (%)	Minimum Diversity Score											
	35	40	45	50	55	60	65	70	75	80	85	90
4.20	2410	2495	2560	2615	2660	2700	2735	2765	2795	2820	2840	2860
4.30	2445	2530	2600	2655	2705	2735	2770	2805	2830	2855	2880	2900
4.40	2480	2560	2630	2690	2735	2775	2810	2845	2870	2895	2920	2940
4.50	2505	2590	2660	2720	2770	2820	2850	2880	2910	2935	2955	2975
4.60	2530	2620	2695	2755	2805	2850	2885	2920	2945	2970	2995	3015
4.70	2560	2655	2725	2785	2835	2885	2925	2955	2985	3010	3030	3050
4.80	2595	2685	2755	2815	2870	2915	2955	2990	3020	3045	3065	3090
4.90	2625	2710	2785	2845	2900	2945	2985	3020	3055	3080	3105	3125
5.00	2655	2740	2815	2875	2930	2975	3015	3050	3080	3110	3140	3160
5.10	2680	2770	2845	2905	2960	3005	3045	3080	3115	3140	3165	3190
5.20	2710	2800	2875	2935	2990	3035	3075	3110	3145	3170	3200	3220
5.30	2740	2830	2905	2965	3020	3065	3105	3140	3170	3200	3225	3250
5.40	2770	2855	2930	2995	3045	3095	3135	3170	3200	3230	3255	3280
5.50	2795	2885	2960	3020	3075	3125	3160	3200	3230	3260	3285	3310
5.60	2820	2910	2985	3050	3100	3150	3190	3225	3255	3285	3310	3335
5.70	2845	2940	3010	3075	3130	3175	3215	3250	3285	3310	3340	3360
5.80	2870	2965	3040	3100	3155	3200	3240	3280	3310	3340	3365	3385
5.90	2895	2990	3065	3130	3180	3230	3270	3305	3335	3365	3390	3415
6.00	2925	3015	3090	3155	3205	3250	3295	3330	3360	3390	3415	3440
	Maximum Rating Factor											

"Average Life": On any date of determination with respect to any Collateral Obligation, the quotient obtained by dividing (i) the sum of the products of (a) the number of years (rounded to the nearest one hundredth thereof) from such date of determination to the respective dates of each successive scheduled distribution of principal of such Collateral Obligation and (b) the respective amounts of principal of such scheduled distributions by (ii) the sum of all successive scheduled distributions of principal on such Collateral Obligation.

"Bank": The Bank of New York Mellon Trust Company, National Association, in its individual capacity and not as Trustee, or any successor thereto.

"Bankruptcy Event": The entry of a decree or order by a court having competent jurisdiction adjudging the Issuer or the Co-Issuer as bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Issuer or the Co-Issuer under the Bankruptcy Law or any other applicable law, or appointing a receiver, liquidator, assignee, or sequestrator (or other similar official) of the Issuer or the Co-Issuer or of any substantial part of its property, respectively, or ordering the winding up or liquidation of its affairs, respectively, and the continuance of any such decree or order unstayed and in effect for a period of 60 consecutive days; or the institution by the Issuer or the Co-Issuer of proceedings to have the Issuer or the Co-Issuer, as the case may be, adjudicated as bankrupt or insolvent, or the consent of the Issuer or the Co-Issuer to the institution of bankruptcy or insolvency proceedings against the Issuer or the Co-Issuer, as the case may be, or the filing by the Issuer or the Co-Issuer of a petition or answer or consent seeking reorganization or relief under the Bankruptcy Law or any other similar applicable law, or the consent by the Issuer or the Co-Issuer to the filing of any such petition or to the appointment in a proceeding of a receiver, liquidator, assignee, trustee or sequestrator (or other similar official) of the Issuer or the Co-Issuer or of any substantial part of its property, respectively, or the making by the Issuer or the Co-Issuer of an assignment for the benefit of creditors, or the admission by the Issuer or

the Co-Issuer in writing of its inability to pay its debts generally as they become due, or the taking of any action by the Issuer or the Co-Issuer in furtherance of any such action.

"Bankruptcy Law": The federal Bankruptcy Code, Title 11 of the United States Code, as amended from time to time, and Part V of the Companies Law (as amended) of the Cayman Islands, as amended from time to time.

"Blocker Subsidiary": An entity classified at all times as a corporation for U.S. federal income tax purposes, 100% of the equity interests in which are owned directly or indirectly by the Issuer.

"Bond": Any fixed or floating rate debt security that is not a loan or an interest therein.

"Bridge Loan": Any loan that (x) is incurred in connection with a merger, acquisition, consolidation, or sale of all or substantially all of the assets of a Person or similar transaction, (y) by its terms, is required to be repaid within one year of the incurrence thereof with proceeds from additional borrowings or other refinancing and (z) has a rating from Moody's. It is understood that any such loan or debt security that has a nominal maturity date of one year or less from the incurrence thereof may have a term-out or other provision whereby (automatically or at the sole option of the obligor thereof) the maturity of the indebtedness thereunder can be extended to a later date; *provided* that, for the avoidance of doubt, such date will not be later than the Stated Maturity.

"Business Day": Any day other than (i) a Saturday or a Sunday or (ii) a day on which commercial banks are authorized or required by applicable law, regulation or executive order to close in New York, New York or in the city in which the corporate trust office of the Trustee is located or, for any final payment of principal, in the relevant place of presentation.

"Caa Collateral Obligation": A Collateral Obligation (other than a Defaulted Obligation) with a Moody's Rating of "Caa1" or lower.

"Calculation Agent": The calculation agent appointed by the Issuer, initially the Collateral Administrator, for purposes of determining LIBOR for each Interest Accrual Period.

"Cayman-UK IGA": The intergovernmental agreement between the Cayman Islands and the United Kingdom signed on November 5, 2013 (including any implementing legislation, rules, regulations and guidance notes), as the same may be amended from time to time.

"Cayman-US IGA": The intergovernmental agreement between the Cayman Islands and the United States signed on November 29, 2013 (including any implementing legislation, rules, regulations and guidance notes), as the same may be amended from time to time.

"CCC Collateral Obligation": A Collateral Obligation (other than a Defaulted Obligation) with an S&P Rating of "CCC+" or lower.

"CCC/Caa Collateral Obligations": The CCC Collateral Obligations and/or the Caa Collateral Obligations, as the context requires.

"CCC/Caa Excess": The amount equal to the greater of:

(i) the excess of the Aggregate Principal Balance of all CCC Collateral Obligations over an amount equal to 7.5% of the Collateral Principal Amount as of the current Determination Date; and

(ii) the excess of the Aggregate Principal Balance of all Caa Collateral Obligations over an amount equal to 7.5% of the Collateral Principal Amount as of the current Determination Date;

provided that, in determining which of the CCC/Caa Collateral Obligations shall be included in the CCC/Caa Excess, the CCC/Caa Collateral Obligations with the lowest Market Value (assuming that such Market Value is expressed as a percentage of the Aggregate Principal Balance of such Collateral Obligations as of such Determination Date) shall be deemed to constitute such CCC/Caa Excess.

"Certificated Security": Any Security issued in the form of a definitive, fully registered security without interest coupons.

"Certifying Person": Any beneficial owner of Securities certifying its ownership to the Trustee substantially in the form required under the Indenture.

"Class": All of (a) the Rated Notes having the same Interest Rate, Stated Maturity and designation, (b) the Subordinated Notes and (c) the Combination Securities. With respect to any exercise of voting rights, (i) any Pari Passu Classes of Notes that are entitled to vote on a matter will vote together as a single class and (ii) any Combination Securities that are entitled to vote on a matter will vote with each Underlying Class except in connection with any supplemental indenture that affects the Combination Securities in a manner that is materially different from the effect of such supplemental indenture on Notes of any Underlying Class, in which case the Combination Securities will vote only as a separate class.

"Class A Coverage Tests": The Overcollateralization Ratio Test and the Interest Coverage Test, each as applied with respect to the Class A-1 Notes and the Class A-2 Notes, collectively.

"Class A Notes": Collectively, the Class A-1 Notes and the Class A-2 Notes.

"Class A-1 Notes": The Class A-1 Senior Secured Floating Rate Notes issued pursuant to the Indenture.

"Class A-2 Notes": Collectively, the Class A-2A Notes and the Class A-2B Notes.

"Class A-2A Notes": The Class A-2A Senior Secured Floating Rate Notes issued pursuant to the Indenture.

"Class A-2B Notes": The Class A-2B Senior Secured Fixed Rate Notes issued pursuant to the Indenture.

"Class B Coverage Tests": The Overcollateralization Ratio Test and the Interest Coverage Test, each as applied with respect to the Class B Notes.

"Class B Notes": The Class B Mezzanine Deferrable Floating Rate Notes issued pursuant to the Indenture.

"Class C Coverage Tests": The Overcollateralization Ratio Test and the Interest Coverage Test, each as applied with respect to the Class C Notes.

"Class C Notes": The Class C Mezzanine Deferrable Floating Rate Notes issued pursuant to the Indenture.

"Class D Coverage Tests": The Overcollateralization Ratio Test and the Interest Coverage Test, each as applied with respect to the Class D Notes.

"Class D Notes": The Class D Mezzanine Deferrable Floating Rate Notes issued pursuant to the Indenture.

"Class E Notes": The Class E Mezzanine Deferrable Floating Rate Notes issued pursuant to the Indenture.

"Class X Notes": The Class X Senior Secured Floating Rate Notes issued pursuant to the Indenture.

"Clearstream": Clearstream Banking, *société anonyme*, a corporation organized under the laws of the Duchy of Luxembourg.

"Closing Date": October 14, 2015.

"Code": The United States Internal Revenue Code of 1986, as amended, and the Treasury regulations promulgated thereunder.

"Co-Issued Notes": The Class X Notes, the Class A Notes, the Class B Notes and the Class C Notes.

"Co-Issuer": Apidos CLO XXII LLC.

"Co-Issuers": The Issuer and the Co-Issuer.

"Collateral Administration Agreement": An agreement dated as of the Closing Date among the Issuer, the Collateral Manager and the Collateral Administrator, as amended from time to time.

"Collateral Administrator": The Bank, in its capacity as collateral administrator under the Collateral Administration Agreement, until a successor Person shall have become the Collateral Administrator pursuant to the applicable provisions of the Collateral Administration Agreement, and thereafter "Collateral Administrator" will mean such successor Person.

"Collateral Interest Amount": As of any date of determination, without duplication, the aggregate amount of Interest Proceeds that has been received or that is expected to be received (other than Interest Proceeds expected to be received from Defaulted Obligations, Deferrable Obligations and Partial Deferrable Obligations, but including (x) Interest Proceeds actually received from Defaulted Obligations and Deferrable Obligations and (y) Interest Proceeds expected to be received of the type described in clause (i) of the definition of Partial Deferrable Obligation), in each case during the Collection Period in which such date of determination occurs (or after such Collection Period but on or prior to the related Payment Date if such Interest Proceeds would be treated as Interest Proceeds with respect to such Collection Period).

"Collateral Management Agreement": The agreement dated as of the Closing Date entered into between the Issuer and the Collateral Manager relating to the management of the Collateral Obligations and the other Assets by the Collateral Manager on behalf of the Issuer, as amended from time to time in accordance with its terms.

"Collateral Manager": CVC Credit Partners, LLC, a Delaware limited liability company, in its capacity as collateral manager, until a successor Person shall have become the Collateral Manager pursuant to the applicable provisions of the Collateral Management Agreement, and thereafter "Collateral Manager" will mean such successor Person.

"Collateral Principal Amount": As of any date of determination, the sum of (a) the Aggregate Principal Balance of the Collateral Obligations (other than Defaulted Obligations) and (b) without duplication, the amounts on deposit in the Collection Account and the Ramp-Up Account (including Eligible Investments therein) representing Principal Proceeds.

"Collection Period": (i) With respect to the first Payment Date, the period commencing on the Closing Date and ending at the close of business on the eighth Business Day prior to the first Payment Date; and (ii) with respect to any other Payment Date, the period commencing on the day immediately following the prior Collection Period and ending (a) in the case of the final Collection Period preceding the Stated Maturity, on the day preceding such Stated Maturity, (b) in the case of the final Collection Period preceding an Optional Redemption, a Tax Redemption or a Clean-Up Call Redemption in whole of the Notes, on the day preceding the Redemption Date and (c) in any other case, at the close of business on the eighth Business Day prior to such Payment Date.

"Combination Securities": The Combination Securities issued pursuant to the Indenture.

"Combination Securities Initial Rated Balance": U.S.$54,000,000.

"Combination Securities Rated Balance": With respect to the Combination Securities and each Payment Date, the amount equal to the Combination Securities Rated Balance as of the beginning of the related Collection Period (which for the initial Payment Date will be the Combination Securities Initial Rated Balance) decreased by all distributions made on the Combination Securities on such Payment Date; *provided* that (i) the Combination Securities Rated Balance will be zero beginning on the Payment Date on which cumulative distributions on the Combination Securities equal or exceed the Combination Securities Initial Rated Balance and on each Payment Date thereafter and (ii) if the Combination Securities are exchanged in full for the Underlying Classes, the Combination Securities Rated Balance will be reduced to zero or, in the case of a partial exchange, will be reduced proportionately by the interest in the Aggregate Outstanding Amount of the Underlying Class in the Combination Securities that was exchanged.

"Controlling Class": The Class A-1 Notes so long as any Class A-1 Notes are Outstanding; then the Class A-2 Notes so long as any Class A-2 Notes are Outstanding; then the Class B Notes so long as any Class B Notes are Outstanding; then the Class C Notes so long as any Class C Notes are Outstanding; then the Class D Notes so long

as any Class D Notes are Outstanding; then the Class E Notes so long as any Class E Notes are Outstanding; and then the Subordinated Notes.

"Cov-Lite Loan": A Senior Secured Loan that is not subject to financial covenants unless the borrower is required to comply with a Maintenance Covenant (regardless of whether compliance with one or more Incurrence Covenants is otherwise required by the Underlying Instruments); *provided* that a Loan that contains a cross-default or cross-acceleration provision to, or is *pari passu* with, another loan of the underlying obligor that requires the underlying obligor to comply with a Maintenance Covenant will be deemed not to be a Cov-Lite Loan.

"Credit Improved Criteria": The criteria that will be met with respect to any Collateral Obligation if, on any date of determination, (a) the positive difference between the market price of such Collateral Obligation (expressed as a percentage of par value) on such date and its purchase price is greater than (i) in the case of a Floating Rate Obligation, 1.00% or (ii) in the case of a Fixed Rate Obligation, 2.00%; (b) the change in price of such Collateral Obligation during the period from the date on which it was acquired by the Issuer to the date of determination by a percentage either is more positive, or less negative, as the case may be, than the percentage change in the average price of any index specified on the Approved Index List plus 0.50% over the same period; or (c) it has a projected cash flow interest coverage ratio (earnings before interest and taxes divided by cash interest expense as estimated by the Collateral Manager) of the underlying borrower or other obligor of such Collateral Obligation that is expected to be more than 1.15 times the current year's projected cash flow interest coverage ratio.

"Credit Improved Obligation": Any Collateral Obligation which, in the Collateral Manager's judgment exercised in accordance with the Collateral Management Agreement, has significantly improved in credit quality after it was acquired by the Issuer, which improvement may (but need not) be evidenced by one of the following: (a) such Collateral Obligation satisfies the Credit Improved Criteria, (b) such Collateral Obligation has been upgraded at least one rating subcategory by any rating agency or has been placed and remains on credit watch with positive implication by any rating agency, (c) the issuer of such Collateral Obligation has raised equity capital or other capital subordinated to the Collateral Obligation, (d) the issuer of such Collateral Obligation has, in the Collateral Manager's reasonable commercial judgment, shown improved results or possesses less credit risk, in each case since such Collateral Obligation was acquired by the Issuer, (e) such Collateral Obligation has a market price that is greater than the price warranted by its terms and credit characteristics or (f) the spread over the applicable index for such Collateral Obligation has been reduced by at least 0.50% since the date of acquisition; *provided* that during a Restricted Trading Period, in addition to the foregoing, a Collateral Obligation will qualify as a Credit Improved Obligation only if (i) it has been upgraded by any rating agency at least one rating subcategory or has been placed and remains on a credit watch with positive implication by any rating agency since it was acquired by the Issuer, (ii) the Credit Improved Criteria are satisfied with respect to such Collateral Obligation or (iii) a Majority of the Controlling Class votes to treat such Collateral Obligation as a Credit Improved Obligation.

"Credit Risk Criteria": The criteria that will be met with respect to any Collateral Obligation if, on any date of determination, (a) the negative difference between the market price of such Collateral Obligation (expressed as a percentage of par value) on such date and its purchase price is greater than (i) in the case of a Floating Rate Obligation, 1.00% or (ii) in the case of a Fixed Rate Obligation, 2.00%; (b) the change in price of such Collateral Obligation during the period from the date on which it was acquired by the Issuer to the date of determination by a percentage either is more negative, or less positive, as the case may be, than the percentage change in the average price of any index specified on the Approved Index List less 0.50% over the same period; or (c) such Collateral Obligation has a projected cash flow interest coverage ratio (earnings before interest and taxes divided by cash interest expense as estimated by the Collateral Manager) of the underlying borrower or obligor of such Collateral Obligation of less than 100% or that is expected to be less than 0.85 times the current year's projected cash flow interest coverage ratio.

"Credit Risk Obligation": Any Collateral Obligation that, in the Collateral Manager's judgment exercised in accordance with the Collateral Management Agreement, has a significant risk of declining in credit quality or price; *provided* that, during a Restricted Trading Period, a Collateral Obligation will qualify as a Credit Risk Obligation for purposes of sales of Collateral Obligations only if, in addition to the foregoing, (i) such Collateral Obligation has been downgraded by any rating agency at least one rating subcategory or has been placed and remains on a credit watch with negative implication or on negative outlook by any rating agency since it was acquired by the Issuer, (ii) the Credit Risk Criteria are satisfied with respect to such Collateral Obligation or (iii) a Majority of the Controlling Class votes to treat such Collateral Obligation as a Credit Risk Obligation.

"Current Pay Obligation": Any Collateral Obligation (other than a DIP Collateral Obligation) that would otherwise be treated as a Defaulted Obligation but as to which no payments are due and payable that are unpaid (disregarding any forbearance or grace period in excess of 90 days with respect to any payment that is unpaid but would be due and payable but for such forbearance or grace period) and with respect to which the Collateral Manager has certified to the Trustee (with a copy to the Collateral Administrator) in writing that it believes, in its reasonable business judgment, that the issuer or obligor of such Collateral Obligation (a) will continue to make scheduled payments of interest (and/or fees, as applicable, in the case of a Delayed Drawdown Collateral Obligation or a Revolving Collateral Obligation) thereon and will pay the principal thereof by maturity or as otherwise contractually due, (b) if the issuer or obligor is subject to a bankruptcy proceeding, it has been the subject of an order of a bankruptcy court that permits it to make the scheduled payments on such Collateral Obligation and all interest (and/or fees, as applicable, in the case of a Delayed Drawdown Collateral Obligation or a Revolving Collateral Obligation) and principal payments due thereunder and any other court-authorized payments have been paid in cash when due and (c) if any Securities are then rated by Moody's, the Moody's Additional Current Pay Criteria are satisfied (Market Value being determined, solely for the purposes of this clause (c), without taking into consideration clause (iii) of the definition of Market Value).

"Defaulted Obligation": Any Collateral Obligation included in the Assets as to which:

(a) a default as to the payment of principal and/or interest has occurred and is continuing with respect to such Collateral Obligation (without regard to any grace period applicable thereto, or waiver or forbearance thereof, after the passage (in the case of a default that in the Collateral Manager's judgment, as certified to the Trustee in writing, is not due to credit-related causes) of five Business Days or seven calendar days, whichever is greater, but in no case beyond the passage of any grace period applicable thereto);

(b) a default known to the Collateral Manager as to the payment of principal and/or interest has occurred and is continuing on another debt obligation of the same issuer which is senior or *pari passu* in right of payment to such Collateral Obligation (without regard to any grace period applicable thereto, or waiver or forbearance thereof, after the passage (in the case of a default that in the Collateral Manager's judgment, as certified to the Trustee in writing, is not due to credit-related causes) of three Business Days or five calendar days, whichever is greater, but in no case beyond the passage of any grace period applicable thereto), and the holders thereof have accelerated the maturity of all or a portion of such obligation (but only until such acceleration has been rescinded); provided that both the Collateral Obligation and such other debt obligation are full recourse obligations of the applicable issuer or secured by the same collateral);

(c) the issuer or others have instituted proceedings to have the issuer adjudicated as bankrupt or insolvent or placed into receivership and such proceedings have not been stayed or dismissed within 60 days of filing or such issuer has filed for protection under Chapter 11 of the United States Bankruptcy Code;

(d) the obligor on such Collateral Obligation has a "probability of default" rating assigned by Moody's of "D" or "LD";

(e) a default with respect to which the Collateral Manager has received notice or has knowledge that a default has occurred under the Underlying Instruments and any applicable grace period has expired and the holders of such Collateral Obligation have accelerated the repayment of the Collateral Obligation (but only until such acceleration has been rescinded) in the manner provided in the Underlying Instrument;

(f) such Collateral Obligation is a Participation Interest with respect to which the Selling Institution has defaulted in any respect in the performance of any of its payment obligations under the Participation Interest;

(g) such Collateral Obligation is a Participation Interest in a loan that would, if such loan were a Collateral Obligation, constitute a Defaulted Obligation or with respect to which the Selling Institution has a "probability of default" rating assigned by Moody's of "D" or "LD"; or

(h) the Collateral Manager has in its reasonable commercial judgment otherwise declared such Collateral Obligation to be a Defaulted Obligation;

provided that (x) a Collateral Obligation shall not constitute a Defaulted Obligation pursuant to any of clauses (b) through (d) and (g) above if such Collateral Obligation (or, in the case of a Participation Interest, the underlying Senior Secured Loan, Second Lien Loan or Unsecured Loan) is a Current Pay Obligation (*provided* that the Aggregate Principal Balance of Current Pay Obligations exceeding 7.5% of the Collateral Principal Amount will be treated as Defaulted Obligations) and (y) a Collateral Obligation shall not constitute a Defaulted Obligation pursuant to any of clauses (b), (c), (d) and (g) above if such Collateral Obligation (or, in the case of a Participation Interest, the underlying Senior Secured Loan, Second Lien Loan or Unsecured Loan) is a DIP Collateral Obligation.

Each obligation received in connection with a Distressed Exchange that (a) would be a Collateral Obligation but for the fact that it is a Defaulted Obligation or (b) would satisfy the proviso in the definition of Distressed Exchange but for the fact that it exceeds the percentage limit therein, shall in each case be deemed to be a Defaulted Obligation, and each other obligation received in connection with a Distressed Exchange shall be deemed to be an Equity Security.

"Deferrable Obligation": A Collateral Obligation (excluding a Partial Deferrable Obligation) which by its terms permits the deferral or capitalization of payment of accrued, unpaid interest.

"Deferred Interest": With respect to any Class of Deferred Interest Notes, any payment of interest due on such Class of Deferred Interest Notes on any Payment Date to the extent sufficient funds are not available to make such payment in accordance with the Priority of Payments on such Payment Date, but only if one or more Priority Classes is Outstanding with respect to such Class of Deferred Interest Notes.

"Deferred Interest Notes": Each Class of Notes that is specified as such under "Overview—Principal Terms of the Securities."

"Deferring Obligation": A Deferrable Obligation that is deferring the payment of interest due thereon and has been so deferring the payment of interest due thereon (i) with respect to Collateral Obligations that have a Moody's Rating of at least "Baa3," for the shorter of two consecutive accrual periods or one year, and (ii) with respect to Collateral Obligations that have a Moody's Rating of "Ba1" or below, for the shorter of one accrual period or six consecutive months, which deferred capitalized interest has not, as of the date of determination, been paid in cash.

"Delayed Drawdown Collateral Obligation": A Collateral 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 on one or more fixed borrowing dates, and (c) does not permit the re-borrowing of any amount previously repaid by the borrower thereunder; but any such Collateral Obligation will be a Delayed Drawdown Collateral Obligation only until all commitments by the Issuer to make advances to the borrower expire or are terminated or are reduced to zero.

"Designated Maturity": With respect to (a) the Floating Rate Notes, three months (except that for the period from the Closing Date to the First Interest Determination End Date, LIBOR will be determined by interpolating linearly between the rate for the next shorter period of time for which rates are available and the rate for the next longer period of time for which rates are available) and (b) all references (other than with respect to the Floating Rate Notes), such period as the context requires. If at any time the three-month rate is applicable but not available, LIBOR will be determined by interpolating linearly between the rate for the next shorter period of time for which rates are available and the rate for the next longer period of time for which rates are available. All interpolated rates will be rounded to five decimal places.

"Determination Date": The last day of each Collection Period.

"DIP Collateral Obligation": A loan made to a debtor-in-possession pursuant to Section 364 of the U.S. Bankruptcy Code having the priority allowed by either Section 364(c) or 364(d) of the U.S. Bankruptcy Code and fully secured by senior liens.

"Discount Obligation": Any Collateral Obligation that is not a Swapped Non-Discount Obligation and that was purchased (as determined without averaging prices of purchases on different dates) for less than (a) 80.0% of its principal balance, if such Collateral Obligation has (at the time of the purchase) a Moody's Rating of "B3" or higher or (b) 85.0% of its principal balance, if such Collateral Obligation has (at the time of the purchase) a Moody's

Rating of "Caa1" or lower; *provided* that such Collateral Obligation will cease to be a Discount Obligation at such time as the Market Value (expressed as a percentage of the par amount of such Collateral Obligation) determined for such Collateral Obligation on each day during any period of 30 consecutive days since the acquisition by the Issuer of such Collateral Obligation equals or exceeds 90.0% on each such day.

"Dissolution Expenses": The sum of (i) an amount not to exceed the greater of (a) U.S.$50,000 and (b) the amount (if any) reasonably certified by the Collateral Manager or the Issuer, including but not limited to fees and expenses incurred by the Trustee and reported to the Collateral Manager, as the sum of expenses reasonably likely to be incurred in connection with the discharge of the Indenture, the liquidation of the Assets and the dissolution of the Co-Issuers and (ii) any accrued and unpaid Administrative Expenses.

"Distressed Exchange": In connection with any Collateral Obligation, a distressed exchange or other debt restructuring has occurred, as reasonably determined by the Collateral Manager, pursuant to which the issuer or obligor of such Collateral Obligation has issued to the holders of such Collateral Obligation a new security or obligation or package of securities or obligations that, in the sole judgment of the Collateral Manager, amounts to a diminished financial obligation or has the purpose of helping the issuer of such Collateral Obligation avoid default; *provided* that no Distressed Exchange shall be deemed to have occurred if the securities or obligations received by the Issuer in connection with such exchange or restructuring satisfy the definition of Collateral Obligation (*provided* that the Aggregate Principal Balance of all securities and obligations to which this proviso applies or has applied, measured cumulatively from the Closing Date onward, may not exceed 25.0% of the Target Initial Par Amount).

"Domicile" or "Domiciled": With respect to any issuer of, or obligor with respect to, a Collateral Obligation: (a) if it is not organized in a Tax Jurisdiction, its country of organization; or (b) if it is organized in a Tax Jurisdiction, each of such jurisdiction and the country in which, in the Collateral Manager's good faith estimate, a substantial portion of its operations are located or from which a substantial portion of its revenue is derived, in each case directly or through subsidiaries (which shall be any jurisdiction and country known at the time of designation by the Collateral Manager to be the source of the majority of revenues, if any, of such issuer or obligor).

"DTC": The Depository Trust Company, its nominee and their respective successors.

"Effective Date": The earlier to occur of (a) the Effective Date Cut-Off and (b) the first date on which the Collateral Manager certifies to the Trustee and the Collateral Administrator that the Target Initial Par Condition has been satisfied.

"Effective Date Cut-Off": March 20, 2016.

"Effective Date Interest Deposit Condition": A condition that will be satisfied if (a) Rating Agency Confirmation has been obtained from Moody's (or the Moody's Effective Date Rating Condition is satisfied) in connection with the Effective Date, (b) the sum of the deposits from the Ramp-Up Account and the Principal Collection Account into the Interest Collection Account as Interest Proceeds does not exceed 1.0% of the Target Initial Par Amount and (c) the Target Initial Par Condition, each Concentration Limitation, each Collateral Quality Test and each Coverage Test is satisfied prior to and after giving effect to such deposits.

"Eligible Investment Required Ratings": (a)(i) If such obligation (other than as described in clause (b) of the definition of Eligible Investments) (A) has both a long-term and a short-term credit rating from Moody's, such ratings are "Aa3" or higher (not on credit watch for possible downgrade) and "P-1" (not on credit watch for possible downgrade), respectively, (B) has only a long-term credit rating from Moody's, such rating is "Aaa" (not on credit watch for possible downgrade) or (C) has only a short-term credit rating from Moody's, such rating is "P-1" (not on credit watch for possible downgrade) or (ii) in the case of Eligible Investments described in clause (b) of the definition thereof, if Moody's has assigned a counterparty risk assessment rating, the ratings specified in clause (i) above with a subscript of "cr", otherwise, the ratings specified in clause (i) above and (b) if such obligation (i) has a remaining maturity of up to 30 days, a short-term credit rating of at least "F1" and a long-term credit rating of at least "A" (if such long-term rating exists) from Fitch or (ii) has a remaining maturity of more than 30 days but not in excess of 60 days, a short-term credit rating of "F1+" and a long-term credit rating of at least "AA-" (if such long-term rating exists) from Fitch.

"Eligible Investments": (i) Cash denominated in currency of the United States of America or (ii) any U.S. Dollar investment that, at the time it is delivered to the Trustee, is one or more of the following obligations:

(a) direct Registered obligations of, and Registered obligations the timely payment of principal and interest on which is fully and expressly guaranteed by, the United States of America or any agency or instrumentality of the United States of America whose obligations are expressly backed by the full faith and credit of the United States of America, in each case, which have the Eligible Investment Required Ratings;

(b) demand and time deposits in, certificates of deposit of, bank deposit products of, trust accounts with, bankers' acceptances issued by, or federal funds sold by any depository institution or trust company incorporated under the laws of the United States of America (including the Bank, Affiliates of the Bank and Affiliates of the Collateral Manager) or any state thereof and subject to supervision and examination by federal and/or state banking authorities, in each case payable within 183 days after issuance, so long as the commercial paper and/or the debt obligations of such depository institution or trust company at the time of such investment or contractual commitment providing for such investment have the Eligible Investment Required Ratings;

(c) commercial paper (excluding extendible commercial paper or Asset-backed Commercial Paper) with the Eligible Investment Required Ratings; and

(d) shares or other securities of non-U.S. money market funds that have, at all times, credit ratings of "Aaa-mf" by Moody's and "AAAmmf" by Fitch (or, in the absence of a credit rating from Fitch, a credit rating of "AAAm" by S&P);

provided that (A) Eligible Investments purchased with funds in the Collection Account shall be held until maturity except as otherwise specifically provided herein and shall include only such obligations, other than those referred to in clause (d) above, as mature (or are putable at par to the issuer thereof) as required under the Indenture; and (B) none of the foregoing obligations shall constitute Eligible Investments if (1) such obligation has an "sf" subscript assigned to its rating by S&P, (2) all, or substantially all, of the remaining amounts payable thereunder consist of interest and not principal payments, (3) payments with respect to such obligations or proceeds of disposition are subject to withholding taxes by any jurisdiction unless the payor is required to make "gross-up" payments that cover the full amount of any such withholding tax on an after-tax basis, (4) such obligation is secured by real property, (5) such obligation is purchased at a price greater than 100% of the principal or face amount thereof, (6) such obligation is the subject of a tender offer, voluntary redemption, exchange offer, conversion or other similar action, (7) in the Collateral Manager's judgment, such obligation is subject to material non-credit related risks, (8) such obligation is a Structured Finance Obligation or (9) such obligation is represented by a certificate of interest in a grantor trust. Eligible Investments may include, without limitation, those investments issued by or made with the Bank or an Affiliate of the Bank or for which the Bank or an Affiliate of the Bank or the Collateral Manager or an Affiliate of the Collateral Manager acts as offeror or provides services and receives compensation. For the avoidance of doubt, the Issuer shall only acquire Eligible Investments (other than cash) that, in the commercially reasonable belief of the Collateral Manager, are "cash equivalents" as defined in the Volcker Rule.

"Eligible Loan Index": With respect to each Collateral Obligation, one of the following indices as selected by the Collateral Manager upon the acquisition of such Collateral Obligation: the Credit Suisse Leveraged Loan Indices (formerly the DLJ Leveraged Loan Index Plus), the Deutsche Bank Leveraged Loan Index, the Goldman Sachs/Loan Pricing Corporation Liquid Leveraged Loan Index, the Merrill Lynch Leveraged Loan Index, the S&P/LSTA Leveraged Loan Indices or any replacement or other comparable nationally recognized loan index; *provided* that the Collateral Manager may change the index applicable to a Collateral Obligation at any time following the acquisition thereof (so long as the same index applies to all Collateral Obligations for which this definition applies) after giving notice to each Rating Agency, the Trustee and the Collateral Administrator.

"Equity Security": Any security or debt obligation which at the time of acquisition, conversion or exchange does not satisfy the requirements of a Collateral Obligation and is not an Eligible Investment.

"Euroclear": Euroclear Bank S.A./N.V.

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

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

(d) the sum of the Market Values of all Collateral Obligations included in the CCC/Caa Excess.

"Excess Interest": Any Interest Proceeds distributed on the Subordinated Notes pursuant to the Priority of Payments.

"Excess Weighted Average Coupon": A percentage equal as of any date of determination to a number obtained by multiplying (a) the excess, if any, of the Weighted Average Coupon over the Minimum Weighted Average Coupon by (b) the number obtained, including for this purpose any capitalized interest, by dividing the Aggregate Principal Balance of all Fixed Rate Obligations by the Aggregate Principal Balance of all Floating Rate Obligations.

"Excess Weighted Average Floating Spread": A percentage equal as of any date of determination to a number obtained by multiplying (a) the excess, if any, of the Weighted Average Floating Spread over the Minimum Floating Spread by (b) the number obtained, including for this purpose any capitalized interest, by dividing the Aggregate Principal Balance of all Floating Rate Obligations by the Aggregate Principal Balance of all Fixed Rate Obligations.

"Exchange Act": The United States Securities Exchange Act of 1934, as amended.

"FATCA": Sections 1471 through 1474 of the Code and any applicable intergovernmental agreement entered into in respect thereof (including the Cayman-US IGA), and any related provisions of law, court decisions or administrative guidance.

"Fee Basis Amount": As of any date of determination, the sum of (a) the Collateral Principal Amount, (b) the Aggregate Principal Balance of all Defaulted Obligations and (c) the aggregate amount of all Principal Financed Accrued Interest.

"First Interest Determination End Date": January 20, 2016.

"First Lien Last Out Loan": Any assignment of or Participation Interest in a Loan that: (a) is not (and cannot by its terms become) subordinate in right of payment to any other obligation of the obligor of the Loan (other than (i) with respect to trade claims, capitalized leases or similar obligations and (ii) subordination in right of payment solely to one or more Senior Secured Loans of the obligor of the Loan that becomes effective solely upon the occurrence of a default or event of default by the obligor of the Loan); (b) is secured by a valid perfected security interest or lien in, to or on specified collateral securing the obligor's obligations under the Loan that, prior to the occurrence of a default or event of default by the obligor of the Loan, is a first-priority security interest or lien; (c) 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 Collateral Manager) to repay the Loan in accordance with its terms and to repay all other Loans of equal seniority secured by a first lien or security interest in the same collateral; and (d) is not secured solely or primarily by common stock or other equity interests; *provided* that the limitation set forth in this clause (d) shall not apply with respect to a Loan made to a parent entity that is secured solely or primarily by the stock of one or more of the subsidiaries of such parent entity to the extent that the granting by any such subsidiary of a lien on its own property would violate law or regulations applicable to such subsidiary (whether the obligation secured is such Loan or any other similar type of indebtedness owing to third parties).

"Fitch": Fitch Ratings, Inc. and any successor thereto.

"Fixed Rate Note": Any Note that bears a fixed rate of interest.

"Fixed Rate Obligation": Any Collateral Obligation that bears a fixed rate of interest.

"Floating Rate Note": Any Note that bears a floating rate of interest.

"Floating Rate Obligation": Any Collateral Obligation that bears a floating rate of interest.

"Global Security": Any Rule 144A Global Security, Temporary Global Security or Regulation S Global Security.

"Group I Countries": The Netherlands, Australia, New Zealand and the United Kingdom.

"Group II Countries": Germany, Ireland, Sweden and Switzerland.

"Group III Countries": Austria, Belgium, Denmark, Finland, France, Iceland, Liechtenstein, Luxembourg and Norway.

"Holder": With respect to any Security, the Person whose name appears on the Register as the registered holder of such Security.

"Incentive Management Fee Target Return": A Subordinated Notes Internal Rate of Return of 12.0%.

"Incurrence Covenant": A covenant by any borrower to comply with one or more financial covenants only upon the occurrence of certain actions of the borrower, including a debt issuance, dividend payment, share purchase, merger, acquisition or divestiture.

"Indenture": The indenture to be dated as of the Closing Date among the Issuer, the Co-Issuer and the Trustee.

"Independent": As to any Person, any other Person (including, in the case of an accountant or lawyer, a firm of accountants or lawyers, and any member thereof, or an investment bank and any member thereof) who (i) does not have and is not committed to acquire any material direct or any material indirect financial interest in such Person or in any Affiliate of such Person, and (ii) is not connected with such Person as an officer, employee, promoter, underwriter, voting trustee, partner, director, member, manager or Person performing similar functions. When used with respect to any accountant, "Independent" may include an accountant who audits the books of such Person if in addition to satisfying the criteria set forth above the accountant is independent with respect to such Person within the meaning of Rule 101 of the Code of Professional Conduct of the American Institute of Certified Public Accountants. Whenever any Independent Person's opinion or certificate is to be furnished to the Trustee, such opinion or certificate shall state that the signer has read this definition and that the signer is Independent within the meaning hereof.

Any pricing service, certified public accountant or legal counsel that is required to be Independent of another Person under the Indenture must satisfy the criteria above with respect to the Issuer and its Affiliates.

"Initial Rating": With respect to any Class of Rated Securities, the rating or ratings, if any, specified under "Overview—Principal Terms of the Securities."

"Interest Accrual Period": (i) With respect to the initial Payment Date, the period from and including the Closing Date to but excluding such Payment Date; and (ii) with respect to each succeeding Payment Date, the period from and including the immediately preceding Payment Date to but excluding the following Payment Date (or, in the case of any Notes that are being redeemed on a Partial Redemption Date or a Re-Pricing Redemption Date, to but excluding such Partial Redemption Date or Re-Pricing Redemption Date) until the principal of the Rated Notes is paid or made available for payment; *provided* that any interest-bearing notes issued after the Closing Date in accordance with the terms of the Indenture (including any replacement notes issued in connection with a Refinancing or a Re-Pricing) shall accrue interest during the Interest Accrual Period in which such notes are issued from and including the applicable date of issuance of such notes to but excluding the last day of such Interest Accrual Period at the applicable Interest Rate; *provided*, *further*, that for purposes of determining any Interest Accrual Period with respect to any Fixed Rate Notes, the Payment Date shall be assumed to be the 20th day of the relevant month (irrespective of whether such day is a Business Day).

"Interest Coverage Ratio": For any designated Class or Classes of Rated Notes, as of any date of determination, the percentage derived from the following equation: (A – B) / C, where:

A = the Collateral Interest Amount as of such date of determination;

B = amounts payable (or expected as of the date of determination to be payable) on the following Payment Date as set forth in clauses (A) and (B) of the Priority of Interest Proceeds; and

C = interest due and payable on the Rated Notes of such Class or Classes and each Priority Class and Pari Passu Class (excluding Deferred Interest, but including any interest on Deferred Interest with respect to the Deferred Interest Notes) on such Payment Date;

provided that the Class X Notes will not be included for purposes of calculating the Interest Coverage Ratio.

"Interest Coverage Test": A test that will be satisfied with respect to any Class or Classes of Rated Notes (other than the Class X Notes and the Class E Notes) as of any date of determination on, or subsequent to, the Determination Date occurring immediately prior to the second Payment Date, if (i) the Interest Coverage Ratio for such Class or Classes on such date is at least equal to the Required Interest Coverage Ratio indicated below or (ii) such Class or Classes of Rated Notes is no longer Outstanding:

Class	Required Interest Coverage Ratio (%)
A	120.0
B	115.0
C	107.5
D	102.5

"Interest Determination Date": With respect to (a) the first Interest Accrual Period, (x) for the period from the Closing Date to but excluding the First Interest Determination End Date, the second London Banking Day preceding the Closing Date, and (y) for the remainder of the first Interest Accrual Period, the second London Banking Day preceding the First Interest Determination End Date, and (b) each Interest Accrual Period thereafter, the second London Banking Day preceding the first day of such Interest Accrual Period.

"Interest Diversion Test": A test that will be satisfied on any Measurement Date during the Reinvestment Period if the Overcollateralization Ratio for the Class E Notes is at least equal to 102.38%.

"Interest Only Security": Any obligation or security that does not provide in the related Underlying Instruments for the payment or repayment of a stated principal amount in one or more installments on or prior to its stated maturity.

"Interest Proceeds": With respect to any Collection Period or Determination Date, without duplication, the sum of:

(i) all payments of interest (other than any interest due on any Partial Deferrable Obligation that has been deferred or capitalized at the time of acquisition) and delayed compensation (representing compensation for delayed settlement) received in cash by the Issuer during the related Collection Period on the Collateral Obligations and Eligible Investments, including the accrued interest received in connection with a sale thereof during the related Collection Period, less any such amount that represents Principal Financed Accrued Interest;

(ii) all principal and interest payments received by the Issuer during the related Collection Period on Eligible Investments purchased with Interest Proceeds;

(iii) all amendment and waiver fees, late payment fees and other fees received by the Issuer during the related Collection Period, except for those in connection with (a) the lengthening of the maturity of the related Collateral Obligation or (b) the reduction of the par of the related Collateral Obligation, as determined by the Collateral Manager with notice to the Trustee and the Collateral Administrator;

(iv) commitment fees and other similar fees received by the Issuer during such Collection Period in respect of Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations;

(v) any amounts deposited in the Interest Collection Account from the Principal Collection Account, the Ramp-Up Account, the Expense Reserve Account, the Interest Reserve Account, the Supplemental Reserve Account and/or the Contribution Account that are designated as Interest Proceeds pursuant to the Indenture in respect of the related Determination Date; and

(vi) with respect to any Partial Redemption Date or Re-Pricing Redemption Date, any amounts deposited in the Interest Collection Account as Interest Proceeds pursuant to the Priority of Partial Redemption Proceeds;

provided that (1) any amounts received in respect of any Defaulted Obligation will constitute Principal Proceeds (and not Interest Proceeds) until the aggregate of all collections in respect of such Defaulted Obligation since it became a Defaulted Obligation equals the outstanding Principal Balance of such Collateral Obligation at the time it became a Defaulted Obligation and (2) (x) any amounts received in respect of any Equity Security that was received in exchange for a Defaulted Obligation and is held by a Blocker Subsidiary will constitute Principal Proceeds (and not Interest Proceeds) until the aggregate of all collections in respect of such Equity Security equals the outstanding Principal Balance of the Collateral Obligation, at the time it became a Defaulted Obligation, for which such Equity Security was received in exchange and (y) any amounts received in respect of any other asset held by a Blocker Subsidiary will constitute Principal Proceeds (and not Interest Proceeds).

"Interest Rate": With respect to each Class of Rated Notes, the per annum stated interest rate payable on such Class with respect to each Interest Accrual Period (or, in the case of the first Interest Accrual Period, the related portion thereof) as indicated under "Overview—Principal Terms of the Securities," which, if a Re-Pricing has occurred with respect to such Class of Rated Notes, will be the applicable Re-Pricing Rate.

"Interest Reserve Amount": Approximately U.S.$769,600.

"Investment Advisers Act": The United States Investment Advisers Act of 1940, as amended.

"Investment Company Act": The United States Investment Company Act of 1940, as amended.

"Irish Listing Agent": Maples and Calder.

"Issuer": Apidos CLO XXII.

"Issuer Only Notes": The Class D Notes, the Class E Notes and the Subordinated Notes.

"Issuer Only Securities": The Issuer Only Notes and the Combination Securities.

"Junior Class": With respect to a particular Class, each Class that is subordinated to such Class, as indicated in "Overview—Principal Terms of the Securities."

"LC Commitment Amount": With respect to any Letter of Credit Reimbursement Obligation, the amount which the Issuer could be required to pay to the LOC Agent Bank in respect thereof (including, for the avoidance of doubt, any portion thereof which the Issuer has collateralized or deposited into a trust or with the LOC Agent Bank for the purpose of making such payments).

"Letter of Credit Reimbursement Obligation": A facility whereby (i) a fronting bank ("LOC Agent Bank") issues or will issue a letter of credit ("LC") for or on behalf of a borrower pursuant to an Underlying Instrument, (ii) in the event that the LC is drawn upon, and the borrower does not reimburse the LOC Agent Bank, the lender/participant is obligated to fund its portion of the facility, (iii) the LOC Agent Bank passes on (in whole or in part) the fees and any other amounts it receives for providing the LC to the lender/participant and (iv) the related Underlying Instruments require the Issuer to fully collateralize the Issuer's obligations to the related LOC Agent Bank or obligate the Issuer to make a deposit into a trust in an aggregate amount equal to the related LC Commitment Amount.

"LIBOR": With respect to the Floating Rate Notes, for any Interest Accrual Period (or, for the first Interest Accrual Period, the relevant portion thereof), will equal (a) the rate appearing on the Reuters Screen for deposits with a term of the Designated Maturity or (b) if such rate is unavailable at the time LIBOR is to be determined, LIBOR shall be determined on the basis of the rates at which deposits in U.S. Dollars are offered by four major banks in the London market selected by the Calculation Agent after consultation with the Collateral Manager (the "Reference Banks") at approximately 11:00 a.m., London time, on the Interest Determination Date to prime banks in the London interbank market for an approximately equal period and an amount approximately equal to the amount of the Aggregate Outstanding Amount of the Floating Rate Notes; *provided* that if LIBOR determined in accordance with the foregoing provisions would be less than 0%, LIBOR shall be deemed to be 0%. The Calculation Agent will request

the principal London office of each Reference Bank to provide a quotation of its rate. If at least two such quotations are provided, LIBOR shall be the arithmetic mean of such quotations (rounded upward to the next higher 1/100,000). If fewer than two quotations are provided as requested, LIBOR with respect to such period will be the arithmetic mean of the rates quoted by three major banks in New York, New York selected by the Calculation Agent after consultation with the Collateral Manager at approximately 11:00 a.m., New York time, on such Interest Determination Date for loans in U.S. Dollars to leading European banks for a term approximately equal to such period and an amount approximately equal to the amount of the Floating Rate Notes. If the Calculation Agent is required but is unable to determine a rate in accordance with at least one of the procedures described above, LIBOR will be LIBOR as determined on the previous Interest Determination Date. LIBOR, when used with respect to a Collateral Obligation, means the LIBOR rate determined in accordance with the terms of such Collateral Obligation.

"Loan": Any obligation for the payment or repayment of borrowed money that is documented by a term loan agreement, revolving loan agreement or other similar credit agreement.

"LOC Agent Bank": The meaning specified in the definition of the term Letter of Credit Reimbursement Obligation.

"London Banking Day": A day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London, England.

"Maintenance Covenant": A covenant by any borrower to comply with one or more financial covenants during each reporting period (but not more frequently than quarterly), whether or not such borrower has taken any specified action.

"Majority": With respect to any Class or Classes, the Holders of more than 50% of the Aggregate Outstanding Amount of the Securities of such Class or Classes. For the avoidance of doubt, Holders of Combination Securities will be included as if they were Holders of each Underlying Class, except as described in the definition of Class.

"Majority Equity Condition": A condition satisfied on any date of determination on which the Closing Date Subordinated Notes Investor Affiliated Parties hold a Majority of the Subordinated Notes.

"Manager Securities": Any Securities owned by the Collateral Manager or any of its Affiliates or over which the Collateral Manager or any of its Affiliates has discretionary voting authority.

"Margin Stock": "Margin Stock" as defined under Regulation U issued by the Board of Governors of the Federal Reserve System, including any debt security which is by its terms convertible into Margin Stock.

"Market Value": With respect to any Loans or other Assets, the amount (determined by the Collateral Manager) equal to the product of the principal amount thereof and the price determined in the following manner:

(i) the bid price determined by the Loan Pricing Corporation, Markit Group Limited, Loan X Mark-It Partners, FT Interactive, Bridge Information Systems, KDP, IDC, Bank of America High Yield Index, Interactive Data Pricing and Reference Data, Inc., Pricing Direct Inc., S&P Security Evaluations Service, Thompson Reuters Pricing Service, TradeWeb Markets LLC or any other nationally recognized loan pricing service selected by the Collateral Manager and which is Independent from the Collateral Manager; or

(ii) if a price described in clause (i) is not available,

(A) the average of the bid prices determined by three broker-dealers (or other buy-side market participants) active in the trading of such asset that are Independent from each other and the Issuer and the Collateral Manager;

(B) if only two such bids can be obtained, the lower of the bid prices of such two bids; or

(C) if only one such bid can be obtained, and such bid was obtained from a Qualified Broker/Dealer, the bid price of such bid; or

(iii) if a price described in clause (i) or (ii) is not available, then the Market Value of an asset will be the lower of (x) the price at which the Collateral Manager reasonably believes such asset could be sold in the market within 30 days, as certified by the Collateral Manager to the Trustee and determined by the Collateral Manager consistent with the manner in which it would determine the market value of an asset for purposes of other funds or accounts managed by it (*provided* that if the Collateral Manager is not a registered investment adviser, the Market Value of any such asset may not be determined in accordance with this clause (iii)(x) for more than 30 days) and (y) solely if such asset either was purchased within the three preceding months or was previously assigned a Market Value within the three preceding months in accordance with clause (i) or (ii), either (A) if such asset was purchased within the three preceding months, its purchase price or (B) otherwise, the last Market Value that was assigned to it; or

(iv) if the Market Value of an asset is not determined in accordance with clause (i), (ii) or (iii) above, then such Market Value shall be deemed to be zero until such determination is made in accordance with clause (i), (ii) or (iii) above.

"Matrix Combination": The applicable "row/column combination" of the Asset Quality Matrix and the Recovery Rate Modifier Matrix chosen by the Collateral Manager (or determined by interpolating between two adjacent rows and/or two adjacent columns).

"Maturity Amendment": With respect to any Collateral Obligation, any waiver, modification, amendment or variance that would extend the stated maturity date of such Collateral Obligation.

"Maximum Moody's Rating Factor Test": A test that will be satisfied on any date of determination if the Adjusted Weighted Average Moody's Rating Factor of the Collateral Obligations is less than or equal to the lesser of (a) the sum of (i) the Maximum Rating Factor in the Asset Quality Matrix that corresponds to the Matrix Combination *plus* (ii) the Moody's Weighted Average Recovery Adjustment *plus* (iii) the Moody's Class X Adjustment and (b) 3200.

"Measurement Date": (i) Any day on which a purchase of a Collateral Obligation occurs, (ii) any Determination Date, (iii) the date as of which the information in any Monthly Report is calculated, (iv) with five Business Days' prior written notice to the Issuer and the Trustee (with a copy to the Collateral Manager), any Business Day requested by either Rating Agency and (v) the Effective Date.

"Minimum Denominations": With respect to the Securities of any Class, the denominations specified as such under "Overview—Principal Terms of the Securities."

"Minimum Floating Spread": The Minimum Weighted Average Spread in the Asset Quality Matrix that corresponds to the Matrix Combination; *provided* that the Minimum Floating Spread will in no event be lower than 2.00%.

"Minimum Floating Spread Test": A test that will be satisfied on any date of determination if the Weighted Average Floating Spread *plus* the Excess Weighted Average Coupon equals or exceeds the Minimum Floating Spread.

"Minimum Issuance Size": With respect to any obligation as of any date of determination, the total potential indebtedness of the related obligor under all of its loan agreements, indentures and other Underlying Instruments.

"Minimum Weighted Average Coupon": 7.50%.

"Minimum Weighted Average Coupon Test": A test that will be satisfied on any date of determination if (a) there are no Fixed Rate Obligations or (b) the Weighted Average Coupon *plus* the Excess Weighted Average Floating Spread equals or exceeds the Minimum Weighted Average Coupon.

"Minimum Weighted Average Moody's Recovery Rate Test": A test that will be satisfied on any date of determination if the Weighted Average Moody's Recovery Rate equals or exceeds 43%.

"Moody's": Moody's Investors Service, Inc. and any successor thereto.

"Moody's Additional Current Pay Criteria": Criteria satisfied with respect to any Collateral Obligation if (a) either such Collateral Obligation has (i) a Market Value of at least 85% of par and a Moody's Rating of at least "Caa2"; or (ii) a Market Value of at least 80% of par and a Moody's Rating of at least "Caa1," or (b) if the price of the Eligible Loan Index is trading below 90%, such Collateral Obligation has either (x) a Market Value of at least 85% of the average price of the applicable Eligible Loan Index and a Moody's Rating of at least "Caa2" or (y) a Market Value of at least 80% of the average price of the applicable Eligible Loan Index and a Moody's Rating of at least "Caa1." For purposes of this definition, with respect to a Collateral Obligation already owned by the Issuer whose facility rating from Moody's is withdrawn, the facility rating will be the last outstanding facility rating before such withdrawal.

"Moody's Class X Adjustment": As of any date of determination, the product of (a) (i) 1 *minus* (ii) the Aggregate Outstanding Amount of the Class X Notes as of such date *divided by* the Aggregate Outstanding Amount of the Class X Notes as of the Closing Date, *multiplied by* (b) 15.

"Moody's Collateral Value": On any date of determination, with respect to any Defaulted Obligation or Deferring Obligation, the lesser of (i) the Moody's Recovery Amount of such Defaulted Obligation or Deferring Obligation as of such date and (ii) the Market Value of such Defaulted Obligation or Deferring Obligation as of such date.

"Moody's Counterparty Criteria": With respect to any Participation Interest proposed to be acquired by the Issuer, criteria that will be met if immediately after giving effect to such acquisition, (x) the percentage of the Collateral Principal Amount that consists in the aggregate of Participation Interests with Selling Institutions that have the same or a lower Moody's credit rating does not exceed the "Aggregate Percentage Limit" set forth below for such Moody's credit rating and (y) the percentage of the Collateral Principal Amount that consists in the aggregate of Participation Interests with any single Selling Institution that has the Moody's credit rating set forth below or a lower credit rating does not exceed the "Individual Percentage Limit" set forth below for such Moody's credit rating:

Moody's credit rating of Selling Institution	**Aggregate Percentage Limit**	**Individual Percentage Limit**
Aaa	20.0%	20.0%
Aa1	20.0%	10.0%
Aa2	20.0%	10.0%
Aa3	15.0%	10.0%
A1	10.0%	5.0%
A2 (and also "P-1")	5.0%	5.0%
A2 (and not "P-1") or A3 or below	0.0%	0.0%

"Moody's Credit Estimate": With respect to any Collateral Obligation, as of any date of determination, an estimated credit rating for such Collateral Obligation (or, if such credit estimate is the Moody's Rating Factor, the credit rating corresponding to such Moody's Rating Factor) provided or confirmed by Moody's; provided that (a) if Moody's has been requested by the Issuer, the Collateral Manager or the issuer of such Collateral Obligation to assign or renew an estimate with respect to such Collateral Obligation but such rating estimate has not been received, pending receipt of such estimate, the Moody's Rating or Moody's Default Probability Rating of such Collateral Obligation shall be (1) "B3" if the Collateral Manager certifies to the Trustee and the Collateral Administrator that the Collateral Manager believes that such estimate shall be at least "B3" and if the Aggregate Principal Balance of Collateral Obligations determined pursuant to this subclause (1) does not exceed 5% of the Collateral Principal Amount or (2) otherwise, "Caa1"; and (b) with respect to a Collateral Obligation's credit estimate which has not been renewed, the Moody's Credit Estimate will be (1) within 13-15 months of issuance, one subcategory lower than the estimated rating and (2) after 15 months of issuance, "Caa3."

"Moody's Default Probability Rating": With respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) With respect to a Collateral Obligation other than a DIP Collateral Obligation:

(i) if the obligor of such Collateral Obligation has a corporate family rating by Moody's, such rating;

(ii) if not determined pursuant to clause (i) above, if the senior unsecured debt of the obligor of such Collateral Obligation has a public rating by Moody's (a "Moody's Senior Unsecured Rating"), such Moody's Senior Unsecured Rating;

(iii) if not determined pursuant to clause (i) or (ii) above, if the senior secured debt of the obligor has a public rating by Moody's, the Moody's rating that is one subcategory lower than such rating;

(iv) if not determined pursuant to clause (i), (ii) or (iii) above, the Collateral Manager may elect to use a Moody's Credit Estimate to determine the Moody's Rating Factor for such Collateral Obligation for purposes of the Maximum Moody's Rating Factor Test;

(v) if the Moody's Default Probability Rating is not determined pursuant to clause (i), (ii) or (iii) above (and a Moody's Rating Factor is not determined pursuant to clause (iv) above), the Moody's Derived Rating, if any; or

(vi) if the Moody's Default Probability Rating is not determined pursuant to clause (i), (ii), (iii) or (v) above (and a Moody's Rating Factor is not determined pursuant to clause (iv) above), the Moody's Default Probability Rating will be "Caa3."

(b) With respect to a DIP Collateral Obligation:

(i) the rating which is one subcategory below the facility rating (whether public or private) of such DIP Collateral Obligation rated by Moody's; or

(ii) with respect to any DIP Collateral Obligation if not determined pursuant to clause (i) above, a rating of "Caa3."

For purposes of determining a Moody's Default Probability Rating, if an obligor does not have a Moody's corporate family rating, the Moody's corporate family rating will be the Moody's corporate family rating of any entity in the obligor's corporate family as designated by the Collateral Manager.

"Moody's Derived Rating": With respect to a Collateral Obligation, as of any date of determination, the Moody's Rating or the Moody's Default Probability Rating determined in the manner set forth below:

(a) 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 subcategories according to the table below:

Obligation Category of Rated Obligation	Rating of Rated Obligation	Number of Subcategories Relative to Rated Obligation Rating
Senior secured obligation	greater than or equal to B2	-1
Senior secured obligation	less than B2	-2
Subordinated obligation	greater than or equal to B3	+1
Subordinated obligation	less than B3	0

(b) If not determined pursuant to clause (a) above, by using any one of the methods provided below:

(i) pursuant to the table below:

Type of Collateral Obligation	S&P Rating (Public and Monitored)	Collateral Obligation Rated by S&P	Number of Subcategories Relative to Moody's Equivalent of S&P Rating
Not Structured Finance Obligation	≥BBB-	Not a Loan or Participation Interest in Loan	-1
Not Structured Finance Obligation	≤BB+	Not a Loan or Participation Interest in Loan	-2
Not Structured Finance Obligation		Loan or Participation Interest in Loan	-2

(ii) if such Collateral Obligation is not rated by S&P but another security or obligation of the obligor has a public and monitored rating by S&P (a "parallel security"), the rating of such parallel security will at the election of the Collateral Manager be determined in accordance with the table set forth in subclause (i) above, and 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 Obligation will be determined in accordance with the methodology set forth in clause (a) above (for such purposes treating the parallel security as if it were rated by Moody's at the rating determined pursuant to this subclause (ii)).

"Moody's Diversity Test": A test that will be satisfied on any date of determination if the Diversity Score (rounded up to the nearest whole number) equals or exceeds the Minimum Diversity Score in the Asset Quality Matrix that corresponds to the Matrix Combination; *provided* that the Minimum Diversity Score will in no event be lower than 35.

For purposes of the Moody's Diversity Test, the Diversity Score (the "Diversity Score") is a single number that indicates collateral concentration in terms of both issuer and industry concentration. A higher Diversity Score reflects a more diverse portfolio in terms of issuer and industry concentration. The Diversity Score is calculated as follows:

(a) An "Issuer Par Amount" is calculated for each issuer of a Collateral Obligation, and is equal to the Aggregate Principal Balance of all Collateral Obligations issued by that issuer and all affiliates.

(b) An "Average Par Amount" is calculated by summing the Issuer Par Amounts for all issuers, and dividing by the number of issuers.

(c) An "Equivalent Unit Score" is calculated for each issuer, and is equal to the lesser of (x) one and (y) the Issuer Par Amount for such issuer divided by the Average Par Amount.

(d) An "Aggregate Industry Equivalent Unit Score" is then calculated for each of the Moody's industry classification groups (as defined in the Indenture) and is equal to the sum of the Equivalent Unit Scores for each issuer in such industry classification group.

(e) An "Industry Diversity Score" is then established for each Moody's industry classification group by reference to the table for the related Aggregate Industry Equivalent Unit Score set forth in Indenture; provided that if any Aggregate Industry Equivalent Unit Score falls between any two such scores, the applicable Industry Diversity Score will be the lower of the two Industry Diversity Scores.

(f) The Diversity Score is then calculated by summing each of the Industry Diversity Scores for each Moody's industry classification group.

For purposes of calculating the Diversity Score, affiliated issuers in the same industry are deemed to be a single issuer except as otherwise agreed to by Moody's.

"Moody's Effective Date Rating Condition": A condition that will be satisfied if (x) the accountants' agreed upon procedures report is delivered to the Trustee in connection with the Effective Date that recalculates, (1) as of the Effective Date, each of the Overcollateralization Ratio Tests, the Collateral Quality Test and the Concentration Limitations and (2) the Target Initial Par Condition and (y) a report compiled by the Collateral Administrator shows satisfaction, as of the Effective Date, of each of the Overcollateralization Ratio Tests, the Collateral Quality Test, the Concentration Limitations and the Target Initial Par Condition.

"Moody's Rating": With respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) With respect to a Collateral Obligation that is a Senior Secured Loan:

(i) if Moody's has assigned such Collateral Obligation a rating (including pursuant to a Moody's Credit Estimate), such rating;

(ii) if not determined pursuant to clause (i), if the obligor of such Collateral Obligation has a corporate family rating by Moody's (including pursuant to a Moody's Credit Estimate), the Moody's rating that is one subcategory higher than such corporate family rating;

(iii) if not determined pursuant to clause (i) or (ii), if the obligor of such Collateral Obligation has a Moody's Senior Unsecured Rating, the Moody's rating that is two subcategories higher than such Moody's Senior Unsecured Rating;

(iv) if not determined pursuant to clause (i), (ii) or (iii), the Moody's Derived Rating, if any; or

(v) if not determined pursuant to clause (i), (ii), (iii) or (iv), "Caa3."

(b) With respect to a Collateral Obligation that is not a Senior Secured Loan:

(i) if Moody's has assigned such Collateral Obligation a rating (including pursuant to a Moody's Credit Estimate), such rating;

(ii) if not determined pursuant to clause (i), if the obligor of such Collateral Obligation has a Moody's Senior Unsecured Rating, such Moody's Senior Unsecured Rating;

(iii) if not determined pursuant to clause (i) or (ii), if the obligor of such Collateral Obligation has a corporate family rating by Moody's (including pursuant to a Moody's Credit Estimate), the Moody's rating that is one subcategory lower than such corporate family rating;

(iv) if not determined pursuant to clause (i), (ii) or (iii), if the subordinated debt of the obligor of such Collateral Obligation has a public rating from Moody's, the Moody's rating that is one subcategory higher than such rating;

(v) if not determined pursuant to clause (i), (ii), (iii) or (iv), the Moody's Derived Rating, if any; or

(vi) if not determined pursuant to clause (i), (ii), (iii), (iv) or (v), "Caa3."

For purposes of determining a Moody's Rating, if an obligor does not have a Moody's corporate family rating, the Moody's corporate family rating will be the Moody's corporate family rating of any entity in the obligor's corporate family as designated by the Collateral Manager.

"Moody's Rating Factor": For each Collateral Obligation, the number set forth in the table below opposite the Moody's Default Probability Rating of such Collateral Obligation:

Moody's Default Probability Rating	Moody's Rating Factor	Moody's Default Probability Rating	Moody's Rating Factor
Aaa	1	Ba1	940
Aa1	10	Ba2	1,350
Aa2	20	Ba3	1,766
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

For purposes of the Maximum Moody's Rating Factor Test, any Collateral Obligation issued or guaranteed by the United States government or any agency or instrumentality thereof is assigned a Moody's Default Probability Rating equivalent to the long-term issuer rating of the United States.

"Moody's Recovery Amount": With respect to any Collateral Obligation that is a Defaulted Obligation or a Deferring Obligation, an amount equal to:

(a) the applicable Moody's Recovery Rate; *multiplied by*

(b) the Principal Balance of such Collateral Obligation.

"Moody's Recovery Rate": With respect to any Collateral Obligation, as of any date of determination, the recovery rate determined in accordance with the following, in the following order of priority:

(a) if the Collateral Obligation has been specifically assigned a recovery rate by Moody's (for example, in connection with the assignment by Moody's of a Moody's Credit Estimate), such recovery rate;

(b) if the preceding clause does not apply to the Collateral Obligation, and the Collateral Obligation is not a DIP Collateral Obligation or a Participation Interest therein, the rate determined pursuant to the table below based on the number of rating subcategories difference between the Moody's Rating of such Collateral Obligation and its Moody's Default Probability Rating (for purposes of clarification, if the Moody's Rating is higher than the Moody's Default Probability Rating, the rating subcategories difference will be positive and if it is lower, negative):

Number of Moody's Ratings Subcategories Difference Between the Moody's Rating and the Moody's Default Probability Rating	Senior Secured Loans	Second Lien Loans	Other Collateral Obligations
+2 or more	60%	55%*	45%
+1	50%	45%*	35%
0	45%	35%*	30%
-1	40%	25%	25%
-2	30%	15%	15%
-3 or less	20%	5%	5%

* If the Collateral Obligation does not have both a corporate family rating from Moody's and a facility rating from Moody's, its Moody's Recovery Rate will be determined by reference to the "Other Collateral Obligations" column.

(c) if the Collateral Obligation is a DIP Collateral Obligation or a Participation Interest therein (other than a DIP Collateral Obligation which has been specifically assigned a recovery rate by Moody's), 50%.

"Moody's Weighted Average Recovery Adjustment": As of any date of determination, the greater of (a) zero and (b) the product of (i) (A) the Weighted Average Moody's Recovery Rate as of such date of determination multiplied by 100 *minus* (B) 43 and (ii) the Moody's Recovery Rate Modifier in the Recovery Rate Modifier Matrix that corresponds to the Matrix Combination; *provided*, *however*, that if the Weighted Average Moody's Recovery Rate for purposes of determining the Moody's Weighted Average Recovery Adjustment is greater than 60%, then such Weighted Average Moody's Recovery Rate shall equal 60% or such other percentage as shall have been notified to Moody's by or on behalf of the Issuer.

"Non-Emerging Market Obligor": An obligor that is Domiciled in any country other than the United States of America that has a country ceiling for foreign currency bonds of at least "Aa3" by Moody's.

"Non-Permitted ERISA Holder": Any Person that is or becomes the beneficial owner of an interest in any Security who has made or is deemed to have made a prohibited transaction representation or a Benefit Plan Investor, Controlling Person or Similar Laws representation required by the Indenture or by its subscription agreement that is subsequently shown to be false or misleading or whose beneficial ownership otherwise results in Benefit Plan Investors owning 25% or more of the Aggregate Outstanding Amount of any Class of Issuer Only Securities as determined in accordance with the Plan Asset Regulation and the Indenture, assuming, for this purpose, that all the representations made (or, in the case of Global Securities, deemed to be made) by holders of such Securities are true.

"Non-Permitted Holder": (i) Any U.S. person that becomes the holder or beneficial owner of an interest in any Security that (a) is not either a Qualified Institutional Buyer and a Qualified Purchaser (or an entity owned exclusively by Qualified Purchasers) or (b) does not have an exemption available under the Securities Act and the Investment Company Act, (ii) any Non-Permitted ERISA Holder or (iii) any Non-Permitted Tax Holder.

"Non-Permitted Tax Holder": Any Holder or beneficial owner (i) that fails to comply with its Holder Reporting Obligations or (ii) (x) if the Issuer reasonably determines that such holder's or beneficial owner's direct or indirect acquisition, holding or transfer of an interest in any Security would cause the Issuer to be unable to achieve Tax Account Reporting Rules Compliance or (y) that is or that the Issuer is required to treat as a "nonparticipating FFI" or a "recalcitrant account holder" of the Issuer, in each case as defined in FATCA (or any Person of similar status under applicable Tax Account Reporting Rules).

"Note Interest Amount": With respect to any Class of Rated Notes and any Payment Date, the amount of interest for the related Interest Accrual Period payable in respect of each U.S.$100,000 Aggregate Outstanding Amount of such Class of Rated Notes.

"Notes": The Co-Issued Notes and the Issuer Only Notes.

"OECD": The Organisation for Economic Co-operation and Development.

"Ongoing Expense Excess Amount": On any Payment Date, an amount equal to the excess, if any, of (i) the Administrative Expense Cap over (ii) the sum of (without duplication) (x) all amounts paid pursuant to clause (A)(2) of the Priority of Interest Proceeds on such Payment Date (excluding all amounts being deposited on such Payment Date to the Ongoing Expense Smoothing Account) plus (y) any Administrative Expenses paid from the Expense Reserve Account or from the Collection Account pursuant to the Indenture on such Payment Date or between such Payment Date and the immediately preceding Payment Date.

"Ongoing Expense Smoothing Shortfall": On any Payment Date, the excess, if any, of U.S.$200,000 over the amount then on deposit in the Ongoing Expense Smoothing Account without giving effect to any deposit thereto on such Payment Date pursuant to clause (A) of the Priority of Interest Proceeds.

"Operating Guidelines": The Operating Guidelines set forth in Exhibit A of the Collateral Management Agreement.

"Outstanding": As of any date of determination, with respect to the Securities or the Securities of any specified Class, all of the Securities or all of the Securities of such Class, as the case may be, theretofore authenticated and delivered under the Indenture, except:

(i) Securities theretofore canceled by the Registrar or delivered to the Registrar for cancellation, or registered in the Register on the date the Indenture is discharged;

(ii) Securities or portions thereof for whose payment or redemption funds in the necessary amount have been theretofore irrevocably deposited with the Trustee or any Paying Agent in trust for the Holders of such Securities; *provided* that if such Securities or portions thereof are to be redeemed, notice of such redemption has been duly given pursuant to the Indenture or provision therefor satisfactory to the Trustee has been made;

(iii) Securities in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to the Indenture, unless proof satisfactory to the Trustee is presented that any such Securities are held by a "protected purchaser" (within the meaning of Article 8 of the UCC);

(iv) Securities alleged to have been mutilated, destroyed, lost or stolen for which replacement Securities have been issued as provided in the Indenture; and

(v) Repurchased Notes and Surrendered Securities that have been canceled by the Trustee; *provided* that for purposes of calculation of the Overcollateralization Ratio, other than Repurchased Notes and Surrendered Securities of the Controlling Class, any Repurchased Notes and any Surrendered Securities will be deemed to remain Outstanding until all Securities of the applicable Class and each Priority Class have been retired or redeemed, having an Aggregate Outstanding Amount equal to the Aggregate Outstanding Amount as of the date of repurchase or surrender, reduced proportionately with, and to the extent of, any payments of principal on Securities of the same Class thereafter;

provided that in determining whether the Holders of the requisite Aggregate Outstanding Amount have given any request, demand, authorization, direction, notice, consent or waiver hereunder, the following Securities shall be disregarded and deemed not to be Outstanding:

(A) Securities owned by the Issuer, the Co-Issuer or any other obligor upon the Securities; and

(B) Manager Securities, to the extent required under the Collateral Management Agreement;

except that (1) in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Securities that a trust officer of the Trustee actually knows to be so owned or to be Manager Securities shall be so disregarded; and (2) Securities so owned that have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's right so to act with respect to such Securities and that the pledgee is not one of the Persons specified above.

"Overcollateralization Ratio": With respect to any specified Class or Classes of Rated Notes as of any date of determination, the percentage derived from:

(a) the Adjusted Collateral Principal Amount on such date; *divided by*

(b) the Aggregate Outstanding Amount on such date of the Rated Notes of such Class or Classes, each Priority Class of Rated Notes and each Pari Passu Class of Rated Notes;

provided that the Class X Notes will not be included for purposes of calculating the Overcollateralization Ratio.

"Overcollateralization Ratio Test": A test that will be satisfied with respect to any Class or Classes of Rated Notes (other than the Class X Notes and the Class E Notes) as of any date of determination on which such test is applicable

if (i) the Overcollateralization Ratio for such Class or Classes on such date is at least equal to the Required Overcollateralization Ratio indicated below or (ii) such Class or Classes of Rated Notes is no longer Outstanding:

Class	Required Overcollateralization Ratio (%)
A	121.58
B	115.35
C	108.74
D	103.90

"Pari Passu Class": With respect to any specified Class, each Class that ranks *pari passu* with such Class, as indicated in "Overview—Principal Terms of the Securities."

"Partial Deferrable Obligation": Any Collateral Obligation with respect to which under the related underlying instruments (i) a portion of the interest due thereon is required to be paid in cash on each payment date therefor and is not permitted to be deferred or capitalized (which portion will at least be equal to LIBOR or the applicable index with respect to which interest on such Collateral Obligation is calculated (or, in the case of a Fixed Rate Obligation, at least equal to the forward swap rate for a designated maturity equal to the scheduled maturity of such Collateral Obligation)) and (ii) the issuer thereof or obligor thereon may defer or capitalize the remaining portion of the interest due thereon.

"Partial Redemption": Any Refinancing of one or more (but fewer than all) Classes of Rated Notes.

"Partial Redemption Date": Any Business Day on which a Partial Redemption occurs.

"Partial Redemption Interest Proceeds": In connection with a Partial Redemption or a Re-Pricing Redemption, Interest Proceeds in an amount equal to (i) the lesser of (a) the amount of accrued interest on the Securities being redeemed and (b) the amount the Collateral Manager reasonably determines would have been available for distribution under the Priority of Payments for the payment of accrued interest on the Securities being redeemed on the next subsequent Payment Date (or, if the Partial Redemption Date or Re-Pricing Redemption Date is a Payment Date, such Payment Date) if such Securities had not been redeemed *plus* (ii) if the Partial Redemption Date or Re-Pricing Redemption Date is not otherwise a Payment Date, an amount equal to (a) the amount the Collateral Manager reasonably determines would have been available for distribution under clause (W) of the Priority of Interest Proceeds for the payment of Administrative Expenses on the next subsequent Payment Date *plus* (b) the amount of any reserve established by the Issuer with respect to such Partial Redemption or Re-Pricing Redemption.

"Participation Interest": A participation interest in a loan originated by a bank or financial institution that, at the time of acquisition, or the Issuer's commitment to acquire the same, satisfies each of the following criteria: (i) such participation would constitute a Collateral Obligation were it acquired directly, (ii) the Selling Institution is a lender on the loan, (iii) the aggregate participation in the loan granted by such Selling Institution to any one or more participants does not exceed the principal amount or commitment with respect to which the Selling Institution is a lender under such loan, (iv) such participation does not grant, in the aggregate, to the participant in such participation a greater interest than the Selling Institution holds in the loan or commitment that is the subject of the participation, (v) the entire purchase price for such participation is paid in full (without the benefit of financing from the Selling Institution or its affiliates) at the time of the Issuer's acquisition (or, to the extent of a participation in the unfunded commitment under a Revolving Collateral Obligation or a Delayed Drawdown Collateral Obligation, at the time of the funding of such loan), (vi) the participation provides the participant all of the economic benefit and risk of the whole or part of the loan or commitment that is the subject of the loan participation and (vii) such participation is documented under a Loan Syndications and Trading Association, Loan Market Association or similar agreement standard for loan participation transactions among institutional market participants. For the avoidance of doubt, a Participation Interest shall not include a sub-participation interest in any loan.

"Paying Agent": Any paying agent appointed under the Indenture.

"Payment Date": The 20th day of January, April, July and October of each year (or, if such day is not a Business Day, the next succeeding Business Day), commencing in April 2016, and each Redemption Date (other than a Partial Redemption Date or a Re-Pricing Redemption Date).

"Permitted Use": With respect to (a) any amount on deposit in the Supplemental Reserve Account, (b) any Contribution, (c) Additional Subordinated Notes Proceeds or (d) Deferred Subordinated Fees, any of the following uses: (i) the transfer of the applicable portion of such amount to the Interest Collection Account for application as Interest Proceeds; (ii) the transfer of the applicable portion of such amount to the Principal Collection Account for application as Principal Proceeds; (iii) the repurchase of Rated Notes of any Class through a tender offer, in the open market, or in privately negotiated transactions (in each case, subject to applicable law); and (iv) the transfer of the applicable portion of such amount to the Ongoing Expense Smoothing Account (without regard for any applicable cap on amounts to be deposited in such Account) for application in connection with a Refinancing, a Re-Pricing or an issuance of additional notes, in each case as directed by the Collateral Manager or the related Contributor, as applicable, and subject to the limitations set forth in the Indenture; *provided* that, for so long as the Majority Equity Condition is satisfied, amounts on deposit in the Supplemental Reserve Account may be used for a Permitted Use described in clauses (ii) through (v) above only at the direction of a Majority of the Subordinated Notes.

"Person": An individual, corporation (including a business trust), partnership, limited liability company, joint venture, association, joint stock company, trust (including any beneficiary thereof), unincorporated association or government or any agency or political subdivision thereof.

"Post-Reinvestment Investable Obligation": Any Credit Risk Obligation.

"Post-Reinvestment Investable Proceeds": Any Unscheduled Principal Payments or Sale Proceeds of Post-Reinvestment Investable Obligations.

"Principal Balance": Subject to certain assumptions set forth in the Indenture, with respect to (a) any Asset other than a Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation, as of any date of determination, the outstanding principal amount of such Asset (excluding any capitalized interest) and (b) any Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation, as of any date of determination, the outstanding principal amount of such Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation (excluding any capitalized interest), plus (except as expressly set forth in the Indenture) any undrawn commitments that have not been irrevocably reduced or withdrawn with respect to such Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation; *provided* that (x) for all purposes the Principal Balance of any Equity Security or interest only strip shall be deemed to be zero and (y) for purposes of calculating the Overcollateralization Ratio, the Principal Balance of any Asset that matures after the Stated Maturity shall be deemed to be zero.

"Principal Financed Accrued Interest": With respect to any Collateral Obligation purchased by the Issuer (i) on or prior to the Closing Date, the amount of proceeds from the issuance of the Securities applied to the purchase of accrued interest and (ii) after the Closing Date, the amount of Principal Proceeds, if any, applied towards the purchase of accrued interest on such Collateral Obligation.

"Principal Proceeds": With respect to any Collection Period or Determination Date, all amounts received by the Issuer during the related Collection Period that do not constitute Interest Proceeds, including with respect to a Redemption Date (other than a Partial Redemption Date or a Re-Pricing Redemption Date), any Refinancing Proceeds, and any amounts that have been designated as Principal Proceeds pursuant to the terms of the Indenture.

"Priority Class": With respect to any specified Class, each Class that ranks senior to such Class, as indicated in "Overview—Principal Terms of the Securities."

"Purchase Agreement": The purchase agreement dated as of the Closing Date between the Co-Issuers and the Initial Purchaser, as amended from time to time.

"Purchaser": Each purchaser of Securities (including transferees and each beneficial owner of an account on whose behalf Securities are being purchased).

"Qualified Broker/Dealer": Any of Bank of America, NA, The Bank of Montreal, The Bank of New York Mellon, The Royal Bank of Scotland plc, Barclays Bank plc, BNP Paribas, Broadpoint Securities Inc, Calyon, Canadian Imperial Bank of Commerce, Cantor Fitzgerald, Citadel Securities, Citibank, N.A., Credit Agricole S.A., Credit Suisse, Deutsche Bank AG, FBR Capital Markets, Gleacher & Company Securities, Inc., Goldman Sachs & Co., Guggenheim Securities, LLC, HSBC Bank, JPMorgan Chase Bank, N.A., Knight/Libertas, Lazard Ltd., Macquarie Bank, Mizuho Bank, Ltd., Morgan Stanley & Co., Natixis, Nomura Securities Inc., Northern Trust Company, Oppenheimer & Co. Inc., Royal Bank of Canada, Scotia Bank, Societe Generale, Sun Trust Bank, The Toronto-Dominion Bank, U.S. Bank, National Association, UBS AG or Wells Fargo Bank, National Association, or a banking or securities Affiliate of any of the foregoing, and any other financial institution so designated by the Collateral Manager with notice to the Rating Agencies.

"Qualified Institutional Buyer": Any Person that, at the time of its acquisition, purported acquisition or proposed acquisition of Securities, is a qualified institutional buyer within the meaning of Rule 144A.

"Qualified Purchaser": Any Person that, at the time of its acquisition, purported acquisition or proposed acquisition of Securities, is a qualified purchaser within the meaning of the Investment Company Act.

"Rated Notes": The Class X Notes, the Class A Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Class E Notes.

"Rated Securities": The Rated Notes and the Combination Securities.

"Rating Agency": Each rating agency that assigns ratings to the Rated Securities at the request of the Issuer, which will initially be Moody's and Fitch, in each case for so long as it rates such Securities. With respect to Assets generally, if at any time Moody's or Fitch ceases to provide rating services with respect to debt obligations, any other nationally recognized investment rating agency selected by the Issuer (or the Collateral Manager on behalf of the Issuer). In the event that at any time Moody's ceases to be a Rating Agency, references to rating categories of Moody's in the Indenture shall be deemed instead to be references to the equivalent categories of such other rating agency as of the most recent date on which such other rating agency and Moody's published ratings for the type of obligation in respect of which such alternative rating agency is used. In the event that at any time Fitch ceases to be a Rating Agency, references to rating categories of Fitch in the Indenture shall be deemed instead to be references to the equivalent categories of such other rating agency as of the most recent date on which such other rating agency and Fitch published ratings for the type of obligation in respect of which such alternative rating agency is used.

"Rating Agency Confirmation": In respect of (a) Moody's, confirmation in writing (which may be in the form of a press release) from Moody's that (i) in connection with the Effective Date, the Moody's Effective Date Rating Condition has been satisfied, or (ii) other than in connection with the Effective Date, a proposed action or designation will not cause its then-current ratings of any Class of Rated Notes to be reduced or withdrawn and (b) Fitch (for so long as Fitch is a Rating Agency), (i) in connection with the issuance of Floating Rate Notes in a Refinancing of Fixed Rate Notes in which the Class A-1 Notes are not being refinanced or in a Re-Pricing Redemption of Fixed Rate Notes, confirmation in writing (which may be in the form of a press release) from Fitch that the issuance of such Floating Rate Notes would not cause its then-current rating of the Class A-1 Notes to be reduced or withdrawn; provided that, if Fitch does not respond (affirmatively or negatively) to a request for such confirmation within five Business Days of the request, the requirement for Rating Agency Confirmation from Fitch will be deemed to be satisfied and (ii) in all other cases, notice provided to Fitch of the proposed action or designation at least five Business Days prior to such action or designation taking effect. If Moody's, or in respect of clause (b)(i) above, Fitch (A) makes a public announcement or informs the Issuer, the Collateral Manager or the Trustee that (x) it believes Rating Agency Confirmation is not required with respect to an action or (y) its practice is to not give such confirmations, or (B) no longer constitutes a Rating Agency under the Indenture, the requirement for Rating Agency Confirmation with respect to such Rating Agency will not apply.

"Record Date": With respect to the Global Securities, the date one day prior to the applicable Payment Date and, with respect to the Certificated Securities, the date 15 days prior to the applicable Payment Date.

"Recovery Rate Modifier Matrix": The following chart used to determine which Matrix Combination is applicable for purposes of determining the Moody's Recovery Rate Modifier for purposes of the Moody's Weighted Average Recovery Adjustment:

Minimum Weighted Average Spread (%)	Minimum Diversity Score											
	35	40	45	50	55	60	65	70	75	80	85	90
2.00	29	30	31	31	32	34	34	34	34	34	34	34
2.10	33	35	37	37	38	39	40	40	40	40	40	41
2.20	38	40	40	41	41	42	43	44	44	44	45	45
2.30	42	43	45	46	46	48	48	48	50	50	50	50
2.40	46	48	48	49	50	50	51	52	53	53	54	54
2.50	49	50	51	52	53	53	54	55	56	56	57	58
2.60	50	51	53	54	55	56	56	56	57	58	58	58
2.70	52	54	55	57	57	58	58	59	59	59	60	60
2.80	53	55	56	58	58	58	59	59	61	61	62	62
2.90	56	58	58	59	60	61	62	62	64	63	64	65
3.00	58	59	60	62	63	64	65	65	66	66	67	67
3.10	60	61	64	64	65	66	67	68	68	68	69	70
3.20	59	64	67	68	68	68	69	70	70	71	72	72
3.30	60	61	60	65	69	70	71	71	73	73	74	75
3.40	61	62	62	62	62	63	66	68	70	72	74	75
3.50	61	61	63	62	63	63	63	65	66	67	68	69
3.60	62	61	62	63	63	64	64	64	64	64	67	68
3.70	61	64	63	64	64	64	65	65	64	64	65	65
3.80	61	64	65	64	65	65	65	65	65	65	66	66
3.90	62	62	64	64	65	65	66	66	66	66	66	66
4.00	61	63	65	65	66	66	66	65	66	66	66	66
4.10	61	62	65	66	65	66	66	66	66	66	67	67
4.20	61	63	63	65	66	67	67	67	66	66	67	67
4.30	62	61	62	64	64	67	67	67	68	68	67	67
4.40	61	62	63	63	65	66	67	67	67	68	67	67
4.50	62	63	64	64	64	63	65	66	67	67	68	68
4.60	63	64	63	63	64	64	65	65	66	67	67	67
4.70	63	63	63	64	64	63	63	64	64	65	66	67
4.80	63	62	64	64	64	63	64	63	64	64	66	65
4.90	64	63	64	64	64	64	63	64	63	64	64	65
5.00	63	64	63	64	63	64	63	64	64	63	63	64
5.10	63	64	63	64	63	63	63	63	63	64	64	64
5.20	62	63	63	63	63	63	63	63	62	64	63	64
5.30	62	62	62	62	63	62	62	63	63	63	64	64
5.40	62	63	63	62	63	62	62	63	63	63	64	63

Minimum Weighted Average Spread (%)	Minimum Diversity Score											
	35	**40**	**45**	**50**	**55**	**60**	**65**	**70**	**75**	**80**	**85**	**90**
5.50	63	62	63	63	63	61	64	62	63	63	64	63
5.60	64	64	63	63	63	63	64	64	64	64	65	64
5.70	63	63	63	63	63	64	64	64	64	64	64	65
5.80	64	64	63	63	63	64	65	64	64	64	65	65
5.90	64	64	64	63	64	64	65	64	65	65	65	66
6.00	63	64	65	64	65	65	65	65	66	65	66	66
	Moody's Recovery Rate Modifier											

"Redemption Date": Any Business Day specified for a redemption of Securities pursuant to the Indenture.

"Redemption Price": (a) For any Rated Notes to be redeemed or re-priced (x) 100% of the Aggregate Outstanding Amount of such Notes, plus (y) accrued and unpaid interest thereon (including interest on any accrued and unpaid Deferred Interest, in the case of Deferred Interest Notes) to the Redemption Date or Re-Pricing Redemption Date; (b) for the Subordinated Notes, the proceeds of the Assets remaining after giving effect to the redemption or repayment of the Rated Notes and the payment in full of (and/or creation of a reserve for) all expenses (including all Management Fees and Administrative Expenses) of the Co-Issuers; and (c) for each Combination Security, an amount equal to its allocation of the Redemption Price of each Underlying Class; *provided* that Holders of 100% of the Aggregate Outstanding Amount of any Class of Rated Notes may elect to receive less than 100% of the Redemption Price that would otherwise be payable to the Holders of such Class of Rated Notes and such lesser amount will constitute the Redemption Price with respect to such Class.

"Refinancing Proceeds": The cash proceeds from the Refinancing.

"Register": The register of securities maintained by or on behalf of the Issuer.

"Registered": In registered form for U.S. federal income tax purposes and issued after July 18, 1984.

"Registrar": The registrar appointed by the Issuer to maintain the Register.

"Regulation S": Regulation S under the Securities Act.

"Regulation S Global Security": Any Security sold to non-"U.S. persons" in an "offshore transaction" (each as defined in Regulation S) in reliance on Regulation S and issued in the form of a permanent global security in definitive, fully registered form without interest coupons.

"Reinvestment Balance Criteria": Any of the following requirements, in each case determined after giving effect to the proposed purchase of Collateral Obligations and all other sales or purchases previously or simultaneously committed to: (1) the Adjusted Collateral Principal Amount is maintained or increased, (2) the Aggregate Principal Balance of the Collateral Obligations and Eligible Investments constituting Principal Proceeds is greater than or equal to the Reinvestment Target Par Balance, or (3) the Aggregate Principal Balance of the Collateral Obligations and Eligible Investments constituting Principal Proceeds is maintained or increased.

"Reinvestment Target Par Balance": As of any date of determination, the Target Initial Par Amount *minus* (i) the amount of any reduction in the Aggregate Outstanding Amount of the Notes through the payment of Principal Proceeds plus (ii) the aggregate amount of Principal Proceeds that result from the issuance of any additional notes under and in accordance with the Indenture (after giving effect to such issuance of any additional notes).

"Re-Pricing Eligible Notes": Each Class of Notes that is specified as such under "Overview—Principal Terms of the Securities."

"Required Redemption Direction": The written direction of (a) in the case of a redemption of all of the Rated Notes (in whole but not in part) from Sale Proceeds and/or Refinancing Proceeds, a Majority of the Subordinated Notes and (b) in the case of a redemption of one or more (but fewer than all) Classes of Rated Notes (in whole but not in part) from Refinancing Proceeds and Partial Redemption Interest Proceeds, the Collateral Manager (with the consent of a Majority of the Subordinated Notes).

"Restricted Trading Period": The period during which (A) either the Moody's rating or the Fitch rating of any Outstanding Class A-1 Notes is one or more subcategories below its Initial Rating or has been withdrawn and not reinstated or (B) the Moody's rating of any Outstanding Class A-2 Notes, Class B Notes, Class C Notes, Class D Notes or Class E Notes then rated by Moody's is two or more subcategories below its Initial Rating or has been withdrawn and not reinstated; *provided* that (1) such period will not be a Restricted Trading Period if (x) the Aggregate Principal Balance of all Collateral Obligations and Eligible Investments representing Principal Proceeds will be at least equal to the Reinvestment Target Par Balance and (y) each Coverage Test and each Collateral Quality Test (other than the Weighted Average Life Test) is satisfied; (2) such period will not be a Restricted Trading Period (so long as such Moody's rating or Fitch rating, as applicable, has not been further downgraded, withdrawn or put on watch for potential downgrade) upon the direction of the Issuer with the consent of a Majority of the Controlling Class, which direction shall remain in effect until the earlier of (i) a further downgrade or withdrawal of such Moody's rating or Fitch rating, as applicable, that, disregarding such direction, would cause the conditions set forth above to be true and (ii) a subsequent direction to the Issuer (with a copy to the Trustee and the Collateral Administrator) by a Supermajority of the Controlling Class declaring the beginning of a Restricted Trading Period; and (3) no Restricted Trading Period will restrict any sale of a Collateral Obligation entered into by the Issuer at a time when a Restricted Trading Period was not in effect, regardless of whether such sale has settled.

"Reuters Screen": Reuters Page LIBOR01 (or such other page that may replace that page on such service for the purpose of displaying comparable rates) as reported by Bloomberg Financial Markets Commodities News (or its successor) as of 11:00 a.m., London time, on the Interest Determination Date.

"Revolving Collateral Obligation": Any Collateral Obligation other than a Delayed Drawdown Collateral Obligation (including, without limitation, revolving loans, including funded and unfunded portions of revolving credit lines and letter of credit facilities, unfunded commitments under specific facilities and other similar loans) that by its terms may require one or more future advances to be made to the borrower by the Issuer; *provided* that any such Collateral Obligation will be a Revolving Collateral Obligation only until all commitments to make advances to the borrower expire or are terminated or irrevocably reduced to zero.

"Rule 144A": Rule 144A under the Securities Act.

"Rule 144A Global Security": Any Security sold in reliance on Rule 144A and issued in the form of a permanent global security in definitive, fully registered form without interest coupons.

"Rule 17g-5 Procedures": The procedures set forth in the Indenture to enable the Issuer to comply with Rule 17g-5.

"S&P": Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, and any successor or successors thereto.

"S&P Rating": With respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(i) With respect to any Collateral Obligation other than a DIP Collateral Obligation or a Current Pay Obligation:

(a) if there is an issuer credit rating of the issuer of such Collateral Obligation, or the guarantor who unconditionally and irrevocably guarantees such Collateral Obligation, then the S&P Rating of such issuer, or the guarantor of such issuer, shall be such rating (regardless of whether there is a published rating by S&P on the Collateral Obligation of such issuer held by the Issuer);

(b) if clause (a) is not applicable and such Collateral Obligation is rated by S&P, then the S&P Rating of such Collateral Obligation shall be the rating assigned thereto by S&P;

(c) if clauses (a) and (b) are not applicable and such Collateral Obligation has a Moody's rating, then the S&P Rating of such Collateral Obligation shall be the S&P equivalent of the rating assigned by Moody's; and

(d) if clauses (a), (b) and (c) are not applicable, the S&P Rating of such Collateral Obligation shall be "CCC"; and

(ii) With respect to any Collateral Obligation that is a DIP Collateral Obligation or a Current Pay Obligation:

(a) if such Collateral Obligation is rated by S&P, the S&P Rating of such Collateral Obligation shall be the rating assigned thereto by S&P;

(b) if clause (a) is not applicable and the Issuer has obtained a credit estimate from S&P, then the S&P Rating of such Collateral Obligation shall be such credit estimate;

(c) if clauses (a) and (b) are not applicable and such Collateral Obligation has a Moody's rating, then the S&P Rating of such Collateral Obligation shall be the S&P equivalent of the rating assigned by Moody's; and

(d) if clauses (a), (b) and (c) are not applicable, the S&P Rating of such Collateral Obligation shall be "CCC."

"Sale Proceeds": All proceeds (excluding accrued interest, if any) received with respect to Assets as a result of sales or other dispositions of such Assets, less any reasonable expenses incurred by the Collateral Manager, the Collateral Administrator or the Trustee (other than amounts payable as Administrative Expenses) in connection with such sales or other dispositions. Sale Proceeds of a Collateral Obligation sold by the Issuer shall include any Principal Financed Accrued Interest received in respect of such sale or other disposition.

"Second Lien Loan": Any First Lien Last Out Loan or any assignment of or Participation Interest in a Loan that: (a) is not (and cannot by its terms become) subordinate in right of payment to any other obligation of the obligor of the Loan (other than with respect to trade claims, capitalized leases or similar obligations) but which is subordinated (with respect to liquidation preferences with respect to pledged collateral) to a Senior Secured Loan of the obligor; and (b) is secured by a valid second-priority perfected security interest or lien in, to or on specified collateral securing the obligor's obligations under the Second Lien Loan the value of which is adequate (in the commercially reasonable judgment of the Collateral Manager) to repay the Loan in accordance with its terms and to repay all other Loans of equal or higher seniority secured by a lien or security interest in the same collateral.

"Section 13 Banking Entity": An entity that (i) is defined as a "banking entity" under the Volcker Rule regulations (Section __.2(c)), (ii) in connection with a supplemental indenture, no later than the deadline for providing consent specified in the notice for such supplemental indenture, provides written certification that it is a "banking entity" under the Volcker Rule to the Issuer and the Trustee, and (iii) identifies the Class or Classes of Securities held by such entity and the outstanding principal amount thereof. Any holder that does not provide such certification in connection with a supplemental indenture will be deemed for purposes of such supplemental indenture not to be a Section 13 Banking Entity. If no entity provides such certification, then no Section 13 Banking Entities will be deemed to exist for purposes of any required consent or action under the Transaction Documents.

"Secured Parties": The Holders of the Notes (including the related Components of Combination Securities), the Administrator, the Collateral Manager, the Trustee, the Collateral Administrator and the Bank in each of its other capacities under the Transaction Documents.

"Securities": The Notes and the Combination Securities.

"Securities Act": The United States Securities Act of 1933, as amended.

"Securities Intermediary": As defined in Article 8 of the UCC.

"Selling Institution": The entity obligated to make payments to the Issuer under the terms of a Participation Interest.

"Senior Secured Loan": Any assignment of or Participation Interest in a Loan (other than a First Lien Last Out Loan) that: (a) is not (and cannot by its terms become) subordinate in right of payment to any other obligation of the obligor of the Loan (other than with respect to trade claims, capitalized leases or similar obligations); (b) 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 (c) 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 Collateral Manager) to repay the Loan in accordance with its terms and to repay all other Loans of equal seniority secured by a first lien or security interest in the same collateral.

"Sponsor": In relation to the Issuer, its "sponsor" under the U.S. Risk Retention Rule.

"Stated Maturity": The Payment Date in October 2027.

"Step-Down Obligation": 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 Obligation.

"Step-Up Obligation": An obligation which by the terms of the related Underlying Instruments provides for an increase in the per annum interest rate on such obligation, or in the spread over the applicable index or benchmark rate, solely as a function of the passage of time; *provided* that an obligation 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-Up Obligation.

"Structured Finance Obligation": Any obligation secured directly by, referenced to, or representing ownership of, a pool of receivables or other financial assets of any obligor, including collateralized debt obligations and mortgage-backed securities, or secured by a single asset in a repackaging.

"Subordinated Notes": The Subordinated Notes issued pursuant to the Indenture.

"Subordinated Notes Internal Rate of Return": An annualized internal rate of return (computed using the "XIRR" function in Microsoft® Excel 2002 or an equivalent function in another software package), stated on a per annum basis, for the following cash flows, assuming all Subordinated Notes were purchased on the Closing Date for an aggregate purchase price equal to 97.5% of the initial principal amount thereof:

(i) each distribution of Interest Proceeds made to the Holders of the Subordinated Notes on any prior Payment Date and, to the extent necessary to reach the applicable Subordinated Notes Internal Rate of Return, the current Payment Date;

(ii) each distribution of Principal Proceeds made to the Holders of the Subordinated Notes on any prior Payment Date and, to the extent necessary to reach the applicable Subordinated Notes Internal Rate of Return, the current Payment Date; and

(iii) each Interim Subordinated Notes Payment Amount paid on or prior to the current Payment Date.

"Supermajority": With respect to any Class, the Holders of at least 66-2/3% of the Aggregate Outstanding Amount of the Securities of such Class. For the avoidance of doubt, Holders of Combination Securities will be included as if they were Holders of each Underlying Class, except as described in the definition of Class.

"Supplemental Reserve Condition": A condition satisfied on any Payment Date if (i) so long as the Majority Equity Condition is satisfied, consent of a Majority of the Subordinated Notes has been obtained and (ii) the aggregate of all amounts deposited into the Supplemental Reserve Account since the Closing Date will not exceed, on a *pro forma* basis, the lesser of (x) 50% of amounts that would be distributed to the Holders of the Subordinated Notes pursuant to clause (Y) of the Priority of Interest Proceeds on such Payment Date (without giving effect to any

amounts the Collateral Manager has designated to be deposited into the Supplemental Reserve Account on such Payment Date pursuant to clause (X) of the Priority of Interest Proceeds) and (y) U.S.$5,000,000.

"Swapped Non-Discount Obligation": Any Collateral Obligation that would otherwise be considered a Discount Obligation, but that is purchased with the proceeds of a sale of a Collateral Obligation that was not a Discount Obligation at the time of its purchase, and will not be considered a Discount Obligation so long as such purchased Collateral Obligation (a) is purchased or committed to be purchased within 10 Business Days of such sale, (b) is purchased at a price (as a percentage of par) at least equal to the greater of (i) the sale price of the sold Collateral Obligation and (ii) 65.0%, (c) has a rating from Moody's equal to or greater than the rating of the sold Collateral Obligation (if the purchased and the sold Collateral Obligation each has a rating from Moody's) and (d) has a stated maturity that is no later than the stated maturity of the sold Collateral Obligation; *provided* that (x) to the extent the Aggregate Principal Balance of Swapped Non-Discount Obligations exceeds 5.0% of the Collateral Principal Amount, such excess will not constitute Swapped Non-Discount Obligations and (y) without duplication, to the extent the Aggregate Principal Balance of all Swapped Non-Discount Obligations acquired by the Issuer after the Closing Date exceeds 10.0% of the Target Initial Par Amount, such excess will not constitute Swapped Non-Discount Obligations; *provided*, *further*, that such Collateral Obligation will cease to be a Swapped Non-Discount Obligation at such time as such Swapped Non-Discount Obligation would no longer otherwise be considered a Discount Obligation.

"Synthetic Security": A security or swap transaction, other than a Participation Interest, that has payments associated with either payments of interest on and/or principal of a reference obligation or the credit performance of a reference obligation.

"Target Initial Par Amount": U.S.$500,000,000.

"Target Initial Par Condition": A condition satisfied as of the Effective Date if the Aggregate Principal Balance of Collateral Obligations that are held by the Issuer and that the Issuer has committed to purchase on such date, together with the amount of any Sale Proceeds and any proceeds of prepayments, maturities or redemptions of Collateral Obligations purchased by the Issuer prior to such date (other than any such proceeds that have been reinvested in Collateral Obligations held by the Issuer on the Effective Date) (without duplication), will equal or exceed the Target Initial Par Amount; *provided* that for purposes of this definition, any Collateral Obligation that becomes a Defaulted Obligation prior to the Effective Date shall be treated as having a Principal Balance equal to its Moody's Collateral Value; *provided*, *further*, that the aggregate amount of Sale Proceeds included for purposes of determining if the Target Initial Par Condition has been satisfied shall not exceed 10.0% of the Target Initial Par Amount.

"Tax": Any tax, levy, impost, duty, charge or assessment of any nature (including interest, penalties and additions thereto) imposed by any governmental taxing authority.

"Tax Account Reporting Rules": FATCA, and any other laws, intergovernmental agreements, administrative guidance or official interpretations, adopted or entered into on, before or after the date of the Indenture, by one or more governments providing for the collection of financial account information and the automatic exchange of such information between or among governments for purposes of improving tax compliance, including but not limited to the Cayman-UK IGA, and any laws, intergovernmental agreements or other guidance adopted pursuant to the global standard for automatic exchange of financial account information issued by the OECD.

"Tax Account Reporting Rules Compliance": Compliance with Tax Account Reporting Rules as necessary to avoid (a) fines, penalties, or other sanctions imposed on the Issuer, a Blocker Subsidiary, or any of their directors, or (b) the withholding or imposition of tax from or in respect of payments to or for the benefit of the Issuer or a Blocker Subsidiary.

"Tax Advice": Written advice from tax counsel of nationally recognized standing in the United States experienced in transactions of the type being addressed that (i) is based on knowledge by the person giving the advice of all relevant facts and circumstances of the Issuer and transaction (which are described in the advice or in a written description referred to in the advice which may be provided by the Issuer or Collateral Manager) and (ii) is intended by the person rendering the advice to be relied upon by the Issuer in determining whether to take a given action.

"Tax Event": An event that occurs if (i) any obligor under any Collateral Obligation is required to deduct or withhold from any payment under such Collateral Obligation to the Issuer for or on account of any Tax for whatever reason (other than (x) withholding tax on (1) fees received with respect to a letter of credit, (2) amendment, waiver, consent and extension fees and (3) commitment fees and other similar fees in respect of Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations and (y) withholding tax imposed as a result of the failure by any Holder or beneficial owner of Securities to comply with its Holder Reporting Obligations, so long as the Issuer, within 60 days after the imposition of such withholding tax, exercises its right to demand that such Non-Permitted Holder transfer its interest to a Person that is not a Non-Permitted Holder and, if such Non-Permitted Holder fails to so transfer its Securities, the Issuer exercises its right to sell such Securities or interest therein to a person that is not a Non-Permitted Holder) and such obligor is not required to pay to the Issuer such additional amount as is necessary to ensure that the net amount actually received by the Issuer (free and clear of Taxes, whether assessed against such obligor or the Issuer) will equal the full amount that the Issuer would have received had no such deduction or withholding occurred and the total amount of deductions or withholding on the Assets result in a payment by, or charge or tax burden to, the Issuer that results or will result in the withholding of 5.0% or more of scheduled distributions for any Collection Period or (ii) any jurisdiction imposes net income, profits or similar Tax on the Issuer in an aggregate amount in any Collection Period in excess of U.S.$1,000,000.

"Tax Jurisdictions": The Bahamas, Bermuda, the British Virgin Islands, the Cayman Islands, the Channel Islands and Curaçao.

"Tax Reserve Account": Any segregated non-interest bearing account established at the direction of the Issuer in the name of the Issuer and relating to one or more Non-Permitted Tax Holders, no funds of which are to be released except at the written direction of the Issuer.

"Temporary Global Security": Any Co-Issued Note or Combination Security sold to non-"U.S. persons" in an "offshore transaction" (each as defined in Regulation S) in reliance on Regulation S and issued in the form of a temporary global security in definitive, fully registered form without interest coupons.

"Transaction Documents": The Indenture, the Collateral Management Agreement, the Collateral Administration Agreement, the Account Agreement, the Registered Office Agreement and the Administration Agreement.

"Transaction Parties": The Co-Issuers, the Collateral Manager, the Initial Purchaser, the Trustee, the Collateral Administrator, the Administrator, the Share Trustee and the Registrar.

"Transfer Certificate": A duly executed certificate substantially in the form appended to the Indenture.

"Trustee": The Bank of New York Mellon Trust Company, National Association, in its capacity as Trustee under the Indenture, and any successor thereto.

"Trustee's Website": The Trustee's internet website, which shall initially be located at https://gctinvestorreporting.bnymellon.com/, or such other address as the Trustee may provide to the Issuer, the Collateral Manager and the Rating Agencies.

"UCC": The Uniform Commercial Code, as in effect from time to time in the State of New York.

"Underlying Instrument": The agreement pursuant to which an Asset has been issued or created and each other agreement that governs the terms of or secures the obligations represented by such Asset or of which the holders of such Asset are the beneficiaries.

"Unscheduled Principal Payments": All Principal Proceeds received in respect of Collateral Obligations from optional or nonscheduled mandatory redemptions or amortizations, exchange offers, tender offers or other payments made at the option of the issuer thereof or that are otherwise not scheduled to be made.

"Unsecured Loan": A senior unsecured Loan which is not (and by its terms is not permitted to become) subordinate in right of payment to any other debt for borrowed money incurred by the obligor under such Loan.

"Volcker Rule": Section 13 of the Bank Holding Company Act of 1956, as amended, and any applicable implementing regulations.

"Weighted Average Coupon": As of any Measurement Date, the number obtained by dividing:

(a) the amount equal to the Aggregate Coupon; by

(b) an amount equal to the Aggregate Principal Balance (including for this purpose any capitalized interest) of all Fixed Rate Obligations as of such Measurement Date.

"Weighted Average Floating Spread": As of any Measurement Date, the number obtained by dividing:

(a) the amount equal to (i) the Aggregate Funded Spread *plus* (ii) the Aggregate Unfunded Spread *plus* (iii) the Aggregate Excess Funded Spread; by

(b) an amount equal to the lesser of (i) the Reinvestment Target Par Balance and (ii) the Aggregate Principal Balance (including for this purpose any capitalized interest) of all Floating Rate Obligations as of such Measurement Date.

"Weighted Average Life": As of any date of determination with respect to all Collateral Obligations other than Defaulted Obligations, the number of years following such date obtained by summing the products obtained by multiplying:

(a) the Average Life at such time of each such Collateral Obligation, by

(b) the outstanding Principal Balance of such Collateral Obligation,

and *dividing* such sum by:

(c) the Aggregate Principal Balance at such time of all Collateral Obligations other than Defaulted Obligations.

"Weighted Average Life Test": A test that will be satisfied on any date of determination if the Weighted Average Life of all Collateral Obligations as of such date is less than or equal to 9.0 years less the product of (x) 0.25 and (y) the number of full quarters elapsed since the Closing Date.

"Weighted Average Moody's Rating Factor": The number (rounded up to the nearest whole number) determined by:

(a) summing the products of (i) the Principal Balance of each Collateral Obligation multiplied by (ii) the Moody's Rating Factor of such Collateral Obligation; and

(b) dividing such sum by the outstanding Principal Balance of all such Collateral Obligations.

"Weighted Average Moody's Recovery Rate": As of any date of determination, the number, expressed as a percentage, obtained by summing the product of the Moody's Recovery Rate on such Measurement Date of each Collateral Obligation and the Principal Balance of such Collateral Obligation, dividing such sum by the Aggregate Principal Balance of all such Collateral Obligations and rounding to the nearest tenth of a percent.

"Zero Coupon Bond": Any debt security that by its terms (a) does not bear interest for all or part of the remaining period that it is outstanding, (b) provides for periodic payments of interest in cash less frequently than semi-annually or (c) pays interest only at its stated maturity.

INDEX OF DEFINED TERMS

Following is an index of defined terms used in this Offering Memorandum and the page number where each definition appears.

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