IMPORTANT NOTICE

THIS OFFERING IS AVAILABLE ONLY TO INVESTORS ("**ELIGIBLE INVESTORS**") THAT ARE EITHER (1)(I)(A) QUALIFIED INSTITUTIONAL BUYERS ("**QUALIFIED INSTITUTIONAL BUYERS**") (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT), (B) SOLELY IN THE CASE OF OFFERED SECURITIES ISSUED AS CERTIFICATED SECURED NOTES OR CERTIFICATED SUBORDINATED NOTES, INSTITUTIONAL ACCREDITED INVESTORS (AS DEFINED IN RULE 501(a)(1), (2), (3) OR (7) OF REGULATION D UNDER THE SECURITIES ACT) (ANY SUCH INVESTOR, AN "**IAI**") OR (C) SOLELY IN THE CASE OF OFFERED SECURITIES ISSUED AS CERTIFICATED SUBORDINATED NOTES, OTHER ACCREDITED INVESTORS (AS DEFINED IN RULE 501(a) OF REGULATION D UNDER THE SECURITIES ACT) (ANY SUCH INVESTOR, AN "**AI**" AND, TOGETHER WITH IAIs, "**AIs**") THAT ARE ALSO KNOWLEDGEABLE EMPLOYEES WITH RESPECT TO THE ISSUER IN TRANSACTIONS EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT AND (II)(A) QUALIFIED PURCHASERS ("**QUALIFIED PURCHASERS**") (FOR THE PURPOSES OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT), (B) SOLELY IN THE CASE OF THE SUBORDINATED NOTES, KNOWLEDGEABLE EMPLOYEES WITH RESPECT TO THE ISSUER OR (C) ENTITIES OWNED EXCLUSIVELY BY QUALIFIED PURCHASERS OR (SOLELY IN THE CASE OF THE SUBORDINATED NOTES) BY KNOWLEDGEABLE EMPLOYEES WITH RESPECT TO THE ISSUER OR (2) PERSONS THAT ARE NON-U.S. PERSONS (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) AND THAT ARE OUTSIDE THE UNITED STATES IN RELIANCE ON REGULATION S.

IMPORTANT: You must read the following before continuing. The following applies to the offering document (the "**Offering Circular**") following this page, and you are therefore advised to read this carefully before reading, accessing or making any other use of the Offering Circular. In accessing the Offering Circular, you agree to be bound by the following terms and conditions, including any modifications to them any time you receive any information from us as a result of such access.

NOTHING IN THIS ELECTRONIC TRANSMISSION CONSTITUTES AN OFFER OF SECURITIES FOR SALE IN ANY JURISDICTION WHERE IT IS UNLAWFUL TO DO SO. THE SECURITIES DESCRIBED HEREIN HAVE NOT BEEN, AND WILL NOT, BE REGISTERED UNDER THE SECURITIES ACT, OR THE SECURITIES LAWS OF ANY STATE OF THE U.S. OR OTHER JURISDICTION, AND THE CO-ISSUERS REFERRED TO HEREIN WILL NOT BE REGISTERED UNDER THE INVESTMENT COMPANY ACT. THE SECURITIES DESCRIBED HEREIN MAY NOT BE OFFERED OR SOLD WITHIN THE U.S. OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, U.S. PERSONS, EXCEPT PURSUANT TO AN EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND APPLICABLE STATE OR LOCAL SECURITIES LAWS.

THE FOLLOWING OFFERING CIRCULAR MAY NOT BE FORWARDED OR DISTRIBUTED TO ANY OTHER PERSON AND MAY NOT BE REPRODUCED IN ANY MANNER WHATSOEVER. ANY FORWARDING, DISTRIBUTION OR REPRODUCTION OF THIS DOCUMENT IN WHOLE OR IN PART IS UNAUTHORIZED. FAILURE TO COMPLY WITH THIS DIRECTIVE MAY RESULT IN A VIOLATION OF THE SECURITIES ACT OR THE APPLICABLE LAWS OF OTHER JURISDICTIONS.

The Offering Circular and the offering contemplated thereby when made are only addressed to and directed (i) at persons in member states of the European Economic Area ("EEA") who are "qualified investors" within the meaning of Article 2(1)(e) of the Prospectus Directive (Directive 2003/71/EC) (the "Prospectus Directive") ("Qualified Investors") and (ii) in the United Kingdom ("UK"), at Qualified Investors (a) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "Order") and Qualified Investors falling within Article 49 of the Order, and (b) to whom it may otherwise lawfully be communicated (all such persons together being referred to as "relevant persons"). The Offering Circular must not be acted on or relied on (i) in the UK, by persons who are not relevant persons or (ii) in any member state of the EEA other than the UK, by persons who are not Qualified Investors. Any investment or investment activity to which the Offering Circular relates is available only to (i) in the UK, relevant persons, and (ii) in any member state of the EEA other than the UK, Qualified Investors.

Confirmation of your Representation: To be eligible to view the Offering Circular or make an investment decision with respect to the securities described herein, investors must be Eligible Investors (as defined above). The Offering Circular is being sent at your request and by accepting this e-mail and accessing the Offering Circular, you shall be deemed to have represented to us that you and any customers you represent are either (1) (I)(A) Qualified Institutional Buyers, (B) solely in the case of Offered Securities that are issued in the form of Certificated Secured Notes or Certificated Subordinated Notes, IAIs or (C) solely in the case of Offered Securities that are issued in the form of Certificated Subordinated Notes, other AIs that are also Knowledgeable Employees with respect to the Issuer and (II) (A) Qualified Purchasers, (B) solely in the case of the Subordinated Notes, Knowledgeable Employees with respect to the Issuer or (C) entities owned exclusively by Qualified Purchasers or (solely in the case of the Subordinated Notes) by Knowledgeable Employees with respect to the Issuer or (2) non-U.S. persons that are outside the United States and the electronic mail address that you gave us and to which this e-mail has been delivered is not located in the United States. By accepting this e-mail and accessing the Offering Circular, you consent to delivery of the Offering Circular by electronic transmission.

NOTWITHSTANDING ANYTHING HEREIN TO THE CONTRARY, EFFECTIVE FROM THE DATE OF COMMENCEMENT OF DISCUSSIONS, RECIPIENTS, AND EACH EMPLOYEE, REPRESENTATIVE OR OTHER AGENT OF THE RECIPIENTS, MAY DISCLOSE TO ANY AND ALL PERSONS, WITHOUT LIMITATION OF ANY KIND, THE U.S. TAX TREATMENT AND TAX STRUCTURE OF THE OFFERING AND ALL MATERIALS OF ANY KIND, INCLUDING OPINIONS OR OTHER TAX ANALYSES, THAT ARE PROVIDED TO THE RECIPIENTS RELATING TO SUCH TAX TREATMENT AND TAX STRUCTURE.

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

The materials relating to the offering do not constitute, and may not be used in connection with, an offer or solicitation in any place where offers or solicitations are not permitted by law. If a jurisdiction requires that the offering be made by or through a licensed broker or dealer and J.P. Morgan Securities LLC ("**JPMorgan**") or any affiliate thereof is a licensed broker or dealer in such jurisdiction, the offering shall be deemed to be made by or through JPMorgan or such affiliate on behalf of the Co-Issuers in such jurisdiction. The Offering Circular has been sent to you in an electronic form. You are reminded that documents transmitted via this medium may be altered or changed during the process of electronic transmission and consequently neither JPMorgan nor any person who controls JPMorgan nor any director, officer, employee nor agent of it or affiliate of any such person accepts any liability or responsibility whatsoever in respect of any difference between the Offering Circular distributed to you in electronic format and the hard copy version available to you on request from JPMorgan.

MARATHON CLO VII LTD.
MARATHON CLO VII LLC

U.S.$272,650,000 Class A-1 Senior Secured Floating Rate Notes due 2025
U.S.$54,950,000 Class A-2 Senior Secured Floating Rate Notes due 2025
U.S.$36,400,000 Class B Senior Secured Deferrable Floating Rate Notes due 2025
U.S.$28,600,000 Class C Senior Secured Deferrable Floating Rate Notes due 2025
U.S.$18,650,000 Class D Secured Deferrable Floating Rate Notes due 2025
U.S.$49,500,000 Subordinated Notes due 2025

The Issuer's investment portfolio consists primarily of bank loans and Participation Interests. The portfolio will be managed by Marathon Asset Management, L.P.

See "Risk factors" beginning on page 31 for a discussion of certain risks that you should consider in connection with an investment in the Offered Securities.

No Offered Securities will be issued unless upon issuance (i) the Class A-1 Notes are rated "Aaa (sf)" by Moody's and "AAA (sf)" by S&P, (ii) the Class A-2 Notes are rated at least "AA (sf)" by S&P, (iii) the Class B Notes are rated at least "A (sf)" by S&P, (iv) the Class C Notes are rated at least "BBB- (sf)" by S&P and (v) the Class D Notes are rated at least "BB- (sf)" by S&P. The Subordinated Notes will not be rated. See "Ratings of the Secured Notes" beginning on page 103.

This Offering Circular has been approved by the Central Bank of Ireland ("Central Bank"), as competent authority under Directive 2003/71/EC (the "Prospectus Directive"). The Central Bank only approves this Offering Circular as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the Offered Securities which are to be admitted to trading on a regulated market for purposes of Directive 2004/39/EC or which are to be offered to the public in any Member State of the European Economic Area. For purposes of the Prospectus Directive, Offering Circular shall be read to mean a "Prospectus." Application has been made to the Irish Stock Exchange for the Offered Securities to be admitted to the Official List and trading on its regulated market. There can be no assurance that such listing will be maintained.

The Offered Securities have not been registered under the Securities Act, and neither of the Co-Issuers has been registered under the Investment Company Act. The Offered 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 both (A) (i) Qualified Institutional Buyers, (ii) solely in the case of Offered Securities issued as Certificated Secured Notes or Certificated Subordinated Notes, Institutional Accredited Investors or (iii) solely in the case of Offered Securities issued as Certificated Subordinated Notes, other Accredited Investors that are Knowledgeable Employees with respect to the Issuer and (B) (i) Qualified Purchasers, (ii) solely in the case of the Subordinated Notes, Knowledgeable Employees with respect to the Issuer or (iii) entities owned exclusively by Qualified Purchasers or (solely in the case of the Subordinated Notes) by Knowledgeable Employees with respect to the Issuer. For a description of certain restrictions on transfer, see "Transfer restrictions" beginning on page 169.

The Offered Securities will be offered from time to time by the Issuer for sale to investors in negotiated transactions at varying prices to be determined in each case at the time of sale. The Offered 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 (or, in the case of Certificated Secured Notes and Certificated Subordinated Notes, physical form), on or about the Closing Date. JPMorgan will act as placement agent for the Offered Securities on behalf of the Co-Issuers or the Issuer, as applicable, except that any Offered Securities sold to the Collateral Manager or any of its Affiliates, employees or clients or certain other investors will be sold directly by the Issuer in privately negotiated transactions and JPMorgan will not act as placement agent with respect to such sales.

JPMorgan

December 2, 2014

Important information regarding this Offering Circular and the Offered Securities

In making your investment decision, you should only rely on the information contained in this Offering Circular and the Transaction Documents. No Person has been authorized to give you any information or to make any representation other than those contained in this Offering Circular and the Transaction Documents. If you receive any other information, you should not rely on it.

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

The Offered Securities are being offered and sold only in places where offers and sales are permitted.

The Co-Issuers and JPMorgan reserve 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 Offered Securities sought by you or to sell less than the stated initial principal amount of any Class of Offered Securities.

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

The Offered Securities are subject to restrictions on resale and transfer as described under "Description of the Offered Securities," "Plan of distribution" and "Transfer restrictions." By purchasing any Offered Securities, you will be deemed to have made certain acknowledgments, representations and agreements as described in "Transfer restrictions." You may be required to bear the financial risks of investing in the Offered Securities for an indefinite period of time.

Unless the context otherwise requires or as otherwise indicated, in this Offering Circular, "JPMorgan" means J.P. Morgan Securities LLC in its capacity as placement agent for the Notes.

The information contained in this Offering Circular has been provided by the Co-Issuers and other sources identified herein. The Co-Issuers accept responsibility for the information contained in this Offering Circular. To the best of the knowledge and belief of the Co-Issuers, the information contained in this Offering Circular is in accordance with the facts and does not omit anything likely to affect the import of such information.

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 (THE "**RSA**") 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.

This Offering Circular is being provided only to prospective purchasers of the Offered Securities. You should read this Offering Circular and the Transaction Documents before making a decision whether to purchase any Offered Securities. Except as otherwise authorized above, you must not:

- use this Offering Circular for any other purpose;
- make copies of any part of this Offering Circular or give a copy of it to any other Person; or
- disclose any information in this Offering Circular 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 United States "tax treatment" and "tax structure" (in each case, within the meaning of U.S. Treasury Regulation Section 1.6011-4 and applicable U.S. state and local law) of the transactions described in this Offering Circular 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).

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 Offered Securities. By purchasing any Offered Securities, you will be deemed to have acknowledged that:

- you have reviewed this Offering Circular;
- you have had an opportunity to request any additional information that you need from the Issuer; and
- none of JPMorgan nor the Collateral Manager (except in the case of clause (ii) below with respect to the information contained under the headings "Risk factors—Relating to Certain Conflicts of Interest—Past performance of Collateral Manager not indicative," "Risk factors—Relating to Certain Conflicts of Interest—The Issuer will depend on the managerial expertise available to the Collateral Manager and its key personnel," "Risk factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving the Collateral Manager and its affiliates" and "The Collateral Manager"), the Trustee or the Collateral Administrator is responsible for, or is making any representation to you concerning, (i) the future performance of the Issuer or (ii) the accuracy or completeness of this Offering Circular.

The Bank of New York Mellon Trust Company, National Association, in each of its capacities including but not limited to Trustee, Calculation Agent, Paying Agent and Collateral Administrator, has not participated in the preparation of this Offering Circular and does not assume responsibility for its contents.

None of the Co-Issuers, JPMorgan, the Collateral Manager nor any other party to the transactions contemplated by this Offering Circular is providing you with any legal, business, tax or other advice in this Offering Circular. 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 Offered Securities.

JPMorgan, Marathon, each of their affiliates, and third parties that provide information to Marathon and the Rating Agencies, do not guarantee the accuracy, completeness, timeliness or

availability of any information, including ratings, and are not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or the results obtained from the use of such content. JPMorgan, Marathon, each of their affiliates and third party content providers give no express or implied warranties, including, but not limited to, any warranties of merchantability or fitness for a particular purpose or use, and they expressly disclaim any responsibility or liability for direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs expenses, legal fees or losses (including lost income or profits and opportunity costs) in connection with the use of the information herein. Credit ratings are statements of opinions and not statements of facts or recommendations to purchase, hold or sell securities. They do not address the suitability of securities for investment purposes and should not be relied on as investment advice. None of JPMorgan, Marathon or any of their respective affiliates have any responsibility to update any of the information provided in this overview document. The Trustee has not participated in the preparation of this Offering Circular and assumes no responsibility for its contents.

THE OFFERED SECURITIES ARE BEING OFFERED IN RELIANCE ON EXEMPTIONS FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT. THESE EXEMPTIONS APPLY TO OFFERS AND SALES OF SECURITIES THAT DO NOT INVOLVE A PUBLIC OFFERING. THE OFFERED SECURITIES HAVE NOT BEEN APPROVED OR DISAPPROVED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION OR ANY STATE SECURITIES COMMISSION OR OTHER REGULATORY AUTHORITY, AND NONE OF THE FOREGOING AUTHORITIES HAS CONFIRMED THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFERING CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

APPLICATION HAS BEEN MADE TO LIST THE OFFERED SECURITIES ON THE IRISH STOCK EXCHANGE. HOWEVER, THERE CAN BE NO ASSURANCES THAT SUCH LISTING WILL BE MAINTAINED.

You must comply with all laws that apply to you in any place where you buy, offer or sell any Offered Securities or possess this Offering Circular. You must also obtain any consents or approvals that you need in order to purchase any Offered Securities. None of the Co-Issuers, JPMorgan, the Collateral Manager, the Trustee, the Collateral Administrator nor any other party to the transactions contemplated by this Offering Circular is responsible for your compliance with these legal requirements.

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

IMPORTANT INFORMATION REGARDING OFFERS AND SALES OF THE OFFERED SECURITIES

The securities referred to in this Offering Circular, and the assets backing them, are subject to modification or revision and are offered on a "when, as and if issued" basis. You understand that, when you are considering the purchase of the securities, a binding contract of sale will not exist prior to the time that the relevant class has been priced and JPMorgan has confirmed the allocation of such securities to be made to you; prior to that time any "indications of interest" expressed by you, and any "soft circles" generated by JPMorgan will not create binding contractual obligations for you or JPMorgan and may be withdrawn at any time.

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 Circular. JPMorgan's obligation to sell or place such

securities to you is conditioned on the securities having the characteristics described in this Offering Circular. If JPMorgan determines that condition is not satisfied in any material respect, you will be notified, and none of the Issuer, the Co-Issuer or JPMorgan 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 Issuer, the Co-Issuer, their affiliates, JPMorgan and you as a consequence of the non-delivery.

The information contained herein 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.

No invitation, whether directly or indirectly, may be made to the public in the Cayman Islands to subscribe for the Offered Securities and no such invitation is made hereby.

THIS OFFERING CIRCULAR DOES NOT CONSTITUTE AN OFFER TO SELL, OR A SOLICITATION OF AN OFFER TO BUY, (I) ANY SECURITIES OTHER THAN THE OFFERED SECURITIES OR (II) ANY OFFERED SECURITIES IN ANY JURISDICTION IN WHICH IT IS UNLAWFUL FOR SUCH PERSON TO MAKE SUCH AN OFFER OR SOLICITATION. THE DISTRIBUTION OF THIS OFFERING CIRCULAR AND THE OFFER OR SALE OF THE NOTES MAY BE RESTRICTED BY LAW IN CERTAIN JURISDICTIONS. PERSONS INTO WHOSE POSSESSION THIS OFFERING CIRCULAR OR ANY OF THE NOTES COME ARE REQUIRED BY THE CO-ISSUERS AND THE PLACEMENT AGENT TO INFORM THEMSELVES ABOUT, AND OBSERVE, ANY SUCH RESTRICTIONS.

NOTICE TO FLORIDA RESIDENTS

The Offered Securities are offered pursuant to a claim of exemption under section 517.061 of the Florida securities act and have not been registered under said act in the state of Florida. All Florida residents who are not institutional investors described in section 517.061(7) of the Florida securities act have the right to void their purchase of the Offered Securities, without penalty, within three days after the first tender of consideration.

NOTICE TO GEORGIA RESIDENTS

The Offered Securities will be issued or sold in reliance on paragraph (13) of code section 10-5-9 of the Georgia Securities Act of 1973, and may not be sold or transferred except in a transaction which is exempt under such act or pursuant to an effective registration under such act.

NOTICE TO HONG KONG RESIDENTS

The Offered Securities have not been authorized by the Hong Kong Securities and Futures Commission, and have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong ("*Securities and Futures Ordinance*") and any rules made under that Ordinance; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong or which do not constitute an offer to the public within the meaning of that Ordinance. No advertisement, invitation or document relating to the Offered Securities, whether in Hong Kong or elsewhere, has been or will be issued, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Offered Securities which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the Securities and Futures Ordinance and any rules made under that Ordinance.

NOTICE TO KOREAN RESIDENTS

The Offered Securities may not be offered, sold and delivered directly or indirectly, or offered or sold to any person for re-offering or resale directly or indirectly, in Korea or to any resident of Korea ("*Korean Residents*") except pursuant to the applicable laws and regulations of South Korea, including the Financial Investment Services and Capital Markets Act ("*FSCMA*"), the Foreign Exchange Transaction Law ("*FETL*") and their subordinate decrees and regulations thereunder. The Offered Securities may not be re-sold to Korean Residents unless the purchaser of the Offered Securities complies with all applicable regulatory requirements for such purchase of Offered Securities (including but not limited to government approval or reporting requirements under the FETL and its subordinate decrees and regulations). The Offered Securities have not been offered or sold by way of public offering under the FSCMA, nor registered with the Financial Services Commission of Korea for public offering. None of the Offered Securities have been or will be listed on the Korea Exchange. In the case of a transfer of the Offered Securities to any person in Korea during a period ending one year from the issuance date, a holder of the Offered Securities may transfer the Offered Securities only by transferring its entire holdings of Offered Securities to only "accredited investors" in Korea as referred to in Article 11(1) of the Enforcement Decree of the FSCMA.

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

NOTICE TO SINGAPORE RESIDENTS

This Offering Circular has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, this Offering Circular and any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Offered Securities may not be circulated or distributed, nor may the Offered Securities be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore other than (i) to an institutional investor under Section 274 of the Securities and Futures Act, Chapter 289 of Singapore (the "*SFA*"), (ii) to a relevant person pursuant to Section 275(1) or any person pursuant to Section 275(1A), and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Offered Securities are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

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

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor, securities (as defined in Section 239(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Offered Securities pursuant to an offer made under Section 275 of the SFA except:

(1) to an institutional investor or to a relevant person defined in Section 275(2) of the SFA, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(I)(B) of the SFA;

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

(3) where the transfer is by operation of law;

(4) as specified in Section 276(7) of the SFA; or

(5) as specified in Regulation 32 of the Securities and Futures (Offers of Investments) (Shares and Debentures) Regulations 2005 of Singapore.

NOTICE TO TAIWANESE RESIDENTS

No person or entity in Taiwan is authorized to distribute or otherwise intermediate the offering of the Offered Securities or the provision of information relating to the Offered Securities, including, but not limited to, this Offering Circular. The Offered Securities may not be sold, offered or issued to Taiwan resident investors unless they are made available outside Taiwan for purchase by such investors outside Taiwan. Any subscriptions of Offered Securities shall only become effective upon acceptance by the Issuer or the relevant dealer outside Taiwan and shall be deemed a contract entered into in the jurisdiction of incorporation of the Issuer or relevant dealer, as the case may be, unless otherwise specified in the subscription documents relating to the Offered Securities signed by the investors.

FORWARD-LOOKING STATEMENTS

This Offering Circular 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. Other information contained herein, including any estimated, targeted or assumed information, may also be deemed to be, or to contain, forward-looking statements. Prospective investors 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 it can be expected that some or all of the assumptions underlying any forward-looking statements will not materialize or will vary significantly from actual results. Variations of assumptions and results may be material.

Without limiting the generality of the foregoing, the inclusion of forward-looking statements herein should not be regarded as a representation by any of the Co-Issuers, the Collateral Manager, JPMorgan, the Trustee, the Collateral Administrator or any of their respective affiliates or any other person of the results that will actually be achieved by the Co-Issuers or the Offered Securities. None of the foregoing persons has any obligation to update or otherwise revise any forward-looking statements, including any revision to reflect changes in any circumstances arising after the date hereof relating to any assumptions or otherwise.

CERTAIN DEFINITIONS AND RELATED MATTERS

Unless otherwise indicated, (i) references in this Offering Circular to "**U.S. Dollars**," "**Dollars**" and "**U.S.$**" will be to United States dollars and (ii) references to "**U.S.**" and "**United States**" will be to the United States of America, its territories and its possessions.

SUMMARIES OF DOCUMENTS

This Offering Circular summarizes certain provisions of the Offered 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 Circular) 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 Circular for purposes of the approval of this Offering Circular as a prospectus under the Prospectus Directive and for purposes of the admission of the Offered Securities to trading on the regulated market of the Irish Stock Exchange.

AVAILABLE INFORMATION

To permit compliance with Rule 144A in connection with the sale of the Offered Securities, the Issuer (and, solely in the case of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes, the Co-Issuer) under the Indenture referred to under "Description of the Offered Securities" will be required to furnish upon written request of a holder of an Offered Security 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 Section 15(d) of the Exchange Act, or exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act. Neither of the Co-Issuers expects to become such a reporting company or to become exempt from reporting. Such information may be obtained directly from the Issuer.

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Overview of terms

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

Principal terms of the Offered Securities

Designation	Class A-1 Notes	Class A-2 Notes	Class B Notes	Class C Notes	Class D Notes	Subordinated Notes
Type	Senior Secured Floating Rate	Senior Secured Floating Rate	Senior Secured Deferrable Floating Rate	Senior Secured Deferrable Floating Rate	Secured Deferrable Floating Rate	Subordinated
Issuer(s)	Co-Issuers	Co-Issuers	Co-Issuers	Co-Issuers	Issuer	Issuer
Initial Principal Amount (U.S.$)	$272,650,000	$54,950,000	$36,400,000	$28,600,000	$18,650,000	$49,500,000
Expected Moody's Initial Rating	"Aaa (sf)"	N/A	N/A	N/A	N/A	N/A
Expected S&P Initial Rating	"AAA (sf)"	"AA (sf)"	"A (sf)"	"BBB- (sf)"	"BB- (sf)"	N/A
Interest Rate	LIBOR[1] + 1.50%	LIBOR[1] + 2.65%[2]	LIBOR[1] + 3.50%[2]	LIBOR[1] + 3.80%[2]	LIBOR[1] + 5.40%[2]	N/A
Interest Deferrable	No	No	Yes	Yes	Yes	N/A
Stated Maturity (Payment Date in)	October 2025	October 2025	October 2025	October 2025	October 2025	October 2025
Minimum Denominations (U.S.$) (Integral Multiples)	$250,000 ($1.00)	$250,000 ($1.00)	$250,000 ($1.00)	$250,000 ($1.00)	$250,000 ($1.00)	$200,000 ($1.00)
Priority Classes	None	A-1	A-1, A-2	A-1, A-2, B	A-1, A-2, B, C	A-1, A-2, B, C, D
Pari Passu Classes	None	None	None	None	None	None
Junior Classes	A-2, B, C, D, Subordinated Notes	B, C, D, Subordinated Notes	C, D, Subordinated Notes	D, Subordinated Notes	Subordinated Notes	None

[1] LIBOR shall be calculated by reference to three-month LIBOR; *provided* that LIBOR for the first Interest Accrual Period will be calculated in accordance with the calculation in the definition of "LIBOR."

[2] The Interest Rate for each Class of Secured Notes (other than the Class A-1 Notes) is subject to change as described under "Description of the Offered Securities—Optional Re-Pricing."

Issuer:	Marathon CLO VII Ltd., an exempted company incorporated with limited liability under the laws of the Cayman Islands.
Co-Issuer:	Marathon CLO VII LLC, a Delaware limited liability company.
Collateral Manager:	Marathon Asset Management, L.P., a Delaware limited partnership ("*Marathon*").
Trustee:	The Bank of New York Mellon Trust Company, National Association, as trustee.
Collateral Administrator:	The Bank of New York Mellon Trust Company, National Association, as collateral administrator.
Placement Agent:	J.P. Morgan Securities LLC.
Administrator:	Intertrust SPV (Cayman) Limited.
Eligible Purchasers:	The Offered 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 both (A) (i) Qualified Institutional Buyers, (ii) solely in the case of Offered Securities issued as Certificated Secured Notes or Certificated Subordinated Notes, Institutional Accredited Investors or (iii) solely in the case of Offered Securities issued as Certificated Subordinated Notes, other Accredited Investors that are Knowledgeable Employees with respect to the Issuer and (B) (i) Qualified Purchasers, (ii) solely in the case of the Subordinated Notes, Knowledgeable Employees with respect to the Issuer or (iii) entities owned exclusively by Qualified Purchasers or (solely in the case of the Subordinated Notes) by Knowledgeable Employees with respect to the Issuer. See "Description of the Offered Securities—Form, Denomination and Registration of the Offered Securities" and "Transfer restrictions."
Payments on the Notes:	
Payment Dates	The 28th day of January, April, July and October of each year (or, if such day is not a Business Day, then the next succeeding Business Day) commencing on the Payment Date in April 2015, except that the final Payment Date (subject to any earlier redemption or payment of the Notes) shall be the Stated Maturity (or if such day is not a Business Day, the next succeeding Business Day).
Stated Note Interest	Interest on the Secured Notes is payable quarterly in arrears on each Payment Date in accordance with the Priority of Payments described herein.

Deferral of Interest.....	So long as any more senior Class of Secured Notes is Outstanding, to the extent interest is not paid on the Class B Notes, the Class C Notes or the Class D Notes (the "*Deferrable Notes*") on any Payment Date, such amounts will be deferred and added to the principal balance of the applicable Class of Secured Notes and will bear interest at the Interest Rate applicable to such Secured Notes, and the failure to pay such amounts prior to the maturity of the Notes will not be an Event of Default under the Indenture. See "Description of the Offered Securities—Interest."
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. Such payments will be made on the Subordinated Notes only pursuant to the Priority of Payments. See "—Priority of Payments" and "Description of the Offered Securities—The Subordinated Notes—Distributions on the Subordinated Notes."
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 2018, (ii) the occurrence and continuation of an Enforcement Event and (iii) the Special Redemption Date relating to the occurrence of a Reinvestment Special Redemption; *provided* that in the case of clause (iii), the Collateral Manager notifies the Issuer, the Trustee (who shall notify the holders of Notes) and the Collateral Administrator thereof in writing at least five Business Days prior to such date.
Optional Redemption:	
Non-Call Period.....	During the period from the Closing Date to but excluding the Payment Date in October 2016 (such period, the "*Non-Call Period*"), the Secured Notes and the Subordinated Notes are not subject to Optional Redemption but are subject to Special Redemption and Tax Redemption. See "Description of the Offered Securities—Optional Redemption."
Redemption After Non-Call Period	If directed in writing by a Majority of the Subordinated Notes, the Co-Issuers or the Issuer, as applicable, will redeem the Secured Notes (i) in whole (with respect to all Classes of Secured Notes) but not in part on any Payment Date after the end of the Non-Call Period from Sale Proceeds and/or Refinancing Proceeds or (ii) in part by Class from Refinancing Proceeds on any Payment Date after the end of the Non-Call Period as long as the Class of Secured Notes to be redeemed represents not less than the entire Class of such Secured Notes.

Upon any redemption of the Secured Notes, the Collateral Manager shall in its sole discretion direct the sale (and the manner thereof) of Assets to the extent necessary to make payments as described under "Description of the Offered Securities—Optional Redemption."

The Issuer may redeem the Subordinated Notes, in whole but not in part, on any Business Day on or after the Optional Redemption or repayment of the Secured Notes in full, at the direction of a Majority of the Subordinated Notes.

There are certain other restrictions on the ability of the Co-Issuers to effect an Optional Redemption. See "Description of the Offered Securities—Optional Redemption."

Redemption by Refinancing ..... In addition to (or in lieu of) a sale of Collateral Obligations and/or Eligible Investments in the manner provided above, the Co-Issuers or the Issuer, as applicable, may redeem the Secured Notes in whole from Refinancing Proceeds and/or Sale Proceeds or in part by Class from Refinancing Proceeds by obtaining a loan or an issuance of replacement securities, whose terms in each case will be negotiated by the Collateral Manager on behalf of the Issuer, from one or more financial institutions or purchasers described herein. Prior to effecting any Refinancing, the Issuer shall satisfy certain conditions. See "Description of the Offered Securities—Optional Redemption."

Additional Issuance..... At any time during the Reinvestment Period (or, in the case of an issuance of Subordinated Notes only, after the Reinvestment Period), the Co-Issuers or the Issuer, as applicable, may issue and sell additional Notes of any one or more Classes and/or additional notes of one or more new classes that are subordinated to the existing Secured Notes and use the net proceeds to purchase additional Collateral Obligations or for other purposes permitted under the Indenture (including, with respect to the issuance of Subordinated Notes after the Reinvestment Period, to apply the proceeds of such issuance as Principal Proceeds) if the conditions for such additional issuance described under "Description of the Offered Securities—The Indenture—Modification of Indenture" and "Description of the Offered Securities—The Indenture—Additional issuance" are met.

Tax Redemption..... The Notes 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 Secured 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 Prices..... The Redemption Price of each Secured Note to be redeemed will be (a) 100% of the Aggregate Outstanding Amount of such Secured Note *plus* (b) accrued and unpaid interest thereon (including, in the case of a Deferrable Note, interest on any accrued and unpaid Deferred Interest with respect to such Deferrable Note) to the Redemption Date (in each case exclusive of accrued and unpaid interest and any other amounts, the payment of which shall have been duly provided for as provided in the Indenture); *provided* that, in connection with any Tax Redemption, holders of 100% of the Aggregate Outstanding Amount of any Class of Secured Notes by notifying the Trustee in writing prior to the Redemption Date may elect to receive less than 100% of the Redemption Price that would otherwise be payable to the holders of such Class of Secured Notes.

The Redemption Price for each Subordinated Note will be its proportional share (based on the outstanding principal amount of Subordinated Notes) of the amount of the proceeds of the Assets remaining after giving effect to the Optional Redemption or Tax Redemption, as applicable, of the Secured Notes in whole or after all of the Secured Notes have been repaid in full and all expenses of the Co-Issuers have been paid in full and/or a reserve for such expenses (including all Collateral Management Fees and Administrative Expenses) has been created.

Re-Pricing: On any Payment Date after the Non-Call Period, at the direction of a Majority of the Subordinated Notes, the Issuer (or the Collateral Manager on its behalf) shall be entitled to reduce the interest rate applicable to any Class of Secured Notes (other than the Class A-1 Notes), in each case if the conditions for such Re-Pricing described under "Description of the Offered Securities—Optional Re-Pricing" are satisfied.

Special Redemption:

Redemption during the Reinvestment Period..... The Secured Notes will be subject to redemption in part by the Co-Issuers or the Issuer, as applicable, in accordance with the priorities described in "—Priority of Payments—Application of Principal Proceeds" on any Payment Date occurring during the Reinvestment Period if the Collateral Manager in its sole discretion

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 in its sole discretion and which would meet the criteria for reinvestment described under "Security for the Secured 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. Upon the occurrence of a Reinvestment Special Redemption, the Reinvestment Period shall terminate. See "Description of the Offered Securities—Special Redemption."

The amount payable in connection with such a Reinvestment Special Redemption subject to such Reinvestment Special Redemption will be equal to the amount in the Collection Account representing Principal Proceeds which the Collateral Manager has determined cannot be reinvested in additional Collateral Obligations, which is payable to such Class in accordance with the Note Payment Sequence. See "—Priority of Payments" and "Description of the Offered Securities—Special Redemption."

Redemption after the Effective Date..... After the Effective Date, the Co-Issuers or the Issuer, as applicable, may redeem the Secured Notes in part if the Collateral Manager notifies the Trustee that a redemption is required in order to obtain from each Rating Agency its written confirmation of its initial ratings of the Secured Notes (provided such confirmation from Moody's shall only be required if any Class A-1 Notes are then Outstanding). See "Description of the Offered Securities—Special Redemption."

The Co-Issuers must satisfy certain other conditions to effect a Special Redemption. See "Description of the Offered Securities—Special Redemption."

The amount payable in connection with such an Effective Date Special Redemption in respect of each Class of Secured Notes subject to such Effective Date Special Redemption will be equal to the amount in the Collection Account representing Interest Proceeds and Principal Proceeds available in accordance with the Priority of Payments on each Payment Date until the Issuer obtains confirmation from each of the Rating Agencies of the initial ratings of the Secured Notes (provided such confirmation from Moody's shall only be required if any Class A-1 Notes are then

Outstanding). See "—Priority of Payments" and "Description of the Offered Securities—Special Redemption."

Priority of Payments:

Application of Interest Proceeds ..... On each Payment Date, unless (x) such Payment Date is the Stated Maturity or (y) an Enforcement Event has occurred and is continuing, Interest Proceeds on deposit in the Collection Account, to the extent received on or before the related Determination Date (or if such Determination Date is not a Business Day, the next succeeding Business Day) and that are transferred into the Payment Account as described under "Security for the Secured Notes—The Collection Account and Payment Account", shall be applied in the following order of priority:

(A) to the payment of (1) *first*, taxes and governmental fees owing by the Issuer or the Co-Issuer, if any, and (2) *second*, the accrued and unpaid Administrative Expenses, in the priority stated in the definition thereof, up to the Administrative Expense Cap;

(B) (1) *first*, to the payment of (a) any accrued and unpaid Senior Collateral Management Fee due and payable to the Collateral Manager on such Payment Date minus (b) the amount of any Current Deferred Senior Collateral Management Fee, if any, on such Payment Date, (2) *second*, at the election of the Collateral Manager, to the applicable account as Interest Proceeds or Principal Proceeds in an amount not to exceed the Current Deferred Senior Collateral Management Fee and (3) *third*, to the payment to the Collateral Manager of any Cumulative Deferred Senior Collateral Management Fee, at the election of the Collateral Manager, but, in the case of this clause (B)(3), only to the extent that such payment does not cause the non-payment or deferral of interest on any Class of Secured Notes;

(C) to the payment of (1) *first*, any amounts due to a Hedge Counterparty under a Hedge Agreement other than amounts due as a result of the termination (or partial early termination) of such Hedge Agreement and (2) *second*, any amounts due to a Hedge Counterparty pursuant to an early termination (or partial early termination) of

such Hedge Agreement as a result of a Priority Termination Event;

(D) to the payment of accrued and unpaid interest on the Class A-1 Notes (including, without limitation, past due interest, if any);

(E) to the payment of accrued and unpaid interest on the Class A-2 Notes (including, without limitation, past due interest, if any);

(F) if either of the Class A Coverage Tests (except, in the case of the Interest Coverage Test, if such Payment Date is the first Payment Date after the Closing Date) 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) if either of the Class B Coverage Tests (except, in the case of the Interest Coverage Test, if such Payment Date is the first Payment Date after the Closing Date) 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 (H);

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

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

(K) if either of the Class C Coverage Tests (except, in the case of the Interest Coverage Test, if such Payment Date is the first Payment Date after the Closing Date) 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 (K);

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

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

(N) if either of the Class D Coverage Tests (except, in the case of the Interest Coverage Test, if such Payment Date is the first Payment Date after the Closing Date) 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 (N);

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

(P) if, with respect to any Payment Date following the Effective Date, either (x) Moody's has not yet confirmed its initial rating of the Class A-1 Notes described in "Use of Proceeds—Effective Date" (unless the Effective Date Moody's Condition has been satisfied) or (y) S&P has not yet confirmed satisfaction of the S&P Rating Condition as described in "Use of Proceeds— Effective Date", to make payments in accordance with the Note Payment Sequence on such Payment Date in an amount sufficient to satisfy the Moody's Rating Condition and/or the S&P Rating Condition, as applicable;

(Q) (1) *first*, to the payment of (a) any accrued and unpaid Subordinated Collateral Management Fee due and payable to the Collateral Manager on such Payment Date (including interest) minus (b) the amount of any Current Deferred Subordinated Collateral Management Fee, if any, on such Payment Date, (2) *second*, at the election of the

Collateral Manager, to the applicable account as Interest Proceeds or Principal Proceeds in an amount not to exceed the Current Deferred Subordinated Collateral Management Fee and (3) *third*, to the payment to the Collateral Manager of any Cumulative Deferred Subordinated Collateral Management Fee, at the election of the Collateral Manager;

(R) during the Reinvestment Period, if the Reinvestment Overcollateralization Test is not satisfied on the related Determination Date, for deposit to the Collection Account as Principal Proceeds the lesser of (i) 50% of the remaining Interest Proceeds after application of Interest Proceeds pursuant to clauses (A) through (Q) above and (ii) the amount necessary to cause the Reinvestment Overcollateralization Test to be satisfied as of such Determination Date;

(S) to the payment of (1) *first*, (in the same manner and order of priority stated therein) of any Administrative Expenses not paid pursuant to clause (A)(2) above due to the limitation contained therein and (2) *second*, any amounts due to any Hedge Counterparty under any Hedge Agreement not otherwise paid pursuant to clause (C) above;

(T) at the direction of a Majority of the Subordinated Notes, to deposit in the Reserve Account in the amount (which amount may be all or a portion of any remaining Interest Proceeds) designated by such Holders for application to a Permitted Use designated by the Collateral Manager with the consent of a Majority of the Subordinated Notes;

(U) to the Holders of the Subordinated Notes until the Subordinated Notes have realized an Internal Rate of Return of 12.0%; and

(V) any remaining Interest Proceeds shall be paid as follows: (i) 20% of such remaining Interest Proceeds to the Collateral Manager as the Incentive Collateral Management Fee and (ii) 80% of such remaining Interest Proceeds to the Holders of the Subordinated Notes.

Application of Principal Proceeds..... On each Payment Date, unless (x) such Payment Date is the Stated Maturity or (y) an Enforcement Event has occurred and is continuing, Principal Proceeds on deposit in the Collection Account that are received on

or before the related Determination Date and that are transferred to the Payment Account as described under "Security for the Secured Notes—The Collection Account and Payment Account" (which will not include (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 (x) that have previously been reinvested in Collateral Obligations or (y) that the Collateral Manager intends to invest in Collateral Obligations with respect to which there is a committed purchase during the Interest Accrual Period related to such Payment Date that will settle during a subsequent Interest Accrual Period (including, without limitation, any succeeding Interest Accrual Period which occurs (in whole or in part) following the Reinvestment Period) or (iii) after the Reinvestment Period and subject to satisfaction of the conditions set forth in "Security for the Secured Notes—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria—Investment after the Reinvestment Period," Post-Reinvestment Principal Proceeds (x) that have previously been reinvested in Collateral Obligations or (y) that the Collateral Manager intends to invest in Collateral Obligations in accordance with "Security for the Secured Notes—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria—Investment after the Reinvestment Period") shall be applied in the following order of priority:

(A) to pay the amounts referred to in clauses (A) through (E) of "—Application of Interest Proceeds" (and 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 "—Application of Interest Proceeds" but only to the extent not paid in full thereunder and to the extent necessary to cause the Coverage Tests that are applicable on such Payment Date with respect to the Class A Notes 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 (H) of "—Application of Interest Proceeds" but only to the extent not paid in full thereunder and to the extent necessary to cause the Coverage Tests that are applicable on such

Payment Date with respect to the Class B Notes 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 (K) of "—Application of Interest Proceeds" but only to the extent not paid in full thereunder and to the extent necessary to cause the Coverage Tests that are applicable on such Payment Date with respect to the Class C Notes to be met as of the related Determination Date 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 (N) of "—Application of Interest Proceeds" but only to the extent not paid in full thereunder and to the extent necessary to cause the Coverage Tests that are applicable on such Payment Date with respect to the Class D Notes to be met as of the related Determination Date 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 "—Application of Interest Proceeds" to the extent not paid in full thereunder, only to the extent that such payment would not cause a Coverage Test failure on a pro forma basis;

(G) to pay the amounts referred to in clause (I) of "—Application of Interest Proceeds" to the extent not paid in full thereunder, only to the extent that such payment would not cause a Coverage Test failure on a pro forma basis;

(H) to pay the amounts referred to in clause (J) of "—Application of Interest Proceeds" to the extent not paid in full thereunder, only to the extent that such payment would not cause a Coverage Test failure on a pro forma basis;

(I) to pay the amounts referred to in clause (L) of "—Application of Interest Proceeds" to the extent not paid in full thereunder, only to the extent that such payment would not cause a Coverage Test failure on a pro forma basis;

(J) to pay the amounts referred to in clause (M) of "—Application of Interest Proceeds" to the extent not paid in full thereunder, only to the

extent that such payment would not cause a Coverage Test failure on a pro forma basis;

(K) to pay the amounts referred to in clause (O) of "—Application of Interest Proceeds" to the extent not paid in full thereunder, only to the extent that such payment would not cause a Coverage Test failure on a pro forma basis;

(L) with respect to any Payment Date following the Effective Date, if after the application of Interest Proceeds as provided in clause (P) under "—Application of Interest Proceeds" either (x) Moody's has not yet confirmed its initial rating of the Class A-1 Notes described in "Use of Proceeds—Effective Date" (unless the Effective Date Moody's Condition has been satisfied) or (y) S&P has not yet confirmed satisfaction of the S&P Rating Condition described in "Use of Proceeds—Effective Date", to make payments in accordance with the Note Payment Sequence on such Payment Date in an amount sufficient to satisfy the Moody's Rating Condition and/or the S&P Rating Condition, as applicable;

(M) (1) if such Payment Date is a Redemption Date (other than a Partial Redemption Date), to make payments in accordance with the Note Payment Sequence, and (2) on any other Payment Date, to make payments in the amount of the Special Redemption Amount, if any, at the election of the Collateral Manager, in accordance with the Note Payment Sequence;

(N) (1) during the Reinvestment Period, to the Collection Account as Principal Proceeds to invest in Eligible Investments (pending the purchase of additional Collateral Obligations) and/or to the purchase of additional Collateral Obligations and (2) after the Reinvestment Period, at the direction of the Collateral Manager, Post-Reinvestment Principal Proceeds received with respect to any Post-Reinvestment Collateral Obligation, to the Collection Account as Principal Proceeds to invest in Eligible Investments (pending the purchase of additional Collateral Obligations) and/or to the purchase of additional Collateral Obligations;

(O) after the Reinvestment Period, to make payments in accordance with the Note Payment Sequence;

(P) after the Reinvestment Period, to pay the amounts referred to in clause (Q) of "—Application of Interest Proceeds" only to the extent not already paid;

(Q) after the Reinvestment Period, to the payment of Administrative Expenses as referred to in clause (S) of "—Application of Interest Proceeds" only to the extent not already paid (in the same manner and order of priority stated therein);

(R) after the Reinvestment Period, to the payment of any amounts due to any Hedge Counterparty under any Hedge Agreement referred to in clause (S) of "—Application of Interest Proceeds" only to the extent not already paid;

(S) to the Holders of the Subordinated Notes until the Subordinated Notes have realized an Internal Rate of Return of 12.0%; and

(T) any remaining Principal Proceeds shall be paid as follows: (i) 20% of such remaining Principal Proceeds to the Collateral Manager as the Incentive Collateral Management Fee and (ii) 80% of such remaining Principal Proceeds to the Holders of the Subordinated Notes.

Special Priority of Payments..... Notwithstanding the provisions of "—Application of Interest Proceeds" and "—Application of Principal Proceeds", (x) if acceleration of the maturity of the Secured Notes has occurred following an Event of Default and such acceleration has not been rescinded or annulled (an "*Enforcement Event*"), on each Payment Date and (y) on the Stated Maturity, all Interest Proceeds and Principal Proceeds will be applied in the following order of priority (the "*Special Priority of Payments*"):

(A) to the payment of (1) *first*, taxes and governmental fees owing by the Issuer or the Co-Issuer, if any, and (2) *second*, the accrued and unpaid Administrative Expenses, in the priority stated in the definition thereof, up to the Administrative Expense Cap; *provided* that the Administrative Expense Cap shall not apply to amounts payable (including indemnities) to the Trustee or to The Bank of New York Mellon Trust Company, National Association in each of its capacities under the

Transaction Documents following commencement of the liquidation of the Assets as described under "Description of the Offered Securities—The Indenture—Events of Default";

(B) (1) *first*, to the payment of any accrued and unpaid Senior Collateral Management Fee due and payable to the Collateral Manager on such Payment Date and (2) *second*, to the payment of any Cumulative Deferred Senior Collateral Management Fee, at the election of the Collateral Manager, but, in the case of this clause (B)(2), only to the extent that such payment does not cause the non-payment or deferral of interest on any Class of Secured Notes;

(C) to the payment of (1) *first*, any amounts due to a Hedge Counterparty under a Hedge Agreement other than amounts due as a result of the termination (or partial early termination) of such Hedge Agreement and (2) *second*, any amounts due to a Hedge Counterparty pursuant to an early termination (or partial early termination) of such Hedge Agreement as a result of a Priority Termination Event;

(D) to the payment of accrued and unpaid interest on the Class A-1 Notes (including any defaulted interest);

(E) to the payment of principal of the Class A-1 Notes, until the Class A-1 Notes have been paid in full;

(F) to the payment of accrued and unpaid interest on the Class A-2 Notes (including any defaulted interest);

(G) to the payment of principal of the Class A-2 Notes until the Class A-2 Notes have been paid in full;

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

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

(J) to the payment of principal of the Class B Notes until the Class B Notes have been paid in full;

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

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

(M) to the payment of principal of the Class C Notes until the Class C Notes have been paid in full;

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

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

(P) to the payment of principal of the Class D Notes until the Class D Notes have been paid in full;

(Q) (1) *first*, to the payment of any accrued and unpaid Subordinated Collateral Management Fee due and payable to the Collateral Manager on such Payment Date and (2) *second*, to the payment of any Cumulative Deferred Subordinated Collateral Management Fee, at the election of the Collateral Manager;

(R) to the payment of (1) *first,* (in the same manner and order of priority stated therein) any Administrative Expenses not paid pursuant to clause (A)(2) above due to the limitation contained therein and (2) *second*, any amounts due to any Hedge Counterparty under any Hedge Agreement pursuant to an early termination (or partial early termination) of such Hedge Agreement not otherwise paid pursuant to clause (C) above;

(S) to the Holders of the Subordinated Notes until the Subordinated Notes have realized an Internal Rate of Return of 12.0%; and

(T) any remaining amounts shall be paid as follows: (i) 20% of such remaining amounts to the Collateral Manager as the Incentive Collateral Management Fee and (ii) 80% of such remaining amounts to the Holders of the Subordinated Notes.

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:

(i) to the payment of principal of the Class A-1 Notes (together with any defaulted interest) until such amount has been paid in full;

(ii) to the payment of principal of the Class A-2 Notes (together with any defaulted interest) until such amount has been paid in full;

(iii) to the payment of any accrued and unpaid interest and any Deferred Interest on the Class B Notes until such amounts have been paid in full;

(iv) to the payment of principal of the Class B Notes until the Class B Notes have been paid in full;

(v) to the payment of any accrued and unpaid interest and any Deferred Interest on the Class C Notes until such amounts have been paid in full;

(vi) to the payment of principal of the Class C Notes until the Class C Notes have been paid in full;

(vii) to the payment of any accrued and unpaid interest and any Deferred Interest on the Class D Notes until such amounts have been paid in full; and

(viii) to the payment of principal of the Class D Notes until the Class D Notes have been paid in full.

Collateral Management Fee: The Collateral Manager will be entitled on each Payment Date to receive the Collateral Management Fee which will consist of the Senior Collateral Management Fee, the Subordinated Collateral Management Fee and the Incentive Collateral Management Fee. The Senior Collateral Management Fee is equal to 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 Subordinated Collateral Management Fee is equal to 0.20% 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

	Incentive Collateral Management Fee is equal to 20.0% of the Interest Proceeds and Principal Proceeds available for distribution to the Holders of Subordinated Notes under the Priority of Payments on and after the Payment Date on which the Subordinated Notes issued on the Closing Date have received an Internal Rate of Return of at least 12.0% (calculated from the Closing Date to and including such Payment Date). The Senior Collateral Management Fee, the Subordinated Collateral Management Fee and the Incentive Collateral Management Fee are subject to the Priority of Payments and the limitations described under "The Collateral Management Agreement."
Collateral Management:	Pursuant to the Collateral Management Agreement, and subject to the limitations of the Indenture and the Collateral Management Agreement, the Collateral Manager will, among other things, manage the selection, acquisition, reinvestment and disposition of the Assets, including exercising rights and remedies associated with the Assets, disposing of the Assets, amending, waiving and/or any other action commensurate with managing the Assets, and certain related functions.
Security for the Secured Notes:	The Secured Notes will be secured by the Assets. In purchasing and selling Collateral Obligations, the Issuer will generally be required to meet certain requirements imposed by the Concentration Limitations described under "—Concentration Limitations," the Collateral Quality Test described under "—Collateral Quality Test," the Coverage Tests described under "—Coverage Tests" and various other criteria described under "Security for the Secured Notes—Sales of Collateral Obligations; Additional Collateral Obligations and 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 Obligations—Below investment-grade assets involve particular risks." The initial portfolio of Collateral Obligations will be acquired through the application of the net proceeds of the sale of the Offered Securities. See "Security for the Secured Notes—Collateral Obligations." During the Reinvestment Period, pending investment in such Collateral Obligations, a portion of such net proceeds will be invested in Eligible Investments.
Collateral Obligations:	An obligation meeting the standards set forth below that is pledged by the Issuer to the Trustee will constitute a "*Collateral Obligation*." 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 of acquisition by the Issuer:

(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 or a Bond;

(iv) if it is a Deferrable Obligation, it (a) is a Permitted Deferrable Obligation and (b) is not deferring or capitalizing the payment of interest, paying interest "in kind" or otherwise has an interest "in kind" balance outstanding at the time of purchase;

(v) provides for a fixed amount of principal payable in cash on scheduled payment dates and/or at maturity and does not by its terms provide for earlier amortization or prepayment at a price of less than par;

(vi) does not constitute Margin Stock;

(vii) the Issuer will receive payments due under the terms of such asset and proceeds from disposing of such asset free and clear of withholding tax, other than with respect to FATCA or 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; *provided*, that this clause (vii) shall not apply to commitment fees and other similar fees (including, without limitation, certain payments on obligations or securities that include a participation in or that support a letter of credit) associated with Revolving Collateral Obligations or Delayed Drawdown Collateral Obligations;

(viii) has a Moody's Rating and an S&P Rating;

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

(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 "f", "r", "p", "pi", "q", "t" or "sf" subscript assigned by S&P or an "sf" subscript assigned by any nationally recognized statistical rating organization;

(xii) is not a Zero Coupon Bond, a Bridge Loan, a Small Obligor Loan, a Step-Up Obligation, a Step-Down Obligation, a Structured Finance Obligation or commercial paper;

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

(xiv) is not an Equity Security or by its terms convertible into or exchangeable for an Equity Security, and does not include an attached equity warrant or similar interest;

(xv) is not the subject of an Offer of exchange, or tender by its issuer, for cash, securities or any other type of consideration other than (A) a Permitted Offer or (B) an exchange offer in which a security that is not registered under the Securities Act is exchanged for a security that has substantially identical terms (except for transfer restrictions) but is registered under the Securities Act or a security that would otherwise qualify for purchase under the Investment Criteria described under the Indenture;

(xvi) does not mature after the Stated Maturity of the Notes;

(xvii) other than in the case of a Fixed 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, commercial deposit rate or any other index;

(xviii) is Registered;

(xix) is not a Synthetic Security;

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

(xxi) it is not a Letter of Credit;

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

(xxiii) 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;

(xxiv) if it is a Participation Interest, the Moody's Counterparty Criteria is satisfied with respect to the acquisition thereof; and

(xxv) is able to be pledged to the Trustee pursuant to its Underlying Instruments.

Purchase of Collateral Obligations; Effective Date: The Issuer will use commercially reasonable efforts to purchase, on or before February 20, 2015, Collateral Obligations such that the Target Initial Par Condition is satisfied. See "Use of Proceeds—Effective Date."

Collateral Quality Test: The "*Collateral Quality Test*" will be satisfied on any Measurement Date 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 tests set forth below or if a test is not satisfied on such date, the degree of compliance with such test is maintained or improved after giving effect to the investment:

(i) the Minimum Floating Spread Test;

(ii) the Minimum Weighted Average Coupon Test;

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

(iv) the Moody's Diversity Test;

(v) the S&P CDO Monitor Test;

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

(vii) the Minimum Weighted Average S&P Recovery Rate Test; and

(viii) the Weighted Average Life Test.

The "*Minimum Floating Spread Test*" will be satisfied on any Measurement Date if the Weighted Average

Floating Spread *plus* the Excess Weighted Average Coupon equals or exceeds the Minimum Floating Spread.

"*Minimum Floating Spread*" means the number set forth in the column entitled "Minimum Weighted Average Spread" in the Asset Quality Matrix based upon the applicable "row/column combination" chosen by the Collateral Manager (or interpolating between two adjacent rows and/or two adjacent columns, as applicable) in accordance with the Indenture.

The "*Minimum Weighted Average Coupon Test*" will be satisfied on any Measurement Date if the Weighted Average Coupon *plus* the Excess Weighted Average Floating Spread equals or exceeds the Minimum Weighted Average Coupon.

"*Minimum Weighted Average Coupon*" means (i) if any of the Collateral Obligations are Fixed Rate Obligations, 8.30% and (ii) otherwise, 0%.

The "*Maximum Moody's Rating Factor Test*" will be satisfied on any Measurement Date if the Adjusted Weighted Average Moody's Rating Factor of the Collateral Obligations is less than or equal to the lower of (x) the sum of (i) the number set forth in the Asset Quality Matrix at the intersection of the applicable "row/column combination" chosen by the Collateral Manager (or interpolating between two adjacent rows and/or two adjacent columns, as applicable) in accordance with the Indenture *plus* (ii) the Moody's Weighted Average Recovery Adjustment and (y) 3200.

The "*Moody's Weighted Average Recovery Adjustment*" means, as of any Measurement Date, the greater of (a) zero and (b) the product of (i)(A) the Weighted Average Moody's Recovery Rate as of such Measurement Date *multiplied by* 100 *minus* (B) 43 and (ii) 70; *provided* that, if the Weighted Average Moody's Recovery Rate is greater than 60%, then such Weighted Average Moody's Recovery Rate shall equal 60% for the purposes of clause (i)(A) above unless the Moody's Rating Condition is satisfied.

The "*Moody's Diversity Test*" will be satisfied on any Measurement Date if the Diversity Score (rounded to the nearest whole number) equals or exceeds the number set forth in the column entitled "Minimum Diversity Score" in the Asset Quality Matrix based upon the applicable "row/column combination" chosen by the Collateral Manager (or interpolating between two adjacent rows and/or two adjacent

columns, as applicable) in accordance with the Indenture.

The "*Asset Quality Matrix*" means the following chart used to determine which of the "row/column combinations" (or the linear interpolation between two adjacent rows and/or two adjacent columns) are 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	45	55	65	75	85	95
2.50%	2275	2430	2540	2625	2690	2740	2785
2.60%	2305	2465	2575	2655	2720	2775	2815
2.70%	2335	2495	2610	2690	2755	2805	2850
2.80%	2365	2530	2640	2725	2785	2840	2885
2.90%	2405	2560	2670	2755	2820	2875	2915
3.00%	2435	2595	2705	2790	2850	2905	2950
3.10%	2465	2625	2735	2820	2885	2940	2980
3.20%	2490	2655	2770	2850	2915	2970	3015
3.30%	2520	2685	2800	2885	2950	3000	3045
3.40%	2560	2715	2830	2915	2980	3035	3075
3.50%	2590	2750	2860	2945	3015	3065	3110
3.60%	2615	2775	2895	2980	3045	3100	3140
3.70%	2640	2805	2925	3010	3075	3125	3170
3.80%	2670	2840	2955	3040	3105	3160	3200
3.90%	2700	2870	2985	3070	3135	3190	3200
4.00%	2735	2900	3015	3100	3170	3200	3200
4.10%	2765	2925	3045	3130	3195	3200	3200
4.20%	2790	2955	3075	3160	3200	3200	3200
4.30%	2810	2985	3100	3185	3200	3200	3200
4.40%	2840	3015	3125	3200	3200	3200	3200
4.50%	2870	3040	3155	3200	3200	3200	3200
4.60%	2905	3070	3190	3200	3200	3200	3200
4.70%	2935	3095	3200	3200	3200	3200	3200
4.80%	2955	3125	3200	3200	3200	3200	3200

Minimum Weighted Average Spread	Minimum Diversity Score						
	35	45	55	65	75	85	95
4.90%	2975	3150	3200	3200	3200	3200	3200
5.00%	3005	3175	3200	3200	3200	3200	3200
5.10%	3030	3200	3200	3200	3200	3200	3200
5.20%	3060	3200	3200	3200	3200	3200	3200
5.30%	3090	3200	3200	3200	3200	3200	3200
5.40%	3115	3200	3200	3200	3200	3200	3200
5.50%	3135	3200	3200	3200	3200	3200	3200
	Adjusted Weighted Average Moody's Rating Factor						

The "*S&P CDO Monitor Test*" will be satisfied on any Measurement Date on or after the Effective Date and during the Reinvestment Period following receipt by the Issuer and the Collateral Administrator of the applicable input file to the S&P CDO Monitor if, after giving effect to the sale of a Collateral Obligation or the purchase of a Collateral Obligation, the Class Default Differential of the Proposed Portfolio is positive. The S&P CDO Monitor Test will be considered to be improved if the Class Default Differential of the Proposed Portfolio is greater than the Class Default Differential of the Current Portfolio.

The "*Minimum Weighted Average Moody's Recovery Rate Test*" will be satisfied on any Measurement Date if the Weighted Average Moody's Recovery Rate equals or exceeds 43.0%.

The "*Minimum Weighted Average S&P Recovery Rate Test*" will be satisfied on any Measurement Date if the Weighted Average S&P Recovery Rate for the Highest Ranking Class equals or exceeds the Weighted Average S&P Recovery Rate for such Class selected by the Collateral Manager in connection with the S&P CDO Monitor Test.

The "*Weighted Average Life Test*" will be satisfied on any Measurement Date if the Weighted Average Life of all Collateral Obligations as of such date is less than the number of years (rounded to the nearest one hundredth thereof) during the period from such Measurement Date to November 20, 2022.

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):
Senior Secured Loans and Eligible Investments	(i)	not less than 92.5% of the Collateral Principal Amount may consist of Senior Secured Loans and Eligible Investments;
Second Lien Loans and Unsecured Loans	(ii)	not more than 7.5% of the Collateral Principal Amount may consist of Second Lien Loans and Unsecured Loans;
Single Obligor	(iii)	not more than 2.0% of the Collateral Principal Amount may consist of obligations issued by a single Obligor and its Affiliates, except that, without duplication, obligations issued by up to five Obligors and their respective Affiliates may each constitute up to 2.5% of the Collateral Principal Amount;
S&P Rating of "CCC+" and below	(iv)	not more than 7.5% of the Collateral Principal Amount may consist of Collateral Obligations with an S&P Rating of "CCC+" or below;
Moody's Default Probability Rating of "Caa1" and below	(v)	not more than 7.5% of the Collateral Principal Amount may consist of Collateral Obligations with a Moody's Default Probability Rating of "Caa1" or below;
Fixed Rate Obligations	(vi)	not more than 5.0% of the Collateral Principal Amount may consist of Fixed Rate Obligations;
Current Pay Obligations	(vii)	not more than 2.5% of the Collateral Principal Amount may consist of Current Pay Obligations;
DIP Collateral Obligations	(viii)	not more than 15.0% of the Collateral Principal Amount may consist of DIP Collateral Obligations;
Delayed Drawdown/ Revolving Collateral Obligations	(ix)	not more than 10.0% of the Collateral Principal Amount may consist, in the aggregate, of unfunded commitments under Delayed Drawdown Collateral Obligations and unfunded and funded commitments under Revolving Collateral Obligations;

Participation Interests

(x) not more than 20.0% of the Collateral Principal Amount may consist of Participation Interests;

Third Party Credit Exposure

(xi) the Third Party Credit Exposure may not exceed 20.0% of the Collateral Principal Amount and the Third Party Credit Exposure Limits may not be exceeded;

S&P Rating derived from a Moody's Rating

(xii) not more than 10.0% of the Collateral Principal Amount may have an S&P Rating derived from a Moody's Rating as set forth in clause (iii)(a) of the definition of the term "S&P Rating";

Moody's Rating derived from an S&P Rating

(xiii) not more than 10.0% of the Collateral Principal Amount may consist of Collateral Obligations with a Moody's Rating derived from an S&P Rating as provided in clauses (b)(A) or (B) of the definition of the term "Moody's Derived Rating";

Domicile of Obligor

(xiv) (a) all of the Collateral Obligations must be issued by Non-Emerging Market Obligors; and (b) no more than the percentage listed below of the Collateral Principal Amount may be issued by Obligors Domiciled in the country or countries set forth opposite such percentage:

% Limit	Country or Countries
20.0%	all countries (in the aggregate) other than the United States;
15.0%	Canada;
10.0%	all countries (in the aggregate) other than the United States, Canada and the United Kingdom;
20.0%	any individual Group I Country;
10.0%	all Group II Countries in the aggregate;
5.0%	any individual Group II Country;
7.5%	all Group III Countries in the aggregate;
0.0%	Greece, Italy, Portugal, Spain and Ireland in the aggregate;
5.0%	any individual Group III Country; and
7.5%	all Tax Jurisdictions in the aggregate;

S&P Industry Classification	(xv)	not more than 10.0% of the Collateral Principal Amount may consist of Collateral Obligations that are issued by Obligors that belong to any single S&P industry classification, except that (1) the two largest S&P industry classifications may each represent up to 15.0% of the Collateral Principal Amount and (2) the third and fourth largest S&P industry classifications may each represent up to 12.0% of the Collateral Principal Amount;
Cov-Lite Loans	(xvi)	not more than 65.0% of the Collateral Principal Amount may consist of Cov-Lite Loans;
Semi-Annual Pay	(xvii)	not more than 5.0% of the Collateral Principal Amount may consist of Collateral Obligations that pay interest less frequently than quarterly; and
Deferrable Obligations	(xviii)	not more than 5.0% of the Collateral Principal Amount may consist of Deferrable Obligations.

Coverage Tests:

The Coverage Tests will be used primarily to determine whether principal and interest may be paid on the Secured Notes and distributions may be made on the Subordinated Notes or whether funds which would otherwise be used to pay interest on the Secured Notes other than the Class A-1 Notes and the Class A-2 Notes and to make distributions on the Subordinated Notes must instead be used to pay principal on one or more Classes of Secured 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, each as applied to each specified Class or Classes of Secured Notes.

The "*Overcollateralization Ratio Test*" and "*Interest Coverage Test*" applicable to the designated Class or Classes of Secured Notes will be satisfied as of any date of determination on which such Coverage Test is applicable, if (1) the applicable Overcollateralization Ratio or Interest Coverage Ratio, as the case may be, is at least equal to the applicable ratio indicated below or (2) such Class or Classes of Secured Notes are no longer outstanding.

Class(es)	Required Interest Coverage Ratio
A	120.00%
B	115.00%
C	107.50%
D	102.50%

Class(es)	Required Overcollateralization Ratio
A	127.36%
B	116.63%
C	108.62%
D	105.42%

"*Interest Coverage Ratio*" means, for any designated Class or Classes of Secured 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), (B) and (C) under "Overview of Terms—Priority of Payments—Application of Interest Proceeds"; and

C = Interest due and payable on the Secured Notes of such Class or Classes and each Class of Secured Notes that rank senior to or *pari passu* with such Class or Classes (excluding Deferred Interest but including any interest on Deferred Interest with respect to the Deferrable Notes) on such Payment Date.

"*Overcollateralization Ratio*" means, with respect to any specified Class or Classes of Secured 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 Secured Notes of such Class or Classes, each class of Secured Notes senior to such Class or Classes and each *pari passu* Class or Classes of Secured 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 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 Secured Notes in accordance with the

Priority of Payments to the extent necessary to achieve compliance with such Coverage Tests.

Reinvestment Overcollateralization Test: The "*Reinvestment Overcollateralization Test*" is a test that is satisfied as of any Determination Date occurring on or after the Effective Date and before the last day of the Reinvestment Period on which Class D Notes remain Outstanding if the Overcollateralization Ratio with respect to the Class D Notes as of such Determination Date is at least equal to 106.17%.

Other Information:

Minimum Denominations ..... The Secured Notes will be issued in Minimum Denominations of U.S.$250,000 and integral multiples of U.S.$1.00 in excess thereof, and the Subordinated Notes will be issued in Minimum Denominations of U.S.$200,000 and integral multiples of U.S.$1.00 in excess thereof.

Listing, Trading and Form of Notes..... This Offering Circular has been approved by the Central Bank of Ireland ("Central Bank"), as competent authority under Directive 2003/71/EC (the "Prospectus Directive"). The Central Bank only approves this Offering Circular as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive. Such approval relates only to the Offered Securities which are to be admitted to trading on a regulated market for purposes of Directive 2004/39/EC or which are to be offered to the public in any Member State of the European Economic Area. For purposes of the Prospectus Directive, Offering Circular shall be read to mean a "Prospectus." Application has been made to the Irish Stock Exchange for the Offered Securities to be admitted to the Official List and trading on its regulated 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 Offered Securities and there can be no assurance that such a market will develop. See "Risk Factors—Relating to the Offered Securities—The Offered Securities will have limited liquidity and are subject to substantial transfer restrictions."

The Secured Notes sold to Persons who are Qualified Institutional Buyers will be represented by global notes or certificates in fully registered form without interest coupons to be deposited with a custodian for and registered in the name of Cede & Co., c/o The Depository Trust & Clearing Corporation, 55 Water Street, New York, NY 10041, telephone (212) 855-5471. The Secured Notes sold to Persons who are Institutional Accredited Investors will be issued in

	definitive, fully registered form without interest coupons. The Notes sold to non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act will be represented by global notes or certificates in fully registered form without interest coupons to be deposited with a custodian for and registered in the name of Cede & Co., a nominee of DTC, for the accounts of Euroclear or Clearstream. The Subordinated Notes sold to U.S. persons will be issued in definitive, fully registered form without interest coupons.
Governing Law	The Offered Securities and the Indenture, and any matters arising out of or relating in any way whatsoever to any of the Offered 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 "U.S. Federal Income Tax Considerations" and "Cayman Islands Tax Considerations."
ERISA	See "Certain ERISA and Related Considerations."

An investment in the Offered Securities involves certain risks, including risks related to the assets securing the Offered Securities and risks relating to the structure of the Offered Securities and related arrangements. There can be no assurance that the Issuer will not incur losses on the Collateral Obligations or that investors in the Offered Securities will receive a return of any or all of their investment. Prospective investors should carefully consider, among other things, the following risk factors in addition to the other information set forth in this Offering Circular before investing in the Offered Securities.

General Commercial Risks

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

Beginning in mid-2007, there occurred an extreme downturn in the credit markets and other financial markets, which resulted in dramatic deterioration in the financial condition of many companies. While (i) conditions in the U.S. economy and the credit and other financial markets have been improving, (ii) corporate default rates have decreased since their highs during the downturn and (iii) rating upgrades have recently exceeded downgrades, there is a material possibility that economic activity will be volatile or will slow over the moderate to long term. It is difficult to predict how long and to what extent conditions in the credit and financial markets will continue to improve and which markets, products, businesses and assets will experience this improvement (or to what degree any such improvement is dependent on monetary policies by central banks, particularly the Federal Reserve). The ability of the Co-Issuers to make payments on the Offered Securities may depend on the continued recovery of the economy, and there is no assurance that this recovery, or improved conditions in the credit and other financial markets, will continue. In addition, the business, financial condition or results of operations of the Obligors on the Collateral Obligations may be adversely affected by a worsening of economic and business conditions. To the extent that economic and business conditions deteriorate or fail to continue to improve, non-performing assets are likely to increase, and the value and collectability of the Assets are likely to decrease. A decrease in market value of the Collateral Obligations would also adversely affect the Sale Proceeds that could be obtained upon the sale of the Collateral Obligations and could ultimately affect the ability of the Issuer to pay in full or redeem the Secured Notes, as well as the ability to make any distributions in respect of the Subordinated Notes.

Some leading global financial institutions have been forced into mergers with other financial institutions, have been partially or fully nationalized or have gone bankrupt or insolvent. The bankruptcy or insolvency of a major financial institution may have an adverse effect on the Issuer and the Offered Securities. In addition, the bankruptcy or insolvency of one or more additional financial institutions may trigger additional crises in the global credit markets and overall economy which could have a significant adverse effect on the Issuer and the Offered Securities.

Several nations, particularly within the European Union, have recently suffered or 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 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 overall economy which could have a significant adverse effect on the Issuer and the Offered Securities. In addition, Obligors of Collateral Obligations may be organized in, or otherwise Domiciled in, certain of such countries currently suffering from economic distress, or other countries that may begin to suffer economic distress, and the uncertainty and market instability in any such country may increase the likelihood of default by such Obligor. In the event of its insolvency, any such Obligor, by virtue of being organized in such a jurisdiction or having a substantial percentage of its revenues or assets in such a jurisdiction, may be more likely to be

subject to bankruptcy or insolvency proceedings in such jurisdiction at the same time as such jurisdiction is itself potentially unstable.

Collateral Obligation performance may not continue to improve

Negative economic trends nationally as well as in specific geographic areas of the United States could result in an increase in loan defaults and delinquencies. Though levels of defaults and delinquencies have been decreasing from peak levels, there is a material possibility that economic activity will be volatile or will slow, and some Obligors may be significantly and negatively impacted by negative economic trends. A continuing decreased ability of Obligors to obtain refinancing (particularly as high levels of required refinancings approach) may result in an economic decline that could delay an economic recovery and cause a deterioration in loan performance generally and defaults of Collateral Obligations. There is no way to determine whether such trends in the credit markets will continue, improve or worsen in the future.

Illiquidity in the CDO, leveraged finance and fixed income markets may affect the holders of the Offered Securities

In recent years, events in the collateralized debt obligation ("*CDO*") (including collateralized loan obligation ("*CLO*")), leveraged finance and fixed income markets have contributed to a severe liquidity crisis in the global credit markets which has resulted in substantial fluctuations in prices for leveraged loans and limited liquidity for such instruments. No assurance can be made that the conditions giving rise to such price fluctuations and limited liquidity will not continue or become more acute following the Closing Date. During periods of limited liquidity and higher price volatility, the Issuer's ability to acquire or dispose of Collateral Obligations at a price and time that the Issuer deems advantageous may be severely impaired. As a result, in periods of rising market prices, the Issuer may be unable to participate in price increases fully to the extent that it is unable to acquire desired positions quickly; and the Issuer's inability to dispose fully and promptly of positions in declining markets will cause its net asset value to decline and may exacerbate losses suffered by the Issuer when Collateral Obligations are sold. Furthermore, significant additional liquidity-related risks for the Issuer and investors in the Offered Securities exist. Those risks include, among others, (i) the possibility that, after the Closing Date, the prices at which Collateral Obligations can be sold by the Issuer will have deteriorated from their effective purchase price, (ii) the possibility that opportunities for the Issuer to sell its assets in the secondary market, including Credit Risk Obligations, Credit Improved Obligations and Defaulted Obligations, may be impaired or restricted by the Indenture, and (iii) increased illiquidity of the Offered Securities because of reduced secondary trading in collateralized loan obligation securities. These additional risks may affect the returns on the Offered Securities to investors or otherwise adversely affect holders of the Offered Securities.

Regardless of current or future market conditions, certain Collateral Obligations purchased by the Issuer will have only a limited trading market (or none). The Issuer's investment in illiquid debt obligations 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 debt obligations may trade at a discount from comparable, more liquid investments. In addition, adverse developments in the primary market for leveraged loans may reduce opportunities for the Issuer to purchase recent issuances of Collateral Obligations. More particularly, 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 partially or significantly limited. There has been a recent increase in primary leveraged loan market activity, but there can be no assurance that such increase will persist or that the primary leveraged loan market will not return to its previous levels or cease altogether for a period of time. The impact of another liquidity crisis on the global credit markets may adversely affect the management flexibility of the Collateral Manager in relation to the portfolio and, ultimately, the returns on the Offered Securities to investors.

Relating to the Offered Securities

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

Currently, no market exists for the Offered Securities. JPMorgan is not under any obligation to make a market for the Offered Securities. The Offered Securities are illiquid investments. There can be no assurance that any secondary market for any of the Offered Securities will develop, or if a secondary market does develop, that it will provide the holders of the Offered Securities with liquidity of investment or will continue for the life of the Offered Securities. Over the past few years, notes issued in securitization transactions have experienced historically high volatility and significant fluctuations in market value. Additionally, some potential buyers of such notes now view securitization products as an inappropriate investment, thereby reducing the number of potential buyers and/or potentially affecting liquidity in the secondary market. Holders of the Offered Securities must be prepared to hold such notes for an indefinite period of time or until their Stated Maturity. The Offered Securities will not be registered under the Securities Act or any state securities laws, and the Co-Issuers have no plans, and are under no obligation, to register the Offered Securities under the Securities Act. As a result, the Offered 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 Offered Securities may further limit their liquidity.

The Offered Securities are not guaranteed by the Co-Issuers, JPMorgan, the Collateral Manager, the Collateral Administrator, the Administrator, any Hedge Counterparty or the Trustee

None of the Co-Issuers, JPMorgan, the Collateral Manager, the Collateral Administrator, the Administrator, any Hedge Counterparty or the Trustee or any affiliate thereof makes any assurance, guarantee or representation whatsoever as to the expected or projected success, profitability, return, performance result, effect, consequence or benefit (including legal, regulatory, tax, financial, accounting or otherwise) to any investor of ownership of the Offered 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 Offered Securities. Each Holder will be required to represent (or, in the case of Global Notes, deemed to represent) to the Co-Issuers and JPMorgan, among other things, that it has consulted with its own legal, regulatory, tax, business, investment, financial, and accounting advisors regarding investment in the Offered 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.

JPMorgan will have no ongoing responsibility for the Assets or the actions of any other Transaction Party

JPMorgan will have no obligation to monitor the performance of the Assets or the actions of any other Transaction Party and will have no authority to advise any other Transaction Party, including, without limitation, the Collateral Manager or the Issuer, or to direct their actions, which will be solely the responsibility of each such Transaction Party, as the case may be. If JPMorgan acts as a hedge counterparty or owns Offered Securities, it will have no responsibility to consider the interests of any holders of Offered Securities in actions it takes in such capacity. While JPMorgan may own Offered Securities at any time, it has no obligation to make any investment in any Offered Securities and may sell at any time any Offered 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 Secured Notes (other than the Class D Notes) are from time to time and at any time limited recourse obligations of the Co-Issuers and the Class D Notes and the Subordinated Notes are from time to time and at any time limited recourse obligations of the Issuer; therefore, the Notes are payable solely from the Collateral Obligations and all other Assets pledged by the Issuer to the holders of the Secured Notes and other Secured Parties (but not including holders of the Subordinated Notes) pursuant to the Priority of Payments. None of the Trustee, the Collateral Administrator, the Collateral Manager, JPMorgan or any of their respective affiliates or the Co-Issuers' affiliates or any other Person or entity will be obligated to make payments on the Notes. Consequently, holders of the Notes must rely solely on distributions on the Assets and, after an Event of Default, proceeds from the liquidation of the Assets for payments on the Notes. If distributions on such Assets are insufficient to make payments on the Notes, no other assets (in particular, no assets of the Collateral Manager, the holders of the Notes, JPMorgan, the Trustee, the Collateral Administrator or any affiliates of any of the foregoing) will be available for payment of the deficiency and all obligations of the Co-Issuers and any remaining claims against the Co-Issuers in respect of the Notes will be extinguished and will not thereafter revive.

The Subordinated Notes are unsecured obligations of the Issuer

The Subordinated Notes will not be secured by any of the Assets, and, while the Secured Notes are outstanding, holders of the Subordinated Notes will not generally be entitled to exercise remedies under the Indenture. However, in any case where the holders of the Subordinated Notes are entitled to take or direct any action they may do so in their sole discretion without regard for the interests of the holders of any other Class of Notes. The Trustee will have no obligation to act on behalf of the holders of Subordinated Notes except as expressly provided in the Indenture. Distributions to holders of the Subordinated Notes will be made solely from distributions on the Assets after all other payments have been made pursuant to the Priority of Payments described herein. See "Overview of Terms—Priority of Payments". There can be no assurance that the distributions on the Assets will be sufficient to make distributions to holders of the Subordinated Notes after making payments that rank senior to payments on the Subordinated Notes. The Issuer's ability to make distributions to the holders of the Subordinated Notes will be limited by the terms of the Indenture. If distributions on the Assets are insufficient to make distributions on the Subordinated Notes, no other assets will be available for any such distributions. See "Description of the Offered Securities—The Subordinated Notes."

The subordination of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Subordinated Notes will affect their right to payment; failure of a court to enforce non-petition obligations will adversely affect Holders

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 amounts owing to Administrative Expenses, the Senior Collateral Management Fee and certain payments under the Hedge Agreements), the Class A-2 Notes are subordinated on each Payment Date to the Class A-1 Notes; the Class B Notes are subordinated on each Payment Date to the Class A-2 Notes; the Class C Notes are subordinated on each Payment Date to the Class B Notes; the Class D Notes are subordinated on each Payment Date to the Class C Notes; and the Subordinated Notes are subordinated on each Payment Date to the Secured Notes and certain fees and expenses (including, but not limited to, to redeem Secured Notes if a Moody's Ramp-Up Failure or an S&P Rating Confirmation Failure occurs and is continuing, unpaid Administrative Expenses, the Senior Collateral Management Fee, certain payments under the Hedge Agreements and the Subordinated Collateral Management Fee), in each case to the extent described herein. No payments of interest or distributions from Interest Proceeds of any kind will be made on any such Class of Notes on any Payment Date until interest due on the Notes of each Class to which it is subordinated has been paid in full, no payments of principal (other

than Deferred Interest, to the extent set forth in the Priority of Payments) from Principal Proceeds will be made on any such Class of Notes on any Payment Date until principal of the Notes of each Class to which it is subordinated has been paid in full, and no distributions from Principal Proceeds of any kind will be made on the Subordinated Notes on any Payment Date until interest due on and all principal of the Notes of each Class to which it is subordinated has been paid in full. Therefore, to the extent that any losses are suffered by any of the holders of any Offered Securities, such losses will be borne in the first instance by holders of the Subordinated Notes, then by the holders of the Class D Notes, then by the holders of the Class C Notes, then by the holders of the Class B Notes, then by the holders of the Class A-2 Notes and last by the holders of the Class A-1 Notes. Furthermore, payments on the Deferrable Notes are subject to diversion to pay more senior Classes of Notes pursuant to the Priority of Payments if certain Coverage Tests are not met, as described herein, and failure to make such payments will not be a default under the Indenture.

In addition, if an Event of Default occurs, the holders of the Controlling Class of Notes will be entitled to determine the remedies to be exercised under the Indenture, subject to the terms of the Indenture. See "Description of the Offered Securities—The Indenture—Events of Default." Remedies pursued by the Controlling Class could be adverse to the interests of the holders of the Offered Securities that are subordinated to the Notes held by the Controlling Class, and the Controlling Class will have no obligation to consider any possible adverse effect on such other interests. The Collateral Obligations may only be sold and liquidated as described under "Description of the Offered Securities—The Indenture—Events of Default".

If an Enforcement Event occurs and is continuing, the most senior Class of Notes then Outstanding shall be paid in full in cash, or to the extent the Majority of such Class consents, other than in cash, before any further payment or distribution is made on account of any more subordinate Classes, in each case in accordance with the Special Priority of Payments. Upon the occurrence of an Enforcement Event, investors in any such subordinate Class of Notes will not receive any payments until such senior Classes are paid in full. Acceleration of the maturity of the Secured Notes may, under certain circumstances, be rescinded by a Majority of the Controlling Class. If an Event of Default has occurred, but the Assets have not been liquidated and the Secured Notes have not been accelerated, payments on the Notes will continue to be made in the order of priority described under "Overview of Terms—Priority of Payments—Application of Interest Proceeds" and "Overview of Terms—Priority of Payments—Application of Principal Proceeds." There can be no assurance that, after payment of principal and interest on the Notes senior to any Class, the Issuer will have sufficient funds to make payments in respect of such Class.

Each Holder of Offered Securities will agree, and each beneficial owner of Offered Securities will be deemed to agree, pursuant to the Indenture, that it will not cause the filing of a petition in bankruptcy against, or present a winding up petition in respect of, the Issuer, Co-Issuer or any ETB Subsidiary before one year and one day have elapsed since the payment in full of the Offered Securities or, if longer, the applicable preference period then in effect plus one day. If such provision failed to be enforceable under applicable bankruptcy laws, then the filing or presentation of such a petition could result in one or more payments on the Secured Notes made during the period prior to such filing being deemed to be preferential transfers subject to avoidance by the bankruptcy trustee or similar official exercising authority with respect to the Issuer's bankruptcy estate. It could also result in the bankruptcy court, trustee or receiver liquidating the Assets notwithstanding required class voting required for such liquidation pursuant to the Indenture. If such provision is determined to be unenforceable or is violated by one or more Holders or beneficial owners, the petitioning Holder(s) or beneficial owner(s) will be subject to the Bankruptcy Subordination Agreement described under "Description of the Offered Securities—The Indenture—Petitions for Bankruptcy." However, a bankruptcy court may find that the Bankruptcy Subordination Agreement is not enforceable on the ground that it violates an essential policy underlying the Bankruptcy Law or other applicable bankruptcy or insolvency law.

Yield considerations on the Subordinated Notes

The yield to each holder of the Subordinated Notes will be a function of the purchase price paid by such holder for its Subordinated Notes and the timing and amount of distributions made in respect of the Subordinated Notes during the term of the transaction. Each prospective purchaser of the 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 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 will result in a lower yield on the Subordinated Notes than that anticipated by such investor. In addition, if the Issuer fails any Coverage Test, amounts that would otherwise be distributed to the holders of the Subordinated Notes on any Payment Date may be paid to other investors in accordance with the Priority of Payments. Each prospective purchaser should consider that any such adverse developments could result in its failure to recover fully its initial 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 Assets, changes in the distributions on the Assets, defaults and recoveries on the Assets, capital gains and losses on the Assets, prepayments on Assets and the availability, prices and interest rates of Assets and other risks associated with the Assets as described in "—Relating to the Collateral Obligations." Accordingly, the Subordinated Notes may not be paid in full and may be subject to up to 100% loss. Furthermore, the leveraged nature of the Subordinated Notes may magnify the adverse impact on the Subordinated Notes of changes in the market value of the Assets, changes in the distributions on the Assets, defaults and recoveries on the Assets, capital gains and losses on the Assets, prepayments on Assets and availability, prices and interest rates of Assets.

Payments of Interest Proceeds to the Holders of the Subordinated Notes will not be made until due and unpaid interest on the Secured Notes and certain other amounts (including certain fees and expenses) have been paid. No payments of principal of the Subordinated Notes will be made until principal of and interest on the Secured Notes and certain other amounts have been paid in full. On any Payment Date, sufficient funds may not be available (including as a result of a failure of any of the Coverage Tests) to make payments to the holders of the Subordinated Notes in accordance with the Priority of Payments.

After any Enforcement Event, all Interest Proceeds and Principal Proceeds will be allocated in accordance with the Special Priority of Payments pursuant to which the Secured Notes and certain other amounts owing by the Co-Issuers will be paid in full before any allocation to the Subordinated Notes, and each Class of Offered Securities (along with certain other amounts owing by the Co-Issuers) will be paid in order of seniority until it is paid in full before any allocation is made to the next Class of Offered Securities. 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. There is no guarantee that any funds will remain to make distributions to the holders of subordinated Classes of Offered Securities following any liquidation of the Assets and the application of the proceeds from the Assets to pay senior Classes of Offered Securities and the fees, expenses, and other liabilities payable by the Co-Issuers.

The Assets may be insufficient to redeem the Offered 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 Offered Securities, net of certain fees and expenses, will be less than the aggregate amount

of Offered Securities. Consequently, it is anticipated that on the Closing Date the Assets would be insufficient to redeem all of the Secured Notes and Subordinated Notes in the event of an Event of Default under the Indenture.

The Reinvestment Period may terminate early

The Reinvestment Period may terminate early if any of the following occur: (a) the occurrence and continuation of an Enforcement Event, (b) an Optional Redemption or (c) a Reinvestment Special Redemption. Early termination of the Reinvestment Period could adversely affect returns to the Subordinated Notes and may also cause the holders of Offered Securities to receive principal payments earlier than anticipated.

The Collateral Manager may reinvest Post-Reinvestment Principal Proceeds after the end of the Reinvestment Period

After the end of the Reinvestment Period, the Collateral Manager may still reinvest Post-Reinvestment Principal Proceeds, subject to certain conditions described under "Security for the Secured Notes—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria." Reinvestment of Post-Reinvestment Principal Proceeds will likely have the effect of extending the Weighted Average Life of the Collateral Obligations and the average lives of the Offered Securities.

The Indenture requires mandatory redemption of the Secured Notes for failure to satisfy Coverage Tests and in the event of a Moody's Ramp-Up Failure or an S&P Rating Confirmation Failure

If any Coverage Test with respect to any Class or Classes of Secured Notes is not met on any Determination Date on which such Coverage Test is applicable, or a Moody's Ramp-Up Failure or an S&P Rating Confirmation Failure occurs and is continuing, Interest Proceeds that otherwise would have been paid or distributed to the holders of the Offered Securities of each Class (other than Class A-1 Notes and Class A-2 Notes) that is subordinated to such Class or Classes and (during the Reinvestment Period and with respect to Post-Reinvestment Principal Proceeds, after the Reinvestment Period) Principal Proceeds that would otherwise have been reinvested in Collateral Obligations will instead be used to redeem the Secured Notes of the most senior Class or Classes then Outstanding, in each case in accordance with the Priority of Payments, to the extent necessary to satisfy the applicable Coverage Tests, the Moody's Ramp-Up Failure and/or the S&P Rating Confirmation Failure (as the case may be) as described under "Overview of Terms—Priority of Payments." This could result in an elimination, deferral or reduction in the payments of Interest Proceeds to the holders of the Deferrable Notes and/or Subordinated Notes, as the case may be. In addition, a mandatory redemption of Secured Notes owing to a Moody's Ramp-Up Failure or an S&P Rating Confirmation Failure could result in the Collateral Manager causing the Issuer to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the realized value of the Collateral Obligations sold.

The Secured Notes are subject to Special Redemption at the option of the Collateral Manager

The Secured Notes will be subject to redemption in part by the Co-Issuers or the Issuer, as applicable, on any Payment Date during the Reinvestment Period if the Collateral Manager at its sole discretion 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 in its sole discretion and which would meet the criteria for reinvestment described under "Security for the Secured 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. On the Special Redemption Date relating to such Reinvestment

Special Redemption, in accordance with the Indenture, the Special Redemption Amount will be applied as described under "Overview of Terms—Priority of Payments—Application of Principal Proceeds" to pay the principal of the Secured Notes. The application of funds in that manner could result in an elimination, deferral or reduction of amounts available to make payments with respect to the Classes of Notes that are junior in priority to the Notes being redeemed. Upon the occurrence of a Reinvestment Special Redemption, the Reinvestment Period shall terminate, and such early termination of the Reinvestment Period could adversely affect returns to the Subordinated Notes and may also cause the holders of Offered Securities to receive principal payments earlier than anticipated. See "Overview of Terms—Priority of Payments—Application of Principal Proceeds" and "Description of the Offered Securities—Special Redemption."

Additional issuances of Notes may have different terms and may have the effect of preventing the failure of the Coverage Tests 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, after the Reinvestment Period), the Co-Issuers or the Issuer, as applicable, may issue and sell additional notes of any one or more new classes of notes that are subordinated to the existing Secured 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 Secured Notes and the Subordinated Notes is then Outstanding) and/or additional notes of any one or more existing Classes and use the net proceeds to purchase additional Collateral Obligations or for other purposes permitted under the Indenture (except that the proceeds of an additional issuance of Subordinated Notes after the Reinvestment Period may not be used to purchase additional Collateral Obligations) if the conditions for such additional issuance described under "Description of the Offered Securities—The Indenture—Modification of Indenture" and "Description of the Offered Securities—The Indenture—Additional Issuance" are met. Any such additional issuance will be made only with the consent of the Collateral Manager and a Majority of the Subordinated Notes (and, solely in the case of an additional issuance of Class A-1 Notes, the consent of a Majority of the Class A-1 Notes). Among other conditions that must be satisfied in connection with an additional issuance of notes, unless only additional Subordinated Notes are being issued, the Global Rating Agency Condition shall have been satisfied with respect to any Secured Notes not constituting part of such additional issuance (*provided* that if only additional Subordinated Notes are being issued, the Issuer notifies each Rating Agency then rating Outstanding Secured Notes of such issuance prior to the issuance date) and, in the case of the issuance of additional notes of an existing Class, the terms of the notes to be issued must be identical to the respective terms of previously issued Notes of the applicable Class (except that the interest due on additional Secured Notes will accrue from the issue date of such additional Secured 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 any such additional Secured Notes will not be greater than the interest rate on the applicable Class of Secured Notes) and such additional issuance shall not be considered a Refinancing under the Indenture. No assurance can be given that the issuance of additional notes having different interest rates than any Class of Secured Notes may not adversely affect the holders of any Class of Offered Securities. In addition, 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.

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

Under the Indenture, many rights of the holders of the Offered Securities will be controlled by a Majority of the Controlling Class. Remedies pursued by the holders of the Controlling Class upon an Event of Default could be adverse to the interests of the holders of Offered Securities subordinated to the Controlling Class. After any Enforcement Event, all Interest Proceeds and Principal Proceeds

will be allocated in accordance with the Special Priority of Payments pursuant to which the Secured Notes and certain other amounts owing by the Co-Issuers will be paid in full before any allocation to the Subordinated Notes, and each Class of Offered Securities (along with certain other amounts owing by the Co-Issuers) will be paid in order of seniority until it is paid in full before any allocation is made to the next Class of Notes. 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. There is no guarantee that any funds will remain to make distributions to the holders of subordinated Classes of Notes following any liquidation of the Assets and the application of the proceeds from the Assets to pay senior Classes of Notes and the fees, expenses, and other liabilities payable by the Co-Issuers.

The Co-Issuers may modify the Indenture by supplemental indentures and some supplemental indentures do not require consent of holders of Offered Securities

The Indenture provides that the Co-Issuers and the Trustee may enter into supplemental indentures to modify various provisions of the Indenture. Execution of supplemental indentures is subject to various conditions precedent. In certain cases, the consent of holders of Offered Securities is required, but, in certain cases, such consent is not required.

See "Description of the Offered Securities—The Indenture—Modification of Indenture."

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

Holders of at least a Majority of the Subordinated Notes may cause the Co-Issuers or the Issuer, as applicable, to redeem the Secured Notes in whole (with respect to all Classes of Secured Notes) on any Payment Date after the end of the Non-Call Period from Sale Proceeds and/or Refinancing Proceeds or in part by Class from Refinancing Proceeds and a Majority of the Subordinated Notes may cause the Subordinated Notes to be redeemed in whole on any Business Day on or after the date on which all of the Secured Notes have been redeemed or repaid as described under "Description of the Offered Securities—Optional Redemption" and "Description of the Offered Securities—The Subordinated Notes—Optional Redemption". The Notes shall also be redeemed on any Payment Date in whole but not in part at the written direction (delivered to the Trustee) of (x) a Majority of any Affected Class or (y) a Majority of the Subordinated Notes following the occurrence of certain Tax Events as described under "Description of the Offered Securities—Optional Redemption". In the event of an early redemption, the holders of the Secured Notes and Subordinated Notes will be repaid prior to the respective Stated Maturity dates of such Notes. There can be no assurance that, upon any such redemption, the Sale Proceeds realized and other available funds would permit any distribution on the Subordinated Notes after all required payments are made to the holders of the Secured Notes. In addition, an Optional Redemption could require the Collateral Manager to liquidate positions more rapidly than would otherwise be desirable, which could adversely affect the realized value of the Collateral Obligations sold.

As described under "Description of the Offered Securities—Optional Redemption", Refinancing Proceeds may be used in connection with either a redemption in whole of the Secured Notes or a redemption in part of the Secured Notes by Class. In the case of a Refinancing upon a redemption of the Secured Notes in whole but not in part, such Refinancing will only be effective if (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 sufficient to redeem simultaneously the Secured Notes then required to be redeemed, in whole but not in part, and to pay all accrued and unpaid Administrative Expenses (regardless of the Administrative Expense Cap), including the reasonable fees, costs, charges and expenses incurred by the Trustee and the Collateral Administrator (including reasonable attorneys' fees and expenses) in connection with such Refinancing, any amounts due to the Hedge Counterparties, the Repack Swap Termination Amount, if any, due to the Repack Swap Counterparty and all accrued and unpaid Collateral Management Fees, (ii) the Sale Proceeds,

Refinancing Proceeds and other available funds are used (to the extent necessary) to make such redemption, (iii) solely with respect to a Refinancing of the Class A-1 Notes, each prospective investor in the replacement notes or obligations providing such Refinancing has certified in writing to the Issuer, the Trustee, the Collateral Manager and the initial Placement Agent as to whether or not it is a holder or beneficial owner of notes issued by the Repack Issuer as of the date of its commitment to acquire such replacement notes or obligations and (iv) the agreements relating to the Refinancing contain limited recourse and non-petition provisions equivalent (*mutatis mutandis*) to those contained in the Indenture.

In the case of a Refinancing upon a redemption of the Secured Notes in part by Class, such Refinancing will only be effective if certain conditions described under "Description of the Offered Securities—Optional Redemption" are satisfied. If a Refinancing is obtained meeting the requirements of the Indenture, 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 of Notes other than a Majority of the Subordinated Notes directing the redemption (if any). No assurance can be given that any such amendments to the Indenture or the terms of any Refinancing will not adversely affect the holders of any Class or Classes of Notes not subject to redemption (or, in the case of the Subordinated Notes, the holders of the Subordinated Notes who do not direct such redemption).

In connection with any Refinancing, if a Repack Swap Event has occurred, the Issuer shall pay the Repack Swap Termination Amount to the Repack Swap Counterparty. If the Issuer is required to pay the Repack Swap Termination Amount in connection with a Refinancing, Refinancing Proceeds, Sale Proceeds and other amounts available to redeem Secured Notes on such Redemption Date will need to be greater than originally anticipated, and this may reduce the likelihood that the Issuer will be able to conduct a Refinancing in whole or in part.

The Issuer's ability to refinance Secured Notes in whole or in part 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 Offered Securities."

The Secured Notes are subject to Re-Pricing

On any Payment Date after the Non-Call Period, at the direction of a Majority of the Subordinated Notes, the Issuer (or the Collateral Manager on its behalf) shall be entitled, in the case of any Class of Secured Notes (other than the Class A-1 Notes) to reduce the spread over LIBOR applicable to such Class of Secured Notes. Such Re-Pricing could occur for example, if interest rates on investments similar to any Class of Secured Notes (other than the Class A-1 Notes), as applicable, fall below current levels and may occur at a time when the applicable Class of Secured Notes are trading in the market at a premium. For the avoidance of doubt, the Class A-1 Notes are not subject to Re-Pricing. The exercise of the Re-Pricing option may reduce or eliminate such premium on such Class of Secured Notes, as applicable, and 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 Offered Securities—Optional Re-Pricing."

In addition, if any holders of a Re-Priced Class do not consent to the proposed Re-Pricing within the time period described herein, the Issuer (or the Re-Pricing Intermediary on behalf of the Issuer) will have the right to cause the non-consenting holders to sell their Notes of the Re-Priced Class on the Re-Pricing Date to one or more transferees at a sale price equal to par plus accrued interest to (but excluding) the Re-Pricing Date. The consequence of such a sale to such non-consenting holder will be similar to that of an early redemption of such Class of Secured Notes, as applicable. See "—The Notes are subject to Optional Redemption in whole or in part by Class" above.

The Issuer's ability to conduct a Re-Pricing of any Class of Secured Notes 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 Offered Securities."

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

Amounts designated by a Majority of the Subordinated Notes pursuant to clause (T) under "Overview of Terms—Priority of Payments—Application of Interest Proceeds" will be deposited into the Reserve Account and applied to any Permitted Use designated by the Collateral Manager and consented to by a Majority of the Subordinated Notes. If such amounts are deposited into the Interest Collection Subaccount, such deposit may, among other things, temporarily prevent deferral of interest on the Deferrable Notes or cause an Interest Coverage Test to pass. Amounts deposited into the Principal Collection Subaccount may be used to pay the costs or expenses of a Refinancing or a Re-Pricing.

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

The Interest Rate on each class of Secured Notes is based upon LIBOR and therefore may fluctuate from one Interest Accrual Period to another in response to changes in LIBOR; the Subordinated Notes do not bear a stated rate of interest. Several years ago, LIBOR experienced high volatility and significant fluctuations relative to historical norms. It is likely that LIBOR will continue to fluctuate and we make no representation as to what LIBOR will be in the future. Because the Secured Notes bear interest based upon three-month LIBOR (other than during the first Interest Accrual Period), there may be a basis mismatch between the Secured Notes and the underlying Collateral Obligations and Eligible Investments with interest rates based on an index other than LIBOR, interest rates based on LIBOR for a different period of time or even three-month LIBOR for a different accrual period. In addition, some Collateral Obligations or Eligible Investments may bear interest at a fixed rate. It is possible that LIBOR payable on the Secured 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 Secured Notes). No assurance can be made that the portion of floating rate Collateral Obligations of the Issuer that bear interest based on indices other than LIBOR will not increase in the future. Some Collateral Obligations, however, may have LIBOR floor arrangements that may help mitigate this risk, but there is no requirement for any Collateral Obligation to have a LIBOR floor and there is no guarantee that any such LIBOR floor will fully mitigate the risk of falling LIBOR. If LIBOR payable on the Secured Notes rises during periods in which LIBOR (or another applicable index) with respect to the various Collateral Obligations and Eligible Investments is stable or during periods in which the Issuer owns Collateral Obligations or Eligible Investments bearing interest at a fixed rate, is falling or is rising but is capped at a lower level, "excess spread" (*i.e.*, the difference between the interest collected on the Collateral Obligations and the sum of the interest payable on the Secured 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 Secured Notes. There may also be a timing mismatch between the Secured Notes and the underlying Collateral Obligations as the LIBOR (or other applicable index) on such Collateral Obligations may adjust more frequently or less frequently, on different dates than LIBOR on the Secured Notes. Such a mismatch could result in the Issuer not collecting sufficient Interest Proceeds to make interest payments on the Secured Notes. The Issuer may or may not enter into interest rate swap transactions to hedge any interest rate or timing mismatch. To the extent described herein, the Issuer may enter into Hedge Agreements to reduce the effect of any such interest rate mismatch. The Issuer will not be permitted to enter into a Hedge Agreement unless (i) the Global Rating Agency Condition has been satisfied with respect thereto, (ii) a Majority of the Controlling Class has consented to such Hedge Agreement and (iii) it obtains written advice of counsel that such Hedge Agreement will not cause the Collateral Manager to be required to register as a CPO with

the CFTC with respect to the Issuer, even if the Collateral Manager believes it would be advisable to do so, or the Issuer would incur financial risks that otherwise would have been hedged. Even if the Issuer were to enter into one or more Hedge Agreements, there can be no assurance that the Collateral Obligations and the Eligible Investments will in all circumstances generate sufficient Interest Proceeds to make timely payments of interest on the Secured Notes and to make distributions to the holders of the Subordinated Notes, nor that the Hedge Agreements will ensure any particular return on any such Notes.

The average lives of the Notes may vary

The average life of each Class of 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 Mandatory Redemption, Optional Redemption, Tax Redemption, Special Redemption or a sale in connection with a Re-Pricing. Retirement of the Collateral Obligations prior to their respective final maturities will depend, among other things, on the financial condition of the issuers of the underlying 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 at par, and a high proportion of loans could be prepaid. The ability of the Issuer to reinvest proceeds in obligations with comparable interest rates that satisfy the reinvestment criteria specified herein may affect the timing and amount of payments received by the holders of Notes and the yield to maturity of the Notes. See "Security for the Secured Notes—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria."

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

Estimates of the average lives of the Offered Securities, together with any projections, forecasts and estimates provided to prospective purchasers of the Offered Securities, are forward-looking statements. Projections are necessarily speculative in nature, and it should be expected that some or all of the assumptions underlying the projections will not materialize or will vary significantly from actual results. Accordingly, actual results will vary from the projections, and such variations may be material. Some important factors that could cause actual results to differ materially from those in any forward-looking statements include changes in interest rates, exchange rates and default and recovery rates; market, financial or legal uncertainties; the timing of acquisitions of Collateral Obligations; differences in the actual allocation of Collateral Obligations among asset categories from those assumed; mismatches between the time of accrual and receipt of Interest Proceeds from the Collateral Obligations. None of the Co-Issuers, JPMorgan, the Collateral Manager, the Trustee, the Collateral Administrator or any other party to this transaction or any of their respective Affiliates has any obligation to update or otherwise revise any projections, forecasts or estimates, including any revisions to reflect changes in economic conditions or other circumstances arising after the date of this Offering Circular or to reflect the occurrence of unanticipated events.

Tax consequences to the Issuer

Upon the issuance of the Notes, Ashurst LLP will deliver an opinion generally to the effect that, under current law, assuming compliance with the Indenture and the Collateral Management Agreement (and certain other documents) and based upon certain factual representations made by the Issuer and/or the Collateral Manager, and assuming the correctness of all opinions and advice of

counsel that permit the Issuer to take or fail to take any action under the transaction documents based upon such opinions or advice, although the matter is not free from doubt, the Issuer will not be treated as engaged in the conduct of a trade or business within the United States for U.S. federal income tax purposes. The opinion of Ashurst LLP will be based on certain factual assumptions, covenants and representations as to the Issuer's contemplated activities. The Issuer intends to conduct its affairs in accordance with such assumptions and representations. However, you should be aware that the opinion referred to above will be predicated upon the Collateral Manager's compliance with certain tax restrictions set out in the Indenture and the Collateral Management Agreement (the "*Trading Restrictions*"), which are intended to prevent the Issuer from engaging in activities which could give rise to a trade or business within the United States. Although the Collateral Manager has generally undertaken to comply with the Trading Restrictions, the Collateral Manager is permitted to depart from the Trading Restrictions if it obtains an opinion from nationally recognized tax counsel (or written advice from Ashurst LLP or Schulte Roth & Zabel LLP) that the departure will not cause the Issuer to be treated as engaged in a trade or business within the United States. There can be no assurance that any such opinion or advice of tax counsel will be consistent with Ashurst LLP's current views and opinion standards, and any such departures would not be covered by the opinion of Ashurst LLP referred to above. Furthermore, the Collateral Manager is not obligated to monitor (and in some cases, conform the Issuer's activities in order to comply with) changes in law that could affect whether the Issuer is treated as engaged in a U.S. trade or business. The Collateral Manager might act in accordance with the Trading Restrictions notwithstanding the issuance of new decisions by the courts, new legislation or official guidance (regardless of whether such new interpretation, legislation or guidance would either merely increase the risk that the Issuer would be, or actually cause the Issuer to be, engaged in a U.S. trade or business). It is not certain that a violation of the Trading Restrictions that causes an increase in the risk that the Issuer will be engaged in a trade or business in the United States for U.S. federal income tax (without actually having that effect) will be treated as reasonably being expected to have such a material adverse effect. The opinion of special U.S. tax counsel is based on the Transaction Documents as of the Closing Date and, accordingly, will not address any potential U.S. federal income tax effect of any supplemental indenture. In addition, the opinion of Ashurst LLP and any such other advice or opinions are not binding on the IRS or the courts, and no ruling will be sought from the IRS regarding this, or any other, aspect of the U.S. federal income tax treatment of the Issuer. Accordingly, in the absence of authority on point, the U.S. federal income tax treatment of the Issuer is not entirely free from doubt, and there can be no assurance that positions contrary to those stated in the opinion of Ashurst LLP or any such other advice or opinions may not be asserted successfully by the IRS.

If the IRS were to characterize successfully the Issuer as engaged in a U.S. trade or business, among other consequences, the Issuer would be subject to net income taxation in the United States on its income (and possibly on a gross basis) that was effectively connected with such business (as well as the branch profits tax). The levying of such taxes could materially affect the Issuer's financial ability to make payments on the Notes.

There have been recent legislative proposals that were not enacted that proposed to treat a non-U.S. corporation as a U.S. corporation subject to U.S. federal income taxation if the non-U.S. corporation's assets consisted primarily of assets managed on behalf of investors and decisions as to the management of those assets were made within the United States. If legislation with similar provisions were to be enacted and were to apply to the Issuer, then depending on the specific terms of those provisions, such a change in law could have a material adverse effect on the Issuer's ability to make payments on the Notes and could constitute a Tax Event that would permit a Tax Redemption.

To reduce the risk that the Issuer will be engaged in a trade or business in the United States, in certain circumstances set forth in the Indenture, certain assets of the Issuer may be owned by one or more ETB Subsidiaries wholly-owned by the Issuer. Income on such securities or obligations will be

subject to U.S. federal income tax, and possibly state and local tax, at regular corporate rates and distributions by such subsidiaries to the Issuer (or, in the case of non-U.S. ETB Subsidiaries, amounts distributed to the ETB Subsidiary) attributable to such income may also be subject to U.S. withholding tax.

Restrictions on Affected Banks Purchasing Subordinated Notes

Each holder and beneficial owner of the Subordinated Notes will make, or be deemed to make, a representation to the effect that it is not an Affected Bank unless such acquisition is authorized by the Issuer in writing. The Issuer has the right, under the Indenture, to compel any beneficial owner of such Note that is an Affected Bank to sell all or a portion of its interest in such Note, or may sell all or a portion of such interest on behalf of such owner.

Restrictions on Majority Holder of Subordinated Notes purchasing the Subordinated Notes

With respect to any period during which any Holder of the Subordinated Notes is treated as a member of the Issuer's "expanded affiliated group" (as defined in Section 1471(e)(2) and any Treasury Regulations promulgated thereunder), such Holder will be required to covenant that it will (i) cause any member of such expanded affiliated group (assuming that the Issuer and any ETB Subsidiary are "participating FFIs" within the meaning of the Code or any Treasury Regulations promulgated thereunder) that is treated as a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Code and any Treasury Regulations promulgated thereunder to be either a "participating FFI," a "deemed-compliant FFI" or an "exempt beneficial owner" within the meaning of the Code or any Treasury Regulations promulgated thereunder, and (ii) promptly notify the Issuer in the event that any member of such expanded affiliated group that is treated as a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Code and any Treasury Regulations promulgated thereunder is not either a "participating FFI," a "deemed-compliant FFI" or an "exempt beneficial owner" within the meaning of the Code or any Treasury Regulations promulgated thereunder, in each case except to the extent that the Issuer or its agents have provided such Holder with an express waiver of this provision.

State and local taxes may reduce a Holder's anticipated return on the Offered Securities

In addition to the federal income tax consequences described in "U.S. Federal Income Tax Considerations" and "Certain ERISA and Related Considerations" herein, potential investors should consider the state and local income tax consequences of the acquisition, ownership, and disposition of the Offered Securities. State and local income tax law may differ substantially from the corresponding federal law, and this Offering Circular does not purport to describe any aspect of the income tax laws of any state or local jurisdiction. Therefore, potential investors should consult their own tax advisors with respect to the various state or local tax consequences of an investment in the Offered Securities.

Changes in tax law could result in imposition of U.S. withholding taxes, but there will be no gross-up by the Issuer

Payments on the Collateral Obligations (except for commitment fees and other similar fees (including, without limitation, certain payments on obligations or securities that include a participation in or that support a letter of credit) associated with Revolving Collateral Obligations or Delayed Drawdown Collateral Obligations) are required not to be subject to withholding tax when the Collateral Obligations are acquired by the Issuer unless the Obligor thereof is required to make payments of additional amounts (so called "gross-up payments") that cover the full amount of such withholding tax on an after-tax basis. In the case of debt obligations issued by U.S. Obligors after July 18, 1984, interest payments thereon are generally exempt under current United States tax law from the imposition of United States federal income withholding tax. See "U.S. Federal Income Tax Considerations—Information Reporting and Backup Withholding."

With respect to Collateral Obligations that are not subject to withholding tax at the time of acquisition by the Issuer, however, there can be no assurance that the payments on such Collateral Obligations will not become subject to U.S. or other withholding tax as a result of a change in any applicable law, treaty, rule or regulation or interpretation thereof or other causes, possibly with retroactive effect. If any withholding tax is or becomes applicable to payments on the Collateral Obligations and such tax is not fully offset by "gross-up payments", such withholding tax will reduce the amounts available to make payments on the Offered Securities. There can be no assurance that the remaining payments on the Collateral Obligations would be sufficient to make payments on the Offered Securities. In addition, in the event withholding in respect of an Excluded Collateral Obligation is not initially imposed but is imposed retroactively, such withholding would reduce amounts otherwise available to make payments on the Notes (and could adversely affect some Classes of Notes that would not have been adversely affected had the withholding been imposed initially).

Withholding tax is not currently imposed by the Cayman Islands on payments of interest or principal on the Secured Notes or distributions on the Subordinated Notes. There can be no assurance, however, that the law will not change. In the event that any withholding tax is imposed on payments of interest or principal on any of the Secured Notes or distributions on the Subordinated Notes, the holders of the Offered Securities will not be entitled to receive grossed-up amounts to compensate for such withholding tax.

If the Issuer creates an ETB Subsidiary, the subsidiary will have income subject to net tax in the United States and the imposition of such taxes will materially reduce any return from assets held in such ETB Subsidiary.

Proposed amendment to portfolio interest rules

Proposals are made from time to time to amend the Code. One recent proposal, if enacted, would, among other things, amend the portfolio interest rules in a manner that would impose a 30% withholding tax on interest payments received by foreign corporations such as the Issuer on U.S. corporate obligations. This provision would not override treaty agreements but the Issuer does not benefit from any treaties. The provision is proposed to be effective to obligations issued more than one year after the date of enactment.

No representation is made that this or any other change in law will be enacted, or, if enacted, what effect it will have on the Issuer or the Notes.

Holders may be subject to withholding or forced sale for failure to provide certain tax information

FATCA imposes a 30% withholding tax on certain payments of U.S. source income and gross proceeds from the sale of property that produces certain U.S. source income to certain non-United States persons that are "foreign financial institutions," such as the Issuer, unless certain conditions are satisfied. Generally, the withholding tax is phased in over several years and currently applies to payments of U.S. source income, to certain gross proceeds paid on or after January 1, 2017, and certain other "foreign passthru payments" (described below) no earlier than January 1, 2017. As a general matter, FATCA withholding tax will not be imposed if (i) the payment is made with respect to an obligation that is a debt obligation for U.S. federal income tax purposes outstanding on or prior to June 30, 2014 (that has not been materially modified after June 30, 2014 and treated as reissued for U.S. federal income tax purposes) (a "*Grandfathered Obligation*"), or (ii) the Issuer (and each foreign withholding agent (if any) in the chain of custody of payments made to the Issuer) either enters into an agreement (an "*FFI Agreement*") with the IRS that requires the Issuer to satisfy certain withholding tax and information reporting requirements regarding its U.S. holders or complies with Cayman Islands legislation that implements the intergovernmental agreement between the Cayman Islands and the United States (the "*Cayman IGA*") or any other applicable

intergovernmental agreement entered into in connection with FATCA. The Cayman IGA requires, among other things, that the Issuer collect and provide to the Cayman Islands government substantial information regarding direct and indirect holders of the Notes unless the Issuer qualifies as a Non-Reporting Cayman Islands Financial Institution (as defined in the Cayman IGA) or is otherwise entitled to an exemption under FATCA. The Issuer anticipates that withholding generally will not be imposed on payments made (x) to the Issuer or (y) except as discussed below, on payments made by the Issuer. Although the Issuer intends to comply with its obligations under the Cayman IGA and FATCA, in some cases, the ability to comply could depend on factors outside of the Issuer's control. For example, if an FFI Affiliate of the Issuer is not FATCA compliant (i.e., it fails to comply with (and is not exempted from complying with) FATCA), the Issuer itself may be prohibited from complying with FATCA. For this purpose, an "FFI Affiliate" generally is a "foreign financial institution," as defined in FATCA (an "*FFI*"), that is deemed to be part of an affiliated group that includes the Issuer (where, in general, such affiliates and the Issuer are deemed related through more than 50% ownership). For example, if an FFI owns (for U.S. federal income tax purposes) more than 50% of the Issuer's equity and such FFI equity owner is not FATCA compliant, the Issuer may not be eligible to comply with FATCA. Furthermore, in certain cases, if an entity is deemed (for U.S. federal income tax purposes) to own more than 50% of the equity of both (i) the Issuer and (ii) another FFI, such other FFI may be treated as an FFI Affiliate of the Issuer for this purpose and, thus, if such other FFI is not FATCA compliant, the Issuer may be prohibited from complying with FATCA. For these purposes, ownership by a person of the Majority of the Subordinated Notes of the Issuer is likely to constitute the requisite ownership by that person of the Issuer. Similarly ownership by a person of a majority of the ordinary share capital of another FFI or, in the case of another FFI which is a special purpose entity similar to the Issuer, of the most junior class and any other class treated as equity for U.S. federal tax purposes of such other FFI, is likely to constitute the requisite ownership by that person of such other FFI.

Future guidance may subject payments on Subordinated Notes and possibly certain Secured Notes after January 1, 2017 to a withholding tax of 30% if each FFI that holds any such Note, or through which any such Note is held, has not entered into an information reporting agreement with the IRS under FATCA or complied with the terms of the Cayman IGA and Cayman Islands legislation implementing the Cayman IGA. However, no such withholding is expected to be imposed on Notes (other than the Subordinated Notes and any other Class of Notes treated as equity in the Issuer for U.S. federal income tax purposes) unless such Notes are modified and treated as reissued for U.S. federal income tax purposes after that date that is six months after regulations are issued specifically addressing payments on non-U.S. source obligations such as the Notes. Holders that do not supply information requested by the Issuer or its agents in connection with FATCA and the Cayman IGA, or whose ownership of Notes 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 (as discussed below) to punitive measures under the Indenture. There can be no assurance, however, that these measures will be effective, and that the Issuer and holders of the Notes will not be subject to withholding taxes under FATCA or the Cayman Islands legislation implementing the Cayman IGA. The imposition of such taxes could materially affect the Issuer's ability to make payments on the Notes or could reduce such payments and the costs of compliance with FATCA and the Cayman IGA may be significant. In addition, the imposition of withholding taxes and incurrence by the Issuer of FATCA compliance costs in excess of certain thresholds (whether actually imposed or incurred, or reasonably anticipated) is a Tax Event that allows the Issuer to retire Notes.

The Issuer is permitted to enter into a supplemental indenture without the consent of holders to provide for the issuance of new Notes of a Class of Notes or the creation of sub-classes of such Class of Notes (in each case, with new identifiers) if it or the Trustee determines that one or more beneficial owners of such Class of Notes is a Recalcitrant Holder. The intent of such a supplemental indenture would be to allow holders of such Class that are not Recalcitrant Holders to take an interest in such new Notes or sub-class(es) in order to isolate the identity of the Recalcitrant Holder

and lessen the likelihood that holders, other than any applicable Recalcitrant Holder, would be subject to withholding due to the failure of a Recalcitrant Holder to provide the Issuer with Holder FATCA Information. However, there can be no assurance that any such supplemental indenture will be entered into or, if it is, that it will have the effect of eliminating or reducing withholding on any holder's Notes caused by a Recalcitrant Holder

Under the Indenture, each holder or beneficial owner of a Note will agree or be deemed to agree to (i) provide the Issuer or authorized agent acting on its behalf (and any applicable Intermediary) and the Trustee with the Holder FATCA Information and to take any other action reasonably necessary (in the determination of the Issuer, the Collateral Manager, the Trustee or their respective agents) to enable the Issuer or an Intermediary to comply with FATCA and (ii) permit the Issuer, the Collateral Manager, an Intermediary and the Trustee (on behalf of the Issuer) to (x) share such information with the IRS and any other taxing authority, (y) compel or effect the sale of Notes held by any such holder that either fails to comply with the foregoing requirement or otherwise prevents the Issuer from qualifying as, or complying with any obligations or requirements imposed on, a "Participating FFI" or a "deemed-compliant FFI" within the meaning of the Code and any regulations promulgated thereunder and (z) make other amendments to the Indenture to enable the Issuer to comply with FATCA and/or assign to such Note a separate CUSIP or CUSIPs. For these purposes, the Issuer may sell a beneficial owner's interest in a Note in its entirety notwithstanding that the sale of a portion of such an interest would permit the Issuer to comply with FATCA.

United Kingdom and Cayman Islands Information Sharing Agreement

Holders of Offered Securities who are resident in the United Kingdom for tax purposes should be aware that the United Kingdom has now signed an intergovernmental automatic information exchange agreement with the Cayman Islands (and is in the process of negotiating and agreeing similar agreements with other United Kingdom Overseas Territories and Crown Dependencies), modeled on the intergovernmental agreement between the United Kingdom and the United States that implements the United States FATCA legislation. Under this automatic information exchange agreement, the Cayman Islands requires the Issuer to, among other things, identify any direct or indirect United Kingdom resident account holders (including debt holders and equity holders) in the Issuer and obtain and provide to the Cayman Islands Tax Information Authority certain information about such United Kingdom resident account holders. Such information is then automatically exchanged by the Cayman Islands Tax Information Authority with the United Kingdom tax authorities. A Holder of Offered Securities that is resident in the United Kingdom for tax purposes or is an entity that is identified as having one or more controlling persons that is resident in the United Kingdom for tax purposes is generally required to provide to the Issuer information which identifies such United Kingdom tax resident persons and the extent of their respective interests in the Issuer. Holders who may be affected should consult their own tax advisers regarding the possible implications of these rules.

Possible tax effect of supplemental indentures

The Co-Issuers may, for certain specified purposes, enter into supplemental indentures, some of which may be entered into without the consent of any Holders of Offered Securities and without requiring the Issuer to specifically consider the federal income tax consequences of such supplemental indenture. Thus, there is no specific requirement that such supplemental indentures will not (x) cause the Issuer to be treated as engaged in a United States trade or business, (y) adversely affect the characterization of the Offered Securities (as debt or equity) for federal income tax purposes or (z) cause the Offered Securities to be treated as exchanged for other securities, in a transaction in which gain or loss is recognized.

Certain U.S. investors may be subject to additional reporting requirements

U.S. holders may be required to file particular IRS tax forms (e.g., see discussion below) with respect to their investment in the Notes. In the event a U.S. holder does not file the appropriate form, the statute of limitations on the assessment and collection of U.S. federal income taxes of such U.S. holder for the related tax year may not close before the date which is three years after the date on which such filing is made. Such tolling of the limitations period would apply to the U.S. holder's entire tax return (not just the part of the return related to the filing).

A U.S. Holder that is an individual and holds certain foreign financial assets must file new IRS Form 8938 to report the ownership of such assets if the total value of those assets exceeds the applicable threshold amounts. The threshold varies depending on whether the individual lives in the United States or files a joint income tax return with a spouse. For example, an unmarried U.S. Holder living in the United States is required to file Form 8938 if the total value of all specified foreign financial assets is more than $50,000 on the last day of the tax year or more than $75,000 at any time during the tax year. U.S. Holders in other situations have the same or a greater threshold. In general, specified foreign financial assets include debt or equity interests (that are not regularly traded on an established securities market) issued by foreign financial institutions (such as the Issuer), and any interest in a foreign entity that is not a financial institution, including any stock or security, and any financial instrument or contract held for investment that has an issuer or counterparty that is not a U.S. person. Proposed regulations also would require certain domestic entities that are formed, or availed of, for purposes of holding, directly or indirectly, specified foreign financial assets to file IRS Form 8938. In addition, certain non-resident alien individuals may be required to file Form 8938, notwithstanding the availability of any special treatment under an income tax treaty. However, in general, such form is not required to be filed with respect to the Notes if they are held through a U.S. payer, such as a U.S. financial institution, a U.S. branch of a non-U.S. banks, and certain non-U.S. branches or subsidiaries of U.S. financial institutions.

Taxpayers who fail to make the required disclosure with respect to any taxable year are subject to a penalty of $10,000 for such taxable year, which may be increased up to $50,000 for a continuing failure to file the form after being notified by the IRS. In addition, the failure to file Form 8938 will extend the statute of limitations for a taxpayer's entire related income tax return (and not just the portion of the return that relates to the omission) until at least three years after the date on which the Form 8938 is filed.

All U.S. Holders are urged to consult with their own tax advisors with respect to whether an Offered Security is a foreign financial asset that (if the applicable threshold were met) would be subject to this rule.

Tax characterization of the Offered Securities

The Issuer intends to agree and, by its acceptance of a Secured Note, each holder will be deemed to have agreed, to treat the Secured Notes as debt of the Issuer for U.S. federal income tax purposes, except as otherwise required by applicable law and for certain limited purposes (as described in "U.S. Federal Income Tax Considerations"). Upon the issuance of the Notes, Ashurst LLP will deliver an opinion generally to the effect that, assuming compliance with the Indenture (and certain other documents), and based on certain factual representations made by the Issuer and/or the Collateral Manager, the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes will, and the Class D Notes should, be characterized as debt of the Issuer for U.S. federal income tax purposes. The determination of whether a Note will be treated as debt for U.S. federal income tax purposes is based on the facts and circumstances existing at the time the Note is issued. Prospective investors should note, however, that the classification of an instrument as debt or equity is highly factual, and there can be no assurance that the IRS will not contend, and that a court will not ultimately hold, that one or more Classes of Notes, particularly the more junior Classes

of Notes, are equity. For example, if a single investor or a group of investors that holds all of the Subordinated Notes also holds all of the Class D Notes, this would be one factor that could make it more likely that the Class D Notes were treated as equity for U.S. federal income tax purposes. The opinion of Ashurst LLP described above will be qualified by this recharacterization risk and may not, in certain circumstances, cover Secured Notes owned by holders of Subordinated Notes as described in this paragraph. The opinion of Ashurst LLP will be based on current law and certain representations and assumptions. Prospective investors should be aware that opinions of counsel are not binding on the IRS, and there can be no assurance that the IRS will not seek to characterize as something other than indebtedness any particular Class or Classes of the Secured Notes.

The Issuer intends to agree and, by its acceptance of a Subordinated Note, each holder will be deemed to have agreed, to treat such Subordinated Note as equity in the Issuer for U.S. federal income tax purposes, except as otherwise required by applicable law. No opinion will be delivered regarding the U.S. federal income tax treatment of the Subordinated Notes.

Notes issued in additional offerings by the Issuer or the Co-Issuer may not be fungible for U.S. federal income tax purposes with the Notes issued in the original offering

Whether any new notes would be fungible for U.S. federal income tax purposes with the Notes issued on the Closing Date would depend on whether the issuance of such new notes would be treated as a "qualified reopening" within the meaning of U.S. Treasury regulations. This determination will depend on facts that cannot be determined at this time, possibly including the date on which such issuance occurs, the yield of the outstanding Notes at that time (based on their fair market value), whether any outstanding Notes are publicly traded or quoted at that time (which will depend, in part, on whether the outstanding stated principal amount of the Notes exceeds $100 million) and whether the Notes are treated as debt for U.S. federal income tax purposes. In addition, potential investors should note that Notes that are expressed to be consolidated and form a single series with previously issued Notes may not be treated as a qualified reopening and, thus, may not be grandfathered under FATCA, even if the previously issued Notes originally were grandfathered under FATCA.

Purchase of Collateral Obligations held through one or more Subsidiaries

Some of the Collateral Obligations may be held by an ETB Subsidiary. The Issuer's ability to realize the economic benefits of its indirect ownership of these assets depends on the ability of the ETB Subsidiaries to make payments and other distributions to the Issuer. In the event that any ETB Subsidiary is unable for any reason to make such payments or other distributions to the Issuer, the Issuer may not be able to realize the full economic benefits of the assets held by such ETB Subsidiary.

Each of the Issuer and the Co-Issuer is recently formed, has no significant operating history, has no assets other than the Assets and is limited in its permitted activities

Each of the Issuer and the Co-Issuer is a recently formed, incorporated or organized entity and has no prior operating history or track record other than in connection with the warehouse facility entered into to acquire Collateral Obligations prior to the Closing Date and described in this Offering Circular. Accordingly, neither the Issuer nor the Co-Issuer has a performance history for you to consider in making your decision to invest in the Offered Securities.

The Issuer may be subject to third party litigation; the Issuer has limited funds available to pay its expenses

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. See "—Lender liability considerations and equitable subordination can

affect the Issuer's rights with respect to Collateral Obligations." The expense of defending against claims against the Issuer by third parties, including involuntary bankruptcy petitions, and paying any amounts pursuant to settlements or judgments would, except in the unlikely event that the Issuer is indemnified for such amounts, be borne by the Issuer and would reduce the funds available for distribution and the Issuer's net assets.

The funds available to the Issuer to pay certain fees and expenses of the Trustee, the Collateral Administrator, the Collateral Manager and the Administrator and for payment of the Issuer's other accrued and unpaid Administrative Expenses (including certain fees and expenses incurred under the Repack Indenture) are limited as described in "Overview of Terms—Priority of Payments." In addition, on the Closing Date the Issuer will transfer amounts received from the proceeds of the issuance of the Notes to the Repack Accounts to be held in the name of the Repack Issuer, for use as described under the Repack Indenture. 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, any ETB Subsidiary, the Trustee, the Collateral Administrator, the Collateral Manager and/or the Administrator may not be able to defend or prosecute legal proceedings that may be brought against them or that they might otherwise bring to protect the interests of the Issuer. In addition, service providers who are not paid in full, including the Administrator which provides the directors to the Issuer, have the right to resign. This could lead to the Issuer being in default under the Companies Law (as amended) of the Cayman Islands and potentially being struck from the register of companies and dissolved.

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

Neither the Issuer nor the Co-Issuer has 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 under the Indenture. Should the Issuer or the Co-Issuer be subjected to any or all of the foregoing, the Issuer and the Co-Issuer would be materially and adversely affected.

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

No representation is made as to the proper characterization of the Notes for legal investment, financial institution regulatory, financial reporting or other purposes, as to the ability of particular investors to purchase the Notes under applicable legal investment or other restrictions or as to the consequences of an investment in the Notes for such purposes or under such restrictions. Certain regulatory or legislative provisions applicable to certain investors may have the effect of limiting or restricting their ability to hold or acquire the Notes, which in turn may adversely affect the ability of

investors in the Notes who are not subject to those provisions to resell their Notes in the secondary market.

In response to the recent downturn in the credit markets and the global economic crisis, various agencies and regulatory bodies of the United States federal government and in Europe 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 (the "*Dodd-Frank Act*"), which was signed into law on July 21, 2010, and which imposes a new regulatory framework over the U.S. financial services industry and the consumer credit markets in general, and proposed and actual regulations by the SEC and the U.S.Commodity Futures Trading Commission ("*CFTC*") that, if enacted and/or implemented as currently anticipated, would significantly alter the manner in which asset-backed securities, including securities similar to the Notes, are issued and structured and increase the reporting obligations of the issuers and asset managers of such securities.

Pursuant to the Dodd-Frank Act, the CFTC has promulgated a range of new regulatory requirements that may affect the pricing, terms and compliance costs associated with Hedge Agreements that may be entered into by the Issuer from time to time. Some or all of the Hedge Agreements may be affected by requirements for central clearing with a derivatives clearinghouse organization, by initial and variation margin requirements of clearing organizations or otherwise required by law, reporting obligations in respect of Hedge Agreements, documentation responsibilities, and other matters that may significantly increase costs to the Issuer and/or the Collateral Manager, lead to the Issuer's inability to purchase additional Collateral Obligations or have unforeseen legal consequences on the Issuer or the Collateral Manager or have other material adverse effects on the Issuer or the holders. In addition, recently adopted CFTC rules under the Dodd-Frank Act include "swaps" along with "commodities" as contracts which if traded by an entity may cause that entity to fall within the definition of a "commodity pool" under the Commodity Exchange Act and the Collateral Manager to fall within the definition of a "commodity pool operator" ("*CPO*"). Although the CFTC has recently provided guidance that certain securitization transactions, including CLOs, will be excluded from the definition of "commodity pool", it is unclear if such exclusion will apply to all CLOs, and in certain instances, the collateral manager of a securitization vehicle may be required to register as a CPO with the CFTC or apply for an exemption from registration. The Issuer will not be permitted to enter into a Hedge Agreement unless (i) the Global Rating Agency Condition has been satisfied with respect thereto, (ii) a Majority of the Controlling Class and a Majority of the Subordinated Notes have consented to such Hedge Agreement and (iii) it obtains written advice of counsel that such Hedge Agreement will not cause the Collateral Manager to be required to register as a CPO with the CFTC with respect to the Issuer. The requirements of any exemption from regulation of the Collateral Manager as a CPO with respect to the Issuer could cause the Issuer or the Collateral Manager to be subject to registration and reporting requirements that may involve material costs to the Issuer. The scope of the requirements described above and related compliance costs is uncertain but could adversely affect the amount of funds available to make payments on the Notes. While the Issuer may be excluded from the definition of "commodity pool" or the Collateral Manager may satisfy the requirements of an exemption from the registration requirements described above, the conditions of any such exclusion or exemption may constrain the extent to which the Issuer may be able to enter into swap transactions. In particular, the limits imposed by such exclusion or exemptions may prevent the Issuer from entering into a Hedge Agreement that the Collateral Manager believes would be advisable or result in the Issuer incurring financial risks that would have been hedged absent such limits.

Given the broad scope and sweeping nature of these changes and the fact that final implementing rules and regulations have not yet been enacted, the potential impact of these actions on the Issuer, any of the Notes or any holders of Notes is unknown, 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 Notes. In particular, if transactions are not exempted

from any such new rules or regulations, the costs of compliance with such rules and regulations could have a material adverse effect on the Issuer and the holders of Notes. 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. Liquidation of the Assets as a result of an Event of Default could have a material adverse effect on the holders of Notes, particularly the Subordinated Notes.

Further, on December 10, 2013, the final Volcker Rule was published under Section 619 of the Dodd-Frank Act (the "*Volcker Rule*"). Among other things, the Volcker Rule will prohibit "banking entities" from certain proprietary trading activities and will restrict sponsorship or ownership of "covered funds". The definition of "covered fund" in the Volcker Rule includes (generally) any entity that would be an investment company under the Investment Company Act but for the exemption provided under Sections 3(c)(1) or 3(c)(7) thereunder. Because the Issuer will rely on Section 3(c)(7), it may be a "covered fund" within the meaning of the Volcker Rule. The Issuer intends to qualify for 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 (including certain types of securities) designed to ensure the servicing or timely distribution of proceeds to holders or that are related or incidental to purchasing or otherwise acquiring and holding loans. If the Issuer is a "covered fund", certain entities (including, without limitation, a "banking entity") may be prohibited from, among other things, acting as a "sponsor" to, or having an "ownership interest" in, the Issuer. The Volcker Rule and interpretations thereunder are still uncertain, may restrict or discourage the acquisition of Notes by such entities, and may adversely affect the liquidity of the Notes. Although the Volcker Rule provides limited exceptions to its prohibitions, each investor in the Notes must make its own determination as to whether it is subject to the Volcker Rule, whether its investment in the Notes would be restricted or prohibited under the Volcker Rule, and the potential impact of the Volcker Rule on its investment, any liquidity in connection therewith and on its portfolio generally. Investors in the Notes are responsible for analyzing their own regulatory position and none of the Issuer, the Placement Agent, the Collateral Manager, the Trustee nor any of their affiliates makes any representation to any prospective investor or purchaser of the Notes regarding the application of the Volcker Rule to the Issuer, or to such investor's investment in the Notes on the Closing Date or at any time in the future.

In addition, the SEC had proposed changes to Regulation AB under the Securities Act which would have had the potential to impose new disclosure requirements on securities offerings pursuant to Rule 144A under the Securities Act or pursuant to other SEC regulatory exemptions from registration. Such rules, if adopted, could have restricted the use of this Offering Circular or required the publication of a new offering circular in connection with the issuance and sale of any additional Notes or any Refinancing. While on August 27, 2014, the SEC adopted final rules amending Regulation AB that did not implement these proposals, the SEC has indicated that it is continuing to consider amendments that were proposed with respect to Regulation AB but not adopted, and that further amendments may be forthcoming in the future.

On October 21, 2014, the final rules implementing the credit risk retention requirements of Section 941 of the Dodd-Frank Act (the "*Risk Retention Rules*") were issued. The Risk Retention Rules generally require the collateral manager of a CLO to retain not less than 5% of the credit risk of the assets collateralizing the CLO issuer's securities. The Risk Retention Rules will become effective two years after the date of publication in the Federal Register. While the Risk Retention Rules would not apply to the issuance and sale of the Notes on the Closing Date, the Risk Retention Rules may have other adverse effects on the Issuer and/or the holders of the Notes. The Risk Retention Rules would apply to any additional Notes issued after the Closing Date or any Refinancing and may also apply with respect to any Re-Pricing, if such subsequent issuance, Refinancing or Re-Pricing occurs on or after the effective date of the Risk Retention Rules. As a result, the Risk Retention Rules may adversely affect the Issuer (and the performance and market value of the Notes) if the Issuer is unable to undertake any such additional issuance, Refinancing or Re-Pricing and may affect the liquidity of the Notes. Furthermore, no assurance can be given as to

whether the Risk Retention Rules would have any future material adverse effect on the business, financial condition or prospects of the Collateral Manager or the Issuer or on the market value or liquidity of the Notes.

On December 31, 2010, the European Banking Authority (formerly known as the Committee of European Banking Supervisors ("*EBA*")) published its final guidelines on the implementation of Article 122a of European Union Directive 2006/48/EC (as amended by Directive 2009/111/EC, "*Article 122a*"), commonly referred to as the Capital Requirements Directive ("*CRD*"), and on September 29, 2011 published some additional guidance in the form of a questions and answer document (collectively, the "*Article 122a Guidelines*"). On April 16, 2013, the European Parliament adopted a new directive and Regulation (EU) No. 575/2013 ("*CRR*"), which was published in the Official Journal on June 27, 2013 and took effect on January 1, 2014. On December 17, 2013, the EBA published final draft regulatory technical standards and implementing technical standards in relation to Article 404 (the "*Final Draft RTS*" and "*Final Draft ITS*," respectively). The Final Draft ITS were published in the Official Journal of the European Union on June 5, 2014 and came into force on June 25, 2014 (such enacted regulation being the "*Final ITS*"), and the Final Draft RTS were published in the Official Journal of the European Union on June 13, 2014 and came into force on July 3, 2014 (such enacted regulation being the "*Final RTS*"). Except in very limited circumstances, the Final RTS and the Final ITS replace in their entirety the Article 122a Guidelines.

Articles 404-410 (inclusive) of the CRR ("*Article 404*") have replaced Article 122a. Article 404 applies to (a) credit institutions established in a member state ("*Member State*") of the European Economic Area ("*EEA*") and consolidated group affiliates thereof (including those that are based in the United States) and (b) investment firms (each an "*Affected 404 Investor*") that invest in or have an exposure to credit risk in securitizations. Article 404 imposes a severe capital charge on a securitization position acquired by an Affected 404 Investor unless, among other conditions, (a) the originator, sponsor or original lender for the securitization has explicitly disclosed to the EEA-regulated credit institution that it will retain, on an ongoing basis, a material net economic interest of not less than 5% in respect of certain specified credit risk tranches or asset exposures, and (b) the Affected 404 Investor is able to demonstrate that it has undertaken certain due diligence in respect of its securitization position and the underlying exposures and that procedures are established for such activities to be monitored on an on-going basis. For purposes of Article 404, an EEA-regulated credit institution may be subject to the capital requirements as a result of activities of its overseas affiliates, including those that are based in the United States. Article 404 applies in respect of the Offered Securities, but no originator, sponsor or original lender will retain or commit to retain a 5% net economic interest with respect to the Offered Securities or the Collateral Obligations for the purposes of Article 404. The absence of any such commitment to retain means that the requirements of Article 404 cannot be met in respect of the Offered Securities and is expected to deter EEA-regulated institutions and their affiliates from investing in the Offered Securities. This lack of suitability will impair the marketability and liquidity of the Offered Securities.

On July 22, 2013, EU Directive 2011/61/EU on Alternative Investment Fund Managers ("*AIFMD*") became effective. Article 17 of AIFMD required the EU Commission to adopt level 2 measures similar to those in Article 404, permitting EEA managers of alternative investment funds ("*AIFMs*") to invest in securitizations on behalf of the alternative investment funds ("*AIFs*") they manage only if the originator, sponsor or original lender has explicitly disclosed that it will retain on an ongoing basis, a material net economic interest of not less than 5% in respect of certain specified credit risk tranches or asset exposures and also to undertake certain due diligence requirements. Commission Delegated Regulation 231/2013 (the "*AIFMD Level 2 Regulation*") included those level 2 measures. Although the requirements in the AIFMD Level 2 Regulation are similar to those which apply under Article 404, they are not identical. In particular, the AIFMD Level 2 Regulation requires AIFMs to ensure that the sponsor or originator of a securitization meets certain underwriting and originating criteria in granting credit, and imposes more extensive due diligence requirements on AIFMs investing in securitizations than are imposed on Affected 404 Investors under Article 404. However, no originator, sponsor or original lender will retain or

commit to retain a 5% net economic interest with respect to the Offered Securities or the Collateral Obligations for these purposes. The absence of any such commitment to retain means that the retention requirements of AIFMD cannot be met in respect of the Offered Securities and this is expected to deter AIFMs and their affiliates from investing in the Offered Securities. Furthermore, AIFMs who discover after the assumption of a securitization exposure that the retained interest does not meet the requirements, or subsequently falls below 5% of the economic risk, are required to take such corrective action as is in the best interests of investors. It is unclear how this last requirement is expected to be addressed by AIFMs should those circumstances arise. The requirements of the AIFMD Level 2 Regulation apply to new securitizations issued on or after January 1, 2011.

In addition, AIFMD provides that AIFs must have a designated AIFM with responsibility for portfolio and risk management. Although the portfolio and risk management provisions of AIFMD apply only to EEA AIFMs when managing any AIF, the disclosure and transparency requirements of AIFMD will apply to any non-EEA AIFs which are to be marketed in the EEA after July 22, 2013 (subject to any applicable transitional period for AIFs which commenced marketing prior to July 22, 2013 and subject to the implementation of AIFMD under national law). In the United Kingdom, the Financial Conduct Authority (the "*FCA*") has issued a policy statement in relation to the implementation of AIFMD in the United Kingdom, which in effect confirms that the FCA regards any issue of debt securities which does not constitute a "collective investment scheme" (within the meaning of section 235 of the Financial Services and Markets Act 2000) as similarly falling outside the scope of the AIFMD. However, in providing such guidance, the FCA referred to the possibility that the European Securities and Markets Authority ("*ESMA*") will, in due course, provide guidance on the meaning of a "securitisation special purpose entity" under the AIFMD. ESMA has not yet given any formal guidance on the application of this exemption. If AIFMD were to apply to the Issuer as a non-EEA AIF and the Issuer engaged in any marketing in the EEA, the Issuer would be subject to the disclosure and transparency requirements of AIFMD, which require, among other things, that investors in the European Union receive initial and periodic disclosures concerning any AIF which is marketed to them; that annual financial reports of the AIF must be prepared in compliance with the AIFMD and made available to investors; that periodic reports relating to the AIF must be filed with the competent regulatory authority in each EU member state in which the fund has been marketed. All or any of these regulatory requirements may adversely affect the Collateral Manager's ability to achieve the Issuer's investment objective, and may result in additional costs and expenses for the Issuer. In addition, it is unclear whether or not the Issuer would be able to comply with such disclosure requirements. It is also unclear what position will be taken by regulators in other EEA Member States in their interpretation and implementation of AIFMD.

Requirements similar to the retention requirement in each of Article 404 and AIFMD will apply to investments in securitizations by other types of EEA investors, such as EEA insurance and reinsurance undertakings and UCITS funds (all of such investors, together with Affected 404 Investors and AIFMs, "*Affected Investors*"). Although many aspects of all of these requirements remain unclear, Article 404 and any other changes to the regulation or regulatory treatment of securitizations or of the Offered Securities for some or all Affected Investors may negatively impact the regulatory position of individual holders, and the implementation of these regulatory requirements is expected to deter Affected Investors from investing in the Offered Securities. This lack of suitability will impair the marketability and liquidity of the Offered Securities.

Accordingly, all investors whose investment activities are subject to local 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 Offered Securities will constitute legal investments for them or are subject to investment or other restrictions, unfavorable accounting treatment, capital charges or reserve requirements. None of the Issuer, the Co-Issuer, the Placement Agent, the Collateral Manager, the Trustee nor any

of their affiliates makes any representation, warranty or guarantee that the structure of the Offered Securities is compliant with any applicable legal, regulatory or other framework.

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

Holders of beneficial interests in any Offered Securities held in global form will not be considered holders of such Offered Securities 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 an Offered Security. DTC or its nominee will be the sole holder for any Offered Securities held in global form, and therefore each Person owning a beneficial interest in an Offered Security held in global form 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 an Offered Security under the Indenture.

Holders of the Offered Securities owning a book-entry Offered Security may experience some delay in their receipt of distributions of interest and principal on such Offered Security since distributions are required to be forwarded by the Trustee 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 Offered Securities, either directly or indirectly through indirect participants. See "Description of the Offered Securities—Form, Denomination and Registration of the Offered Securities."

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

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

In addition to the ratings assigned to the Secured Notes, the Issuer will be utilizing ratings assigned by rating agencies to Obligors of individual Collateral Obligations. Such ratings will primarily be publicly available ratings. 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 CCC Collateral Obligations and Caa Collateral Obligations in the Assets, which could cause the Issuer to fail to satisfy an Overcollateralization Ratio Test on subsequent Determination Dates, which failure could lead to the early amortization of some or all of one or more Classes of the Offered Securities. See "Description of the Offered Securities—Mandatory Redemption" and "Security for the Secured Notes—The Coverage Tests."

Credit rating agency reforms

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

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

Under Rule 17g-5, rating agencies providing the requisite certifications described above may issue unsolicited ratings of the Secured Notes which may be lower and, in some cases, significantly lower than the ratings provided by the Rating Agencies. The unsolicited ratings may be issued prior to, on or after the Closing Date and will not be reflected herein. Issuance of any unsolicited rating will not affect the issuance of the Offered Securities. Such unsolicited ratings could have a material adverse effect on the price and liquidity of the Secured Notes and, for regulated entities, could adversely affect the value of the Secured Notes as a legal investment or the capital treatment of the Secured Notes.

The SEC may determine that one or both of the Rating Agencies no longer qualifies as a nationally recognized statistical rating organization (an "*NRSRO*") for purposes of the federal securities laws and that determination may also have an adverse effect on the market prices and liquidity of the Secured Notes.

The SEC adopted credit rating agency reform regulations on August 27, 2014 that, when effective, will impose significant new regulatory requirements on NRSROs, and will change many aspects of the ways NRSROs review and disseminate credit ratings. Market participants are still reviewing the new rules to assess possible impacts on rated obligations such as the Notes.

Financial information provided to Holders of Offered 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 will compile and make available (or cause to be compiled and made available) to each Rating Agency then rating a Class of Secured Notes, the Trustee, the Collateral Manager, the Placement Agent and, upon written request therefor, to any Holder shown on the Register and upon written notice 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 Issuer will rely conclusively on the accuracy and completeness of the information or data regarding the Collateral Obligations that has been provided to it by the Collateral Administrator (which will rely conclusively, in turn, on the accuracy and completeness of certain information provided to it by the Collateral Manager), and

the Issuer will not verify, recompute, reconcile or recalculate any such information or data. On each Payment Date, the Issuer shall render an accounting to each Rating Agency then rating a Class of Secured Notes, the Trustee, the Collateral Manager, the Placement Agent and, upon written request therefor, to any Holder shown on the Register and upon written notice 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 Offered Securities will be audited and reported upon, and an opinion will not be expressed, by an independent public accountant.

Money laundering prevention laws may require certain actions or disclosures

The Uniting and Strengthening America By Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "*USA PATRIOT Act*"), signed into law on and effective as of October 26, 2001, requires that financial institutions, a term that includes banks, broker-dealers and investment companies, establish and maintain compliance programs to guard against money laundering activities. The USA PATRIOT Act requires the Secretary of the United States Department of the Treasury (the "*Treasury*") to prescribe regulations in connection with anti-money laundering policies of financial institutions. The Financial Crimes Enforcement Network ("*FinCEN*"), an agency of the Treasury, has announced that it is likely that such regulations would require pooled investment vehicles such as the Co-Issuers to enact anti-money laundering policies. It is possible that there could be promulgated legislation or regulations that would require the Co-Issuers, the Placement Agent or other service providers to the Co-Issuers, in connection with the establishment of anti-money laundering procedures, to share information with governmental authorities with respect to investors in the Offered Securities. Such legislation and/or regulations could require the Co-Issuers to implement additional restrictions on the transfer of the Offered Securities. The Co-Issuers reserve the right to request such information as is necessary to verify the identity of a Holder and the source of the payment of subscription monies, or as is necessary to comply with any customer identification programs required by FinCEN and/or the SEC. In the event of delay or failure by the applicant to produce any information required for verification purposes, an application for or transfer of Offered Securities and the subscription monies relating thereto may be refused. See "Anti-money laundering and anti-terrorism requirements and disclosures."

The Issuer may be subject to Cayman Islands Anti-Money Laundering Legislation

The Administrator is, and the Issuer may be, subject to the Cayman Islands Money Laundering Regulations (2013 Revision) ("*Regulations*"). The Regulations apply to anyone conducting "relevant financial business" in or from the Cayman Islands intending to form a business relationship or carry out a one-off transaction. The Regulations require a financial service provider to maintain certain anti-money laundering procedures including those for the purposes of verifying the identity and source of funds of an "applicant for business"; e.g. an investor. Except in certain circumstances, including where an entity is regulated by a recognized overseas regulatory authority and/or listed on a recognized stock exchange in an approved jurisdiction, the Administrator will likely be required to verify each investor's identity and the source of the payment used by such investor for purchasing the Notes in a manner similar to the obligations imposed under the laws of other major financial centers. In addition, if any person resident in the Cayman Islands knows or suspects, or has reasonable grounds for knowing or suspecting that another person is engaged in criminal conduct, or is involved with terrorism or terrorist property, and the information for that knowledge or suspicion came to their attention in the course of business in the regulated sector, or other trade, profession, business or employment, the person will be required to report such knowledge or suspicion to (i) the Financial Reporting Authority of the Cayman Islands ("*FRA*"), pursuant to the

Proceeds of Crime Law, 2008 of the Cayman Islands ("*PCL*"), if the disclosure relates to criminal conduct or money laundering, or (ii) a police officer of the rank of constable or higher, or the FRA, pursuant to the Terrorism Law (2011 Revision) of the Cayman Islands, if the disclosure relates to involvement with terrorism or terrorist financing and property. If the Issuer were determined by the Cayman Islands authorities to be in violation of the PCL, the Terrorism Law or Regulations, the Issuer could be subject to substantial criminal penalties. The Issuer may be subject to similar restrictions in other jurisdictions. Such a violation could materially adversely affect the timing and amount of payments by the Issuer to the holders of the Notes.

Relating to the Collateral Obligations

Below investment-grade Assets involve particular risks

The Assets 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 Assets 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 Assets 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 Assets. 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.

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 Offered Securities.

A non-investment grade loan or other debt obligation or an interest in a non-investment grade loan is generally considered speculative in nature and may become a Defaulted Obligation for a variety of reasons. Upon any Collateral Obligation becoming a Defaulted Obligation, such Defaulted Obligation may become subject to either substantial workout negotiations or restructuring, which may entail, among other things, a substantial 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 Secured Notes (or in the case of Moody's, the Class A-1 Notes only) or any recovery rate used in connection with any analysis of the Offered Securities that may have been prepared by JPMorgan for or at the direction of holders of any Offered 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. 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, liquidity risk, market value or price volatility; therefore, ratings do not fully reflect the true risks of an investment. Also, rating agencies may fail to make timely changes in credit ratings in response to subsequent events, so that an Obligor's current financial condition may be better or worse than a rating indicates. Consequently, credit ratings of any Collateral Obligation (as is also the case in respect of the Secured Notes) should be used only as a preliminary indicator of investment quality and should not be considered a completely reliable indicator of investment quality. Rating reductions or withdrawals may occur for any number of reasons and may affect numerous assets at a single time or within a short period of time, with material adverse effects upon the Notes. It is possible that many credit ratings of assets included in or similar to the Collateral Obligations will be subject to significant or severe adjustments downward. See "—Relating to the Offered Securities—Actions of any Rating Agency can adversely affect the market value or liquidity of the Offered Securities."

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

It is expected that at least U.S.$315,000,000 in aggregate principal amount of the initial Collateral Obligations will be acquired or committed to be acquired by the Issuer as of the Closing Date at prevailing market prices at the time of purchase by the Issuer. The Issuer's purchase of such Collateral Obligations will be financed by a warehouse financing facility provided by JPMorgan Chase Bank, National Association ("*JPMCB*"), as lender and administrative agent, Collateral Manager Related Parties and/or partners and employees of the Collateral Manager, and certain third-party investors (the "*Warehouse Equity Purchasers*"), as purchasers of certain warehouse subordinated notes issued by the Issuer. Upon the occurrence of the Closing Date, the warehouse financing facility will terminate and JPMCB and the Warehouse Equity Purchasers will be paid in full and the Collateral Manager will be paid a management fee for its management of the Collateral Obligations prior to the Closing Date, in each case from the issuance proceeds received by the Issuer for the Notes. All realized and unrealized losses with respect to the initial Collateral Obligations will be for the Issuer's account and, consequently, the market value of such Collateral Obligations on the Closing Date may be lower (or higher) than at the time it was acquired by the Issuer. In consideration for providing financing, JPMCB and the Warehouse Equity Purchasers also will be entitled to receive on the Closing Date virtually all of the interest income paid or payable on the Collateral Obligations acquired prior to the Closing Date (such interest, the "*Warehouse Accrued Interest*"). Warehouse Accrued Interest will be paid to JPMCB and the Warehouse Equity Purchasers out of proceeds from the sale of the Offered Securities. When the Warehouse Accrued Interest is paid to the Issuer, the Issuer will retain such amounts and treat them as Principal Financed Accrued Interest. If the issuance of the Offered Securities does not occur, the initial Collateral Obligations may be liquidated and JPMCB and/or the Warehouse Equity Purchasers may suffer a loss. This risk may provide an incentive for the Placement Agent and the Collateral Manager to close the transaction in non-optimal conditions.

As a lender and administrative agent in connection with the warehouse financing facility, JPMCB has the right to approve all assets acquired by the Issuer and, in certain circumstances, has the right to require or approve sales of assets by the Issuer. JPMCB will exercise those rights solely for its own benefit as a lender and in a manner that protects its rights and interests as a creditor of the Issuer. None of JPMCB, the Placement Agent nor any of their Affiliates has done, and no such person will do, any analysis of the Collateral Obligations acquired or sold by the Issuer for the benefit of, or in a manner designed to further the interests of, any holder of Offered Securities.

By its purchase of Offered Securities, each Holder is deemed to have consented on behalf of itself to the purchase of the initial Collateral Obligations by the Issuer and the arrangements described above.

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

The Issuer and the Collateral Manager will not provide the holders of the Offered 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 also will not 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 Indenture or 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 Offered 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. 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 Assets, 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 Assets, the Assets 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.

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 Offered 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 Assets 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 Assets 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 Assets will be borne by the holders of the Offered 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 and purchase price 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 Assets will reduce the amounts available for distribution on the Offered 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, principal proceeds received upon such a prepayment are subject to reinvestment risk during the Reinvestment Period. 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 received by the holders of Offered Securities and the yield to maturity of the Secured 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 at favorable prices 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:

- 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 Offered Securities may not be a suitable investment for any investor that requires a regular or predictable schedule of principal payments.

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 as described herein. The ability of the Issuer to acquire an initial portfolio of Collateral Obligations 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 specified herein may adversely affect the timing and amount of payments received by the holders of Offered Securities and the yield to maturity of the Secured 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.

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 or sub-Participation Interest in the event of the insolvency of the institution from whom the Issuer purchases such Participation Interest or sub-Participation Interest or the insolvency of the institution from whom the grantor of the sub-Participation Interest purchased its Participation Interest.

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.

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

Up to 65% of the Collateral Principal Amount may consist of Cov-Lite Loans. Cov-Lite Loans typically do not have Maintenance Covenants. Ownership of Cov-Lite Loans may expose the Issuer to different risks, including with respect to liquidity, price volatility and ability to restructure loans, than is the case with loans that have Maintenance Covenants.

Investing in Unsecured Loans involves certain risks

Unsecured Loans are 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 and will have fewer rights than secured creditors of the Obligor. 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 Offered 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 be required to give advance consent to (a) any use of cash collateral approved by the first lien creditors; (b) sales of collateral approved by the first lien lenders and the bankruptcy court, so long as the second liens continue to attach to the sale proceeds; and (c) debtor-in-possession financings.

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

Certain risks relating to Hedge Agreements

The payments associated with any Hedge Agreements generally rank senior to payments on the Offered Securities. The Placement Agent and/or one or more of its affiliates with acceptable credit support arrangements may act as counterparty with respect to all or some of the Hedge Agreements, which may create certain conflicts of interest. Moreover, in the event of the insolvency of a Hedge Counterparty, the Issuer will be treated as a general creditor of such Hedge Counterparty. Consequently, the Issuer will be subject to the credit risk of each Hedge Counterparty, as well as that of the related Collateral Obligations.

The Hedge Agreements also pose risks upon their termination. A Hedge Counterparty may terminate the applicable Hedge Agreements upon the occurrence of certain events of default or termination events thereunder with respect to the Issuer (including, but not limited to, bankruptcy, if any withholding tax is imposed on payments thereunder by or to such Hedge Counterparty, a change in law making the performance of the obligations under such Hedge Agreement unlawful, or the determination to sell or liquidate the Assets upon the occurrence of an Event of Default under the Indenture), and in the case of such early termination of any Hedge Agreement, the Issuer may be required to make a payment to the related Hedge Counterparty. Any amounts that would be required to be paid by the Issuer to enter into replacement Hedge Agreements will reduce amounts available for payments to holders of Notes. In either case, there can be no assurance that the remaining payments on the Assets would be sufficient to make payments of interest and principal on the Secured Notes and distributions with respect to the Subordinated Notes.

The Issuer may terminate a Hedge Agreement upon the occurrence of certain events of default or termination events thereunder with respect to the Hedge Counterparty (including, but not limited to, bankruptcy or the failure of the Hedge Counterparty to make payments to the Issuer under the applicable Hedge Agreement). Even if the Issuer is the terminating party, it may owe a

termination payment to the Hedge Counterparty as described in the immediately preceding paragraph. In the event that the Issuer terminated a Hedge Agreement upon the occurrence of a bankruptcy of the applicable Hedge Counterparty, there can be no assurance that termination amounts due and payable to the Hedge Counterparty from the Issuer would be subordinated to payments made to the holders of the Notes as required under the Priority of Payments. Recent decisions in U.S. bankruptcy proceedings have held that subordination provisions similar to those set forth in the Priority of Payments are unenforceable with respect to a bankrupt hedge counterparty. In addition, upon the occurrence of a bankruptcy of a Hedge Counterparty, if the Issuer fails to terminate the applicable Hedge Agreement in a timely manner, such Hedge Agreement could be assumed by the bankruptcy estate of such Hedge Counterparty and the Issuer could be required to continue making payments to such Hedge Counterparty, even if such Hedge Counterparty failed to perform its obligations under the applicable Hedge Agreement prior to the assumption. In either case, amounts available for payments to holders of Notes would be reduced and may be materially reduced.

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 Obligation 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 Offered Securities). To the extent that any such payments are recaptured from the Issuer, the resulting loss will be borne by the holders of the Offered Securities in inverse order of seniority as described under "—Relating to the Offered Securities—The Subordination of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Subordinated Notes will affect their right to payment." However, a court in a bankruptcy or insolvency proceeding would be able to direct the recapture of any such payment from a holder of Offered 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 Offered 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 Offered Securities, there can be no assurance that a holder of Offered 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 Offered 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.

International Investing

Certain of the Collateral Obligations may consist of obligations of, or securities issued by, Obligors located in non-U.S. jurisdictions, including certain tax advantaged jurisdictions described herein. Investing outside the United States may involve greater risks than investing in the United States. These risks include: (i) less publicly available information; (ii) varying levels of governmental regulation and supervision; and (iii) the difficulty of enforcing legal rights in a foreign jurisdiction and 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 United States companies.

Foreign markets also have different clearance and settlement procedures, and in certain markets there have been times when settlements have failed to keep pace with the volume of transactions, making it difficult to conduct such transactions. Delays in settlement could result in periods when assets of the Issuer are uninvested and no return is earned thereon. The inability of the Issuer to make intended Collateral Obligation purchases due to settlement problems or the risk of intermediary counterparty failures could cause the Issuer to miss investment opportunities. The inability to dispose of a Collateral Obligation due to settlement problems could result either in losses to the Issuer due to subsequent declines in the value of such Collateral Obligation or, if the Issuer has entered into a contract to sell the obligation, could result in possible liability to the

purchaser. Transaction costs of buying and selling foreign obligations, including brokerage, tax and custody costs, also are generally higher than those involved in domestic transactions. Furthermore, foreign financial markets, while generally growing in volume, have, for the most part, substantially less volume than U.S. markets, and obligations of many foreign companies are less liquid and their prices more volatile than obligations of comparable domestic companies.

The economies of individual non-U.S. countries also may differ favorably or unfavorably from the U.S. economy in such respects as growth of gross domestic product, rate of inflation, volatility of currency exchange rates, depreciation, capital reinvestment, resources self-sufficiency and balance of payments position.

Collateral Obligations consisting of obligations of non-U.S. issuers may be subject to various laws enacted in their home countries for the protection of debtors or creditors, which could adversely affect the Issuer's ability to recover amounts owed. These insolvency considerations will differ depending on the country in which each issuer is located and may differ depending on whether the issuer is a non-sovereign or a sovereign entity. These Collateral Obligations may also be subject to greater risks than Collateral Obligations of U.S. issuers, such as: (i) less publicly available information; (ii) varying levels of governmental regulation and supervision; and (iii) the difficulty of enforcing legal rights in a non-U.S. jurisdiction and uncertainties as to the status, interpretation and application of laws.

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 Offered Securities.

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.

Relating to Certain Conflicts of Interest

In general, the transaction described in this Offering Circular 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 JPMorgan and its affiliates. The following briefly summarizes some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

Past performance of Collateral Manager not indicative

The past performance of any portfolio or investment vehicle managed by the Collateral Manager, its Affiliates or its current personnel or authorized persons at prior places of employment may not be indicative of the results that the Issuer may be able to achieve with the Assets. Similarly, the past performance of the Collateral Manager, its Affiliates and its current personnel or authorized persons at a prior place of employment over a particular period may not be indicative of the results that may occur in future periods. Furthermore, the nature of, and risks associated with, the Issuer's investments may differ from those investments and strategies undertaken in connection with such other portfolios or investment vehicles. There can be no assurance that the Issuer's investments will perform as well as such past investments, that the Issuer will be able to avoid losses or that the Issuer will be able to make investments similar to such past investments. In addition, such past investments may have been made utilizing a capital structure and an asset mix that are different from the anticipated capital structure and/or asset mix of the Issuer. Moreover, because the investment criteria that govern investments in the Assets do not govern the investments and investment strategies of the Collateral Manager, its Affiliates or its current personnel or authorized persons generally, the Assets, and the results they yield, are not directly comparable with, and may differ substantially from, other portfolios advised by the Collateral Manager, its Affiliates and its current personnel or authorized persons at prior places of employment.

The Issuer will depend on the managerial expertise available to the Collateral Manager and its key personnel

The Issuer's activities will be directed by the Collateral Manager. The holders of the Offered Securities will generally not make decisions with respect to the management, disposition or other realization of any Collateral Obligation, or other decisions regarding the business and affairs of the Issuer. Consequently, the success of the Issuer will depend, in large part, on the skill and expertise of the Collateral Manager's investment professionals. There can be no assurance that such investment professionals will continue to serve in their current positions or continue to be authorized persons of the Collateral Manager. Although such investment professionals will devote such time as they determine in their discretion is reasonably necessary to fulfill the Collateral Manager's obligations to the Issuer effectively, they will not devote all of their professional time to the affairs of the Issuer.

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

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 and the funds and clients advised by affiliates of the Collateral Manager 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.

It is expected that on the Closing Date, partners or employees of the Collateral Manager will purchase approximately 5% of the Subordinated Notes, although there is no obligation for them to

retain that investment. The interests of the Holders of the Subordinated Notes may differ with those of the Holders of other Classes of Notes. Although partners or employees of the Collateral Manager, or funds or accounts managed by the Collateral Manager or one or more of its Affiliates, may at times be Holders of Notes, the interests and incentives for such Holders will not necessarily be completely aligned with those of the other Holders of Notes or the Holder of Notes of any particular Class. In addition, the Collateral Manager will discuss the composition of the Collateral Obligations and other matters relating to the transactions contemplated hereby with any partners or employees of the Collateral Manager, or funds or accounts managed by the Collateral Manager or one or more of its Affiliates, in each case acquiring Notes and may have such discussions with other beneficial owners of Notes or stakeholders in the Issuer. There can be no assurance that such discussions will not influence the actions or inactions of the Collateral Manager in its management role.

The Collateral Manager may only be removed for "cause", notwithstanding any losses that Holders may realize upon their investments in Notes. See "The Collateral Management Agreement—Resignation or Removal of the Collateral Manager".

The Collateral Manager or one or more of its Affiliates or funds or accounts managed by the Collateral Manager or one or more of its Affiliates (collectively, the "*Collateral Manager Related Parties*") may also have ongoing relationships with companies whose securities or loans are pledged to secure the Secured Notes and may own debt and equity securities issued by Obligors of Collateral Obligations. As a result, officers of the Collateral Manager and the Collateral Manager Related Parties may possess information relating to issuers of Collateral Obligations which is not known to the individuals at the Collateral Manager responsible for monitoring the Collateral Obligations and performing the other obligations under the Collateral Management Agreement, and such officers will be under no obligation to make such information available to those responsible for monitoring the Collateral Obligations and performing the other obligations under the Collateral Management Agreement. Additionally, the Collateral Manager and Collateral Manager Related Parties may receive fees or other benefits for these services which are greater than any fees the Collateral Manager is receiving for its services to the Issuer. This disparity in fee income may create potential conflicts of interest between the Collateral Manager's obligations to the Issuer and its and/or Collateral Manager Related Parties' obligations to such other clients. The Collateral Manager and Collateral Manager Related Parties may also carry on investment activities for their own accounts and for family members and friends who do not invest in the Issuer, and may give advice and recommend securities to other managed accounts or investment funds which may differ from advice given to, or securities recommended for, the Issuer, even though their investment objective may be the same or similar.

In addition, the Collateral Manager and the Collateral Manager Related Parties may invest in securities or loans that are *pari passu,* senior or junior to, or have interests different from or adverse to, the Collateral Obligations. In such instances, the Collateral Manager and the Collateral Manager Related Parties may in their discretion, subject to certain restrictions, make investment recommendations and decisions that may be the same as or different from those made with respect to the Issuer's investments. The Collateral Manager and the Collateral Manager Related Parties currently serve and may in the future serve as collateral manager for, invest in or be affiliated with other entities organized to issue or invest in collateralized debt obligations secured or backed by loans, high yield debt securities or emerging market bonds and loans. The Collateral Manager may at certain times be simultaneously seeking to purchase or sell investments for the Issuer and any similar entity for which it serves as collateral manager at such time, or for its affiliates (including any account, portfolio or investment company for which the Collateral Manager or any affiliate serves as manager or investment advisor). Other entities for which the Collateral Manager serves as collateral manager may have investment objectives, programs, strategies and positions that are similar or dissimilar to or may conflict with those of the Issuer. Also, such other entities may invest in businesses that compete with, have interests adverse to, or are affiliated with the issuers of securities held by the Issuer, which could adversely affect the performance of the Issuer. There is no

assurance that any such other entities with investment objectives, programs or strategies similar to those of the Issuer will hold the same positions or perform in a substantially similar manner as the Issuer. The Collateral Manager and Collateral Manager Related Parties may give advice or take action with respect to the investments of other collateral management clients which may differ from the advice given or the timing or nature of any action taken with respect to investments of the Issuer. As a result of such advice or actions, the prices and availability of securities and other financial instruments in which the Issuer invests or may seek to invest, and the performance of the Issuer, may be adversely affected.

In the event the Collateral Manager determines that the Issuer and some other client or account should purchase or sell the same debt obligations simultaneously, the Collateral Manager anticipates that such aggregate purchases or sales will be allocated in a manner believed by the Collateral Manager in its discretion to be equitable to each purchaser or seller and intended to insure, to the extent possible that all of the Collateral Manager's clients or accounts receive equitable treatment. It is possible, due to differing investment objectives or other reasons, that the Collateral Manager may purchase debt obligations of an issuer for one client or account and sell such debt obligations for another client or account.

The Collateral Manager will attempt to obtain the best execution on all transactions. If the Collateral Manager believes more than one broker or dealer can provide the best execution, it may consider research and related services and the sale of securities of funds managed by the Collateral Manager, or its affiliates, when selecting a broker or dealer. In selecting brokers or dealers to execute transactions, the Collateral Manager need not solicit competitive bids and does not have an obligation to seek the lowest available commission cost.

Certain separately managed accounts or funds managed by the Collateral Manager and Collateral Manager Related Parties may require the Collateral Manager or its Collateral Manager Related Parties to apply a different valuation methodology in valuing specific investments than the valuation methodology set forth in the Transaction Documents for the Issuer. As a result of such different methodology, the value of certain investments held in such separately managed accounts or funds managed by the Collateral Manager may differ from the value assigned to the same investments held by the Issuer by the Transaction Documents.

Although the Collateral Manager will devote as much time to the Issuer as the Collateral Manager deems appropriate, in order to satisfy its obligations under the Collateral Management Agreement, the Collateral Manager may have conflicts in allocating its time and services among the Issuer and the Collateral Manager's other clients and accounts. In addition, the Collateral Manager, in connection with its other business activities, may acquire material non-public confidential information that may restrict the Collateral Manager from purchasing securities or selling securities for itself or its clients (including the Issuer) or otherwise using such information for the benefit of its clients or itself. The Collateral Manager, in accordance with applicable law, will have procedures for the purpose of minimizing restrictions on the ability of the Collateral Manager to perform the services to be provided by it under the Collateral Management Agreement as a consequence of the possession by it, by virtue of unrelated activities, of material non-public information which it may apply in its discretion.

The Collateral Manager may from time to time decline to direct the purchase or sale hereunder of securities that are otherwise suitable for purchase or sale hereunder in the event that such securities have been issued by (i) Persons of which the Collateral Manager, Collateral Manager Related Parties or any of its or their officers, directors or employees are directors or officers, (ii) Persons for which the Collateral Manager or Collateral Manager Related Parties act as financial advisor or underwriter or (iii) Persons about which the Collateral Manager or Collateral Manager Related Parties have information which the Collateral Manager deems confidential or non-public or otherwise might prohibit it from trading such securities in accordance with applicable law.

Neither the Collateral Manager nor any of the Collateral Manager Related Parties is under any obligation to offer investment opportunities of which it becomes aware to the Issuer or to account to the Issuer (or share with the Issuer or inform the Issuer of) any such transaction or any benefit received by it from any such transaction or to inform the Issuer of any investments before offering any investments to other funds or accounts that the Collateral Manager or any of the Collateral Manager Related Parties manages or advises. Furthermore, the Collateral Manager and any of the Collateral Manager Related Parties may make an investment on behalf of any account that it manages or advises without offering the investment opportunity or making any investment on behalf of the Issuer. Furthermore, the Collateral Manager and any of the Collateral Manager Related Parties may make an investment on its own behalf without offering the investment opportunity to, or the Collateral Manager making any investment on behalf of, the Issuer. Affirmative obligations may exist, or may arise in the future, whereby the Collateral Manager or any of the Collateral Manager Related Parties is obligated to offer certain investments to funds or accounts that it manages or advises before or without the Collateral Manager offering those investments to the Issuer. The Collateral Manager and each of the Collateral Manager Related Parties has no affirmative obligation to offer any investments to the Issuer or to inform the Issuer of any investments before engaging in any investments for itself. The Collateral Manager may make investments on behalf of the Issuer in securities, or other assets, that it has declined to invest in for its own account, the account of any Collateral Manager Related Parties or the account of its other clients. The Collateral Management Agreement provides that, after the Closing Date, Collateral Obligations may be purchased from or sold to Collateral Manager Related Parties; any such purchase or sale will be effected in accordance with the Collateral Manager's internal policies and procedures and applicable law.

The Collateral Manager may effect principal transactions between itself and the Issuer if such transactions are in the best interests of the Issuer and are conducted in compliance with the Collateral Manager's policies and procedures and applicable law. Any transaction effected between the Issuer and accounts, portfolios or investment companies managed or advised by the Collateral Manager will be conducted on an arm's length basis for fair market value and on terms as favorable to the Issuer and such other account, portfolio or investment company as would be the case in a transaction with an independent third party and in accordance with the Collateral Manager's fiduciary obligations under applicable laws including (but not limited to) the Investment Advisers Act.

Certain amounts payable to the Collateral Manager are payable on a senior basis, other amounts payable to it are payable on a subordinated basis, and other amounts are payable to it on an incentive basis. In certain circumstances, such payment arrangements could create a conflict of interest between the Collateral Manager and the Holders of one or more Classes of Notes.

The Rating Agencies may have certain conflicts of interest

S&P and Moody's have been hired by the Issuer to provide their ratings on the Secured Notes (or in the case of Moody's, the Class A-1 Notes only). Either Rating Agency may have a conflict of interest where, as is the case with the ratings of the Secured Notes (or in the case of Moody's, the Class A-1 Notes only) (with the exception of unsolicited ratings), the issuer of a security pays the fee charged by the rating agency for its rating services.

The Issuer will be subject to various conflicts of interest involving JPMorgan

Various potential and actual conflicts of interest may arise as a result of the investment banking, commercial banking, asset management, financing and financial advisory services and products provided by JPMorgan Chase & Co. and its Affiliates (including JPMorgan, JPMorgan Chase Bank, National Association ("*JPMCB*") and their Affiliates (together, the "*JPMorgan Companies*")), to the Issuer, the Trustee, the Collateral Manager, the issuers of the Collateral Obligations and others, as well as in connection with the investment, trading and brokerage activities of the

JPMorgan Companies. The following briefly summarizes some of these conflicts, but is not intended to be an exhaustive list of all such conflicts.

JPMorgan will serve as Placement Agent to the Issuer and will be paid fees and commissions for such service by the Issuer from the proceeds of the issuance of the Offered Securities. One or more of the JPMorgan Companies and one or more accounts or funds managed by a JPMorgan Company may from time to time hold Offered Securities for investment, trading or other purposes (collectively, the "*JPMorgan Holders*"). Without limitation to the foregoing, JPMorgan Holders may purchase certain unsold Secured Notes and may acquire Secured Notes on the Closing Date, and such purchases may be at prices which may be higher or lower than the prices at which such Secured Notes were sold to other investors. No JPMorgan Holder will be required to retain any Offered Securities acquired by it and a JPMorgan Holder may realize a gain in the secondary market by selling Offered Securities purchased by it. JPMorgan Holders will be able to influence the voting of Classes of Notes which they hold, and thereby have an effect on certain aspects of the transaction generally. To the extent that one or more JPMorgan Holders hold a Majority of the Controlling Class (or, in certain cases, a Supermajority of the Class A-1 Notes), they will be able to exercise their influence to determine whether the Notes are accelerated during the occurrence and continuance of certain Events of Default and what remedies should be taken against the Issuer or the Assets. The interests of the JPMorgan Holders may not coincide with those of the other holders of the Notes at all times. Any JPMorgan Holder in its capacity as a Note holder may act in its own commercial interest and need not consider whether its actions will have an adverse effect on the Issuer or the other holders of the Notes. The JPMorgan Holders will have no responsibility for or obligation in respect of the Issuer and will have no obligation to own Notes on or after the Closing Date, or to retain Notes for any length of time.

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

Prior to the Closing Date, JPMCB will provide a warehouse financing facility to the Issuer as described under "—Relating to the Collateral Obligations—The Issuer will acquire certain Collateral Obligations prior to the Closing Date". Upon the occurrence of the Closing Date, the warehouse financing facility will terminate and JPMCB will be paid in full. As a lender and administrative agent in connection with the warehouse financing facility, JPMCB has the right to approve all assets acquired by the Issuer and, in certain circumstances, has the right to require or approve sales of assets by the Issuer. JPMCB will exercise those rights solely for its own benefit as a lender and in a manner that protects its rights and interests as a creditor of the Issuer. No JPMorgan Company has done, and no JPMorgan Company will do, any analysis of the Collateral Obligations acquired or sold by the Issuer for the benefit of, or in a manner designed to further the interests of, any Holder of Notes.

The JPMorgan Companies are significant participants in the leveraged loan and high yield bond markets. It is likely that the Issuer purchased and sold prior to the Closing Date, and that the Issuer will purchase or sell after the Closing Date, Collateral Obligations from, to or through one or more of the JPMorgan Companies (and such purchases or sales may relate to a significant portion of the Collateral Obligations) and will also have purchased or sold, or will purchase or sell (as applicable) Collateral Obligations with respect to which a JPMorgan Company acted as underwriter, arranger, lender or administrative agent or in a similar capacity as further described below (and such Collateral Obligations may constitute a significant portion of the Collateral Obligations).

Certain Eligible Investments may be issued, managed or underwritten by one or more of the JPMorgan Companies. One or more of the JPMorgan Companies may provide investment banking, commercial banking, asset management, financing and financial advisory services and products to the Collateral Manager, its affiliates, and funds managed by the Collateral Manager and its

affiliates, and purchase, hold and sell, both for their respective accounts or for the account of their respective clients, on a principal or agency basis, loans, securities, and other obligations and financial instruments of the Collateral Manager, its affiliates, and funds managed by the Collateral Manager and its affiliates. As a result of such transactions or arrangements, one or more of the JPMorgan Companies may have interests adverse to those of the Issuer and holders of the Offered Securities. The JPMorgan Companies will not be restricted in their performance of any such services or in the types of debt or equity investments, which they may make. In conducting the foregoing activities, the JPMorgan Companies will be acting for their own account or the account of their customers and will have no obligation to act in the interest of the Issuer.

One or more of the JPMorgan Companies may:

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

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

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

- be a hedge counterparty under a hedge agreement with the Issuer;

- be a Selling Institution with respect to a Participation Interest;

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

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

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

When acting as a trustee, paying agent or in other service capacities with respect to a Collateral Obligation, the JPMorgan Companies will be entitled to fees and expenses senior in priority to payments to such Collateral Obligation. When acting as a trustee for other classes of securities issued by the issuer of a Collateral Obligation or an affiliate thereof, the JPMorgan Companies will owe fiduciary duties to the holders of such other classes of securities, which classes of securities may have differing interests from the holders of the class of securities of which the Collateral Obligation is a part, and may take actions that are adverse to the holders (including the Issuer) of the class of securities of which the Collateral Obligation is a part. As a counterparty under swaps and other derivative agreements (including without limitation, under a hedge agreement), the JPMorgan Companies might take actions adverse to the interests of the Issuer, including, but not limited to, demanding collateralization of its exposure under such agreements (if provided for thereunder) or terminating such swaps or agreements in accordance with the terms thereof. In making and administering loans and other obligations, the JPMorgan Companies might take actions including, but not limited to, restructuring a loan, foreclosing on or exercising other remedies with respect to a loan, requiring additional collateral or other credit enhancement, charging significant fees and interest, placing the Obligor in bankruptcy or demanding payment on a loan guarantee or under

other credit enhancement. The Issuer's purchase, holding and sale of Collateral Obligations may enhance the profitability or value of investments made by the JPMorgan Companies in the issuers thereof. As a result of all such transactions or arrangements between the JPMorgan Companies and issuers of Collateral Obligations or their respective affiliates, the JPMorgan Companies may have interests that are contrary to the interests of the Issuer and the holders of the Notes.

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

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

The Indenture and the Notes

All of the Offered Securities will be issued pursuant to the Indenture. However, only the Secured Notes will be secured obligations of the Issuer. The following overview describes certain provisions of the Secured Notes and the Indenture and, to a limited extent, the Subordinated Notes. The overview 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 Secured Notes (other than the Class D Notes) will be limited recourse obligations of the Co-Issuers only (and the Class D Notes will be limited recourse obligations of the Issuer only), secured as described below, and will rank in priority with respect to each other and the Subordinated Notes as described herein. 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 Secured Notes. See "Security for the Secured Notes."

Payments of interest and principal on the Secured Notes will be made from the proceeds of the Assets, in accordance with the priorities described under "Overview of Terms—Priority of Payments" and "—Priority of Payments." The aggregate amount that will be available from the Assets for payment on the Secured Notes and of certain expenses of the Co-Issuers on any Payment Date will be the sum of Interest Proceeds and Principal Proceeds for the related Collection Period; *provided* that during the Reinvestment Period, it is expected that Principal Proceeds (and after the Reinvestment Period, Post-Reinvestment 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 Secured Notes and expenses following liquidation of the Assets, the Co-Issuers will have no obligation to pay such deficiency.

Interest

The Secured Notes will bear stated interest from the Closing Date and such interest will be payable quarterly in arrears on each Payment Date on the Aggregate Outstanding Amount thereof on the first day of the related Interest Accrual Period with respect to floating rate Secured Notes (in each case, after giving effect to payments of principal thereof on such date).

The *per annum* stated interest rate payable on the Secured Notes of each Class (the "*Interest Rate*" for such Class) with respect to each Interest Accrual Period will be the rate indicated under "Overview of Terms—Principal Terms of the Offered Securities."

So long as any more senior Class of Secured Notes is Outstanding, to the extent that funds are not available on any Payment Date to pay the full amount of interest on the Class B Notes, or if such interest is not paid in order to satisfy the Coverage Tests, the related Deferred Interest will not be due and payable on such Payment Date, but will be deferred and added to the principal balance of the Class B Notes and, thereafter, will bear interest at the Interest Rate for the Class B 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 Class B Notes and (iii) the Stated Maturity of the Class B Notes, 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 of the Class B Notes. Regardless of whether any more senior Class of Secured Notes 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 Class B 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." Interest may be deferred on the Class B Notes as long as any Class A-1 Note or Class A-2 Note is Outstanding.

So long as any more senior Class of Secured Notes is Outstanding, to the extent that funds are not available on any Payment Date to pay the full amount of interest on the Class C Notes, or if such interest is not paid in order to satisfy the Coverage Tests, the related Deferred Interest will not be due and payable on such Payment Date, but will be deferred and added to the principal balance of the Class C Notes and, thereafter, will bear interest at the Interest Rate for the Class C 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 Class C Notes and (iii) the Stated Maturity of the Class C Notes, 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 of the Class C Notes. Regardless of whether any more senior Class of Secured Notes 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 Class C 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." Interest may be deferred on the Class C Notes as long as any Class A-1 Note, Class A-2 Note or Class B Note is Outstanding.

So long as any more senior Class of Secured Notes is Outstanding, to the extent that funds are not available on any Payment Date to pay the full amount of interest on the Class D Notes, or if such interest is not paid in order to satisfy the Coverage Tests, the related Deferred Interest will not be due and payable on such Payment Date, but will be deferred and added to the principal balance of the Class D Notes and, thereafter, will bear interest at the Interest Rate for the Class D 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 Class D Notes and (iii) the Stated Maturity of the Class D Notes, 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 of the Class D Notes. Regardless of whether any more senior Class of Secured Notes 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 Class D 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." Interest may be deferred on the Class D Notes as long as any Class A-1 Note, Class A-2 Note, Class B Note or Class C Note is Outstanding.

If any interest due and payable in respect of any Class A-1 Note or Class A-2 Note (or, if there are no Class A-1 Notes or Class A-2 Notes Outstanding, any Class B Note or, if there are no Class B Notes Outstanding, any Class C Note or, if there are no Class C Notes Outstanding, any Class D Note) 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 interest due to an administrative error or omission by the Collateral Manager, Trustee, Collateral Administrator or any Paying Agent, for seven Business Days), 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 Notes from time to time in each case until paid.

Interest on the Secured Notes will be calculated on the basis of the actual number of days elapsed in the applicable Interest Accrual Period *divided by* 360.

The Calculation Agent will determine LIBOR for each Interest Accrual Period on the 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 (or, in the case of the first Interest Accrual Period, on the last Notional 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 (or, in the case of the first Interest Accrual Period, on the last Notional Determination Date), the Calculation Agent will calculate the Interest Rate applicable to each Class of Secured Notes during the related Interest Accrual Period or Notional Accrual Period, as applicable, 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 (as defined herein), 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 Secured 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 (or, in the case of the first Interest Accrual Period, on the last Notional 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 for any Interest Accrual Period or any Notional Accrual Period, as applicable, will (in the absence of manifest error) be final and binding upon all parties.

The Issuer will agree that for so long as any Secured 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 (and is not a fund or account managed by the Collateral Manager or Affiliates of the Collateral Manager). 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, or if the Calculation Agent fails to determine any of the information required to be published on the Irish Stock Exchange, 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 (x) the Issuer or its Affiliates, (y) the Collateral Manager or its Affiliates or (z) funds or accounts managed by the Collateral Manager or Affiliates of the Collateral Manager. The Calculation Agent may not resign its duties or be removed without a successor having been duly appointed.

Principal

The Secured Notes of each Class 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 Secured Notes except in the limited circumstances described under "—Optional Redemption," "—Mandatory Redemption," "—Special Redemption," "Overview of Terms—Priority of Payments—Application of Interest Proceeds," "Overview of Terms—Priority of Payments—Application of Principal Proceeds," "Overview of Terms—Priority of Payments—Special Priority of Payments" and "—Priority of Payments".

On each Payment Date prior to the Stated Maturity or 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 and (ii) during the Reinvestment Period, Principal Proceeds (and after the Reinvestment Period, Post-Reinvestment Principal Proceeds) (x) that have previously been reinvested in Collateral Obligations or (y) that the Collateral Manager intends to invest in Collateral Obligations with respect to which there is a committed purchase during the Interest Accrual Period

related to such Payment Date that will settle during a subsequent Interest Accrual Period (including, without limitation, any succeeding Interest Accrual Period which occurs (in whole or in part) following the Reinvestment Period)) will be applied in accordance with the priorities set forth under "Overview of Terms—Priority of Payments—Application of Principal Proceeds." On the Stated Maturity and upon the occurrence of an Enforcement Event, Interest Proceeds and Principal Proceeds will be applied in accordance with the Special Priority of Payments described under "Overview of Terms—Priority of Payments—Special Priority of Payments."

At any time during which the Coverage Tests are not met, principal payments on the Secured Notes will be made as described under "—Mandatory Redemption."

The average life of each Class of Secured Notes is expected to be less than the number of years until the Stated Maturity of such Secured Notes. See "Risk Factors—Relating to the Offered Securities—The average lives of the Notes may vary."

Any payment of principal on a Class of Secured Notes will be made by the Trustee on a *pro rata* basis among the holders of such Class of Secured Notes according to the respective unpaid principal amounts thereof outstanding immediately prior to such payment.

Optional Redemption

General—Redemption of Notes. The Secured Notes will be redeemed by the Co-Issuers or the Issuer, as applicable, at the written direction of a Majority of the Subordinated Notes as follows: based upon such written direction, the Secured Notes will be redeemed (i) in whole (with respect to all Classes of Secured Notes) but not in part on any Payment Date after the end of the Non-Call Period from Sale Proceeds and/or Refinancing Proceeds or (ii) in part by Class from Refinancing Proceeds on any Payment Date after the end of the Non-Call Period as long as the Class of Secured Notes to be redeemed represents not less than the entire Class of Secured Notes. In connection with any such redemption (each such redemption, an "*Optional Redemption*") the Secured Notes to be redeemed shall be redeemed at the applicable Redemption Prices and a Majority of Subordinated Notes must provide the above described written direction to the Issuer, the Collateral Manager and the Trustee not later than 30 days (or such shorter period of time as the Trustee and the Collateral Manager find reasonably acceptable) prior to the Payment Date on which such redemption is to be made; *provided* that all Secured Notes to be redeemed must be redeemed simultaneously.

In addition to (or in lieu of) a sale of Collateral Obligations and/or Eligible Investments in the manner provided above, the Secured Notes may be redeemed in whole from Refinancing Proceeds and/or Sale Proceeds or in part by Class from Refinancing Proceeds by obtaining a loan or an issuance of replacement securities, whose terms in each case will be negotiated by the Collateral Manager on behalf of the Issuer, from one or more financial institutions or purchasers (any such redemption and refinancing, a "*Refinancing*"); *provided* that the terms of such Refinancing and any financial institutions acting as lenders thereunder or purchasers thereof must be acceptable to the Collateral Manager and a Majority of the Subordinated Notes and such Refinancing otherwise satisfies the conditions described below. For the avoidance of doubt, Refinancing Proceeds will not constitute Interest Proceeds or Principal Proceeds, but will be deposited into the Payment Account and applied on any Redemption Date relating to a Refinancing to redeem the Notes being refinanced and pay related fees and expenses without regard to the Priority of Payments; *provided* that to the extent that any Refinancing Proceeds remain after payment of the respective Redemption Prices of each Class of Secured Notes being redeemed and related fees and expenses, such Refinancing Proceeds will be treated as Interest Proceeds. The delivery of the Refinancing Proceeds to the Trustee shall constitute instructions to the Trustee to withdraw such funds from the Payment Account on the Redemption Date and pay or transfer such amounts in the manner specified and in accordance with the Indenture.

In the case of a Refinancing upon a redemption of the Secured Notes in whole but not in part, such Refinancing will be effective only if: (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 sufficient to redeem simultaneously the Secured Notes then required to be redeemed, in whole but not in part, and to pay the other amounts included in the aggregate Redemption Prices, all accrued and unpaid Administrative Expenses (regardless of the Administrative Expense Cap), including the reasonable fees, costs, charges and expenses incurred by the Trustee and the Collateral Administrator (including reasonable attorneys' fees and expenses) in connection with such Refinancing, any amounts due to the Hedge Counterparties, the Repack Swap Termination Amount, if any, due to the Repack Swap Counterparty and all accrued and unpaid Collateral Management Fees, (ii) the Sale Proceeds, Refinancing Proceeds and other available funds are used (to the extent necessary) to make such redemption, (iii) solely with respect to a Refinancing of the Class A-1 Notes, each prospective investor in the replacement notes or obligations providing such Refinancing has certified in writing to the Issuer, the Trustee, the Collateral Manager and the initial Placement Agent as to whether or not it is a holder or beneficial owner of notes issued by the Repack Issuer (or is directed by a holder or beneficial owner of notes issued by the Repack Issuer) as of the date of its commitment to acquire such replacement notes or obligations, (iv) the agreements relating to the Refinancing contain limited recourse and non-petition provisions equivalent (*mutatis mutandis*) to those contained in the Indenture and (v) (A) neither the Issuer nor any Sponsor of the Issuer will fail to be in compliance with the Risk Retention Rules 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 shall be required to purchase any obligations of the Issuer in connection with such Refinancing.

In the case of a Refinancing upon a redemption of the Secured Notes in part by Class, such Refinancing will be effective only if: (i) the Rating Agencies have been notified of such Refinancing, (ii) the Refinancing Proceeds will be at least sufficient to pay in full the aggregate Redemption Prices of the entire Class or Classes of Secured 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 (*mutatis mutandis*) to those contained in the Indenture, (v) the aggregate principal amount of any obligations providing the Refinancing is equal to the sum of the Aggregate Outstanding Amount of the Secured Notes being redeemed with the proceeds of such obligations plus an amount equal to the reasonable fees, costs, charges and expenses incurred in connection with such Refinancing and the Repack Swap Termination Amount (if any) due to the Repack Swap Counterparty, in each case not paid from any amounts on deposit in, or to be deposited into, the Reserve Account that are designated to pay fees, costs, charges and expenses incurred in connection with such Refinancing, (vi) the stated maturity of each class of obligations providing the Refinancing is no earlier than the corresponding Stated Maturity of each Class of Secured Notes being refinanced, (vii) the reasonable fees, costs, charges and expenses incurred in connection with such Refinancing and the Repack Swap Termination Amount (if any) due to the Repack Swap Counterparty have been paid or will be adequately provided for from the Refinancing Proceeds or from any amounts on deposit in, or to be deposited into, the Reserve Account that are designated to pay expenses incurred in connection with a Refinancing (except for expenses owed to persons that the Collateral Manager informs the Trustee will be paid solely as Administrative Expenses payable in accordance with the Priority of Payments; *provided* that any such fees and expenses due to the Trustee and determined by the Collateral Manager to be paid in accordance with the Priority of Payments shall be subject to the Administrative Expense Cap), (viii) the interest rate of any obligations providing the Refinancing will not be greater than the interest rate of the Secured Notes subject to such Refinancing, (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 Secured 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

Secured Notes being refinanced, (xi) solely with respect to a Refinancing of the Class A-1 Notes, each prospective investor in the replacement notes or obligations providing such Refinancing has certified in writing to the Issuer, the Trustee, the Collateral Manager and the initial Placement Agent as to whether or not it is, or is acting at the direction of, a holder or beneficial owner of notes issued by the Repack Issuer as of the date of its commitment to acquire such replacement notes or obligations, (xii) the terms of such Refinancing have been consented to by a Majority of the Subordinated Notes and (xiii) (A) neither the Issuer nor any Sponsor of the Issuer will fail to be in compliance with the Risk Retention Rules as a result of such Refinancing in part by Class 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 shall be required to purchase any obligations of the Issuer in connection with such Refinancing in part by Class.

In connection with any Refinancing, if a Repack Swap Event has occurred, the Issuer shall agree, for the benefit of the Repack Swap Counterparty, to pay the Repack Swap Termination Amount to the Repack Swap Counterparty on the Redemption Date in accordance with the wire instructions provided by the Repack Swap Counterparty to the Issuer, without regard to the Priority of Payments and notwithstanding any provision in the Indenture to the contrary.

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. If a Refinancing is obtained meeting the requirements specified above as certified by the Collateral Manager, the Issuer and 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 of Notes other than holders of the Subordinated Notes directing the redemption. The Trustee will not be obligated to enter into any amendment that, in its view, 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 or opinion of counsel as to matters of law (which may be supported as to factual (including financial and capital markets) matters by any relevant certificates and other documents necessary or advisable in the judgment of counsel delivering such opinion of counsel) provided by the Issuer to the effect that such amendment meets the requirements specified above and is permitted under the Indenture without the consent of the holders of the Notes (except that such officer or counsel will have no obligation to certify or opine as to the sufficiency of the Refinancing Proceeds or the application thereof).

The Trustee shall have the authority to take such actions as may be directed by the Issuer or the Collateral Manager as the Issuer or the Collateral Manager shall deem necessary or desirable to effect a Refinancing. The Trustee shall be entitled to receive, and shall be fully protected in relying upon, an opinion of counsel stating that the Refinancing is authorized or permitted by the Indenture and that all conditions precedent thereto have been complied with.

In the event of any Optional Redemption, the Issuer shall, at least 22 days prior to the Redemption Date, notify the Trustee in writing of such Redemption Date, the applicable Record Date, the principal amount of Notes to be redeemed on such Redemption Date and the Redemption Price.

The Notes shall also be redeemed in whole but not in part (any such redemption, a "*Tax Redemption*") on any Payment Date at the written direction (delivered to the Trustee) of (x) a Majority of any Affected Class or (y) a Majority of the Subordinated Notes, in either case following the occurrence and continuation of a Tax Event. In connection with any Tax Redemption, holders of 100% of the Aggregate Outstanding Amount of any Class of Secured Notes by notifying the Trustee in writing prior to the Redemption Date may elect to receive less than 100% of the Redemption Price that would otherwise be payable to the holders of such Class of Secured Notes.

The Subordinated Notes may be redeemed, in whole but not in part, on any Business Day on or after the redemption or repayment in full of the Secured Notes, at the direction of a Majority of the Subordinated Notes. See "—The Subordinated Notes".

Redemption Procedures. In the event of any Optional Redemption or Tax Redemption, the required written directions shall be provided to the Issuer, the Trustee and the Collateral Manager as set forth above under "—General—Redemption of Notes". Notice of an Optional Redemption or Tax Redemption will be provided not later than nine Business Days prior to the applicable Redemption Date to each holder of Notes at such holder's address in the register maintained by the registrar under the Indenture and each Rating Agency then rating a Class of Secured Notes. In addition, for so long as any Offered Securities are listed on the Irish Stock Exchange and so long as the guidelines of such exchange so require, notice of Optional Redemption or Tax Redemption to the holders of such Offered Securities shall also be given to the Irish Stock Exchange. Notes called for redemption must be surrendered at the office of any Paying Agent. The initial Paying Agent for the Notes will be the Trustee.

The Co-Issuers or a Majority of the Subordinated Notes will have the option to withdraw any such notice of an Optional Redemption on any day up to and including the latest of (x) the day on which the Collateral Manager is required to deliver to the Trustee the sale agreement or agreements or certifications as described in the following paragraph, (y) the day that is two Business Days prior to the scheduled Redemption Date and (z) the day on which the holders of Notes are notified of such redemption in accordance with the Indenture. The failure to effect any Optional Redemption which is withdrawn by the Co-Issuers or the Majority of the Subordinated Notes in accordance with the Indenture or with respect to which a Refinancing fails will not constitute an Event of Default.

Upon receipt of a notice of an Optional Redemption of the Secured Notes (unless such Optional Redemption is being effected solely through a Refinancing) or a Tax Redemption, the Collateral Manager in its sole discretion will direct the sale (and manner thereof) of all or part of the Collateral Obligations and other Assets in an amount sufficient such that the proceeds from such sale and all other funds available for such purpose in the Collection Account and the Payment Account will be at least sufficient to pay the Redemption Prices of the Secured Notes (subject, in the case of a Tax Redemption, to any election to receive less than 100% of Redemption Price as noted above), to pay all Administrative Expenses (without regard to the Administrative Expense Cap), any amounts due to any Hedge Counterparties and Collateral Management Fees due and payable under "Overview of Terms—Priority of Payments—Application of Interest Proceeds". If such proceeds of such sale and all other funds available for such purpose in the Collection Account and the Payment Account would not be sufficient to redeem all Secured Notes then required to be redeemed and to pay such fees and expenses, the Secured 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.

Unless Refinancing Proceeds are being used to redeem the Secured Notes in whole or in part, in the event of any Optional Redemption or Tax Redemption, no Secured Notes may be optionally redeemed unless (i) at least two 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 whose short-term unsecured debt obligations (other than such obligations whose rating is based on the credit of a Person other than such institution) were rated, or guaranteed by a Person whose short-term unsecured debt obligations were rated, at least "P-1" by Moody's on the applicable trade date or trade dates to purchase (directly or by participation or other arrangement), not later than the Business Day immediately preceding the scheduled Redemption Date in immediately available funds, all or part of the Assets and/or the Hedge Agreements at a purchase price at least sufficient, together with the

Eligible Investments maturing, redeemable or putable to the issuer thereof at par on or prior to the scheduled Redemption Date, to pay all Administrative Expenses, any amounts due to any Hedge Counterparties and Collateral Management Fees (regardless of the Administrative Expense Cap) payable in accordance with the Priority of Payments and redeem all of the Secured Notes on the scheduled Redemption Date at the applicable Redemption Prices (or in the case of any Class of Secured Notes, such other amount that the holders of 100% of the Aggregate Outstanding Amount of such Class have elected to receive, in the case of a Tax Redemption where holders of such Class have elected to receive less than 100% of the Redemption Price that would otherwise be payable to the holders of such Class), or (ii) 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 of Eligible Investments, and (B) for each Collateral Obligation, the product of its principal balance and its Market Value (expressed as a percentage of the par amount of such Collateral Obligation) and its Applicable Advance Rate, shall exceed the sum of (x) the aggregate Redemption Prices (or in the case of any Class of Secured Notes, such other amount that the holders of 100% of the Aggregate Outstanding Amount of such Class have elected to receive, in the case of a Tax Redemption where holders of such Class have elected to receive less than 100% of the Redemption Price that would otherwise be payable to the holders of such Class) of the Outstanding Secured Notes, (y) all Administrative Expenses (without regard to the Administrative Expense Cap) payable under the Priority of Payments and any amounts due to any Hedge Counterparties and (z) all accrued and unpaid Collateral Management Fees payable under the Priority of Payments. Any certification delivered by the Collateral Manager pursuant to this section "—Optional Redemption—Redemption Procedures" must include (1) the prices of, and expected proceeds from, the sale (directly or by participation or other arrangement) of any Collateral Obligations, Eligible Investments and/or Hedge Agreements and (2) all calculations required by this section "—Optional Redemption—Redemption Procedures". Any holders of Notes, the Collateral Manager or any of the Collateral Manager's Affiliates or accounts managed by it 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 or Tax Redemption.

Notice of redemption shall be given by the Co-Issuers or, upon an issuer order, by the Trustee in the name and at the expense of the Co-Issuers. Failure to give notice of redemption, or any defect therein, to any holder of any Note selected for redemption shall not impair or affect the validity of the redemption of any other Notes.

Mandatory Redemption

If a Coverage Test (as described under "Security for the Secured Notes—The Coverage Tests") is not met on any Determination Date on which such Coverage Test is applicable, the Issuer shall apply available amounts in the Payment Account to make payments on the Secured Notes pursuant to the Priority of Payments on the related Payment Date (a "*Mandatory Redemption*") as described under "Overview of Terms—Priority of Payments."

Special Redemption

The Secured Notes will be subject to redemption in part by the Co-Issuers or the Issuer, as applicable, on any Payment Date (i) during the Reinvestment Period, if the Collateral Manager at its sole discretion notifies the Trustee (who will forward such notice to the Holders) 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 in its sole discretion and which would meet the criteria for reinvestment described under "Security for the Secured 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 (a "*Reinvestment Special Redemption*") or (ii) after the Effective Date, if the Collateral Manager notifies the Trustee that a

redemption is required in order to obtain from each Rating Agency its written confirmation of its initial ratings of the Secured Notes (provided that such confirmation from Moody's shall only be required if any Class A-1 Notes are then Outstanding) (an "*Effective Date Special Redemption*" and each of an Effective Date Special Redemption and a Reinvestment Special Redemption, a "*Special Redemption*").

With respect to an Effective Date Special Redemption, on each Special Redemption Date, the amount in the Collection Account representing Interest Proceeds and Principal Proceeds available in accordance with the Priority of Payments on each Payment Date until the Issuer obtains confirmation from each Rating Agency of its initial ratings of the Secured Notes (provided that such confirmation from Moody's shall only be required if any Class A-1 Notes are then Outstanding) will be applied as described under "Overview of Terms—Priority of Payments—Application of Principal Proceeds."

With respect to a Reinvestment Special Redemption, on the Special Redemption Date, the amount in the Collection Account representing Principal Proceeds which the Collateral Manager has determined (with notice to the Trustee and the Collateral Administrator) cannot be reinvested in additional Collateral Obligations (such amount, the "*Special Redemption Amount*"), will be applied as described under "Overview of Terms—Priority of Payments—Application of Principal Proceeds" in accordance with the Note Payment Sequence.

Notice of Special Redemption will be given by the Trustee not less than (x) in the case of a Reinvestment Special Redemption, three Business Days prior to the applicable Special Redemption Date and (y) in the of an Effective Date Special Redemption, one Business Day prior to the applicable Special Redemption Date, in each case by facsimile, email transmission or first class mail, postage prepaid, to each holder of Secured Notes affected thereby at such holder's facsimile number, email address or mailing address in the register maintained by the applicable registrar under the Indenture and to each Rating Agency then rating a Class of Secured Notes. In addition, for so long as any Offered Securities are listed on the Irish Stock Exchange and so long as the guidelines of such exchange so require, notice of Special Redemption to the holders of such Offered Securities shall also be given to the Irish Stock Exchange.

Optional Re-Pricing

(a) On any Payment Date after the Non-Call Period, at the direction of a Majority of the Subordinated Notes, the Issuer (or the Collateral Manager on its behalf) shall, in the case of any Class of Secured Notes (other than the Class A-1 Notes), reduce the interest rate applicable to such Class of Secured 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 shall not effect any Re-Pricing unless (i) each condition specified below is satisfied with respect thereto and (ii) each Outstanding Secured Note of a Re-Priced Class shall be subject to the related Re-Pricing. For the avoidance of doubt, the Class A-1 Notes are not subject to Re-Pricing. In connection with any Re-Pricing, the Issuer may engage a broker-dealer (the "*Re-Pricing Intermediary*") upon the recommendation and subject to the approval of the Collateral Manager and such Re-Pricing Intermediary shall assist the Issuer in effecting the Re-Pricing.

(b) At least 20 Business Days prior to the date selected by a Majority of the Subordinated Notes for the Re-Pricing (the "*Re-Pricing Date*"), the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, shall deliver a notice (the "*Re-Pricing Notice*") in writing (with a copy to the Collateral Manager, the Trustee and each Rating Agency then rating a Class of Secured Notes) to each holder of the proposed Re-Priced Class, which notice shall:

(i) specify the proposed Re-Pricing Date and the revised spread over LIBOR to be applied with respect to such Class (the "*Re-Pricing Rate*"),

(ii) request each holder of the Re-Priced Class to approve the proposed Re-Pricing, and

(iii) specify the price equal to par plus accrued interest thereon to (but excluding) the Re-Pricing Date at which Notes of any holder or beneficial owner of the Re-Priced Class which does not approve the Re-Pricing may be sold and transferred pursuant to the following paragraph, which, for purposes of such Re-Pricing, shall be the purchase price of such Notes (the "*Re-Pricing Redemption Price*");

provided that the Issuer, at the direction of the Collateral Manager and with the consent of a Majority of the Subordinated Notes, may modify the proposed Re-Pricing (and request each Holder or beneficial owner of the Re-Priced Class that has previously approved such Re-Pricing to approve the proposed Re-Pricing as so modified) by delivery of a revised notice of proposed Re-Pricing at any time up to 15 Business Days prior to the Re-Pricing Date and shall deliver to the Holders of the proposed Re-Priced Class (with a copy to the Collateral Manager, the Trustee and each Rating Agency) a notice reflecting such modification of the proposed Re-Pricing.

(c) In the event that any holders of the Re-Priced Class do not deliver to the Issuer 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, shall deliver written notice thereof to the consenting holders or beneficial owners of the Re-Priced Class, specifying the Aggregate Outstanding Amount of the Notes of the Re-Priced Class held by such non-consenting holders or beneficial owners, and shall request each such consenting holder or beneficial owner to provide written notice to the Issuer, the Trustee, the Collateral Manager and the Re-Pricing Intermediary if such holder or beneficial owner would like to purchase all or any portion of the Notes of the Re-Priced Class held by the non-consenting holders or beneficial owners at the Re-Pricing Redemption Price with respect thereto (each such notice, an "*Exercise Notice*") within five Business Days after receipt of such notice. In the event the Issuer shall receive Exercise Notices with respect to an amount equal to or more than the Aggregate Outstanding Amount of the Notes of the Re-Priced Class held by non-consenting holders or beneficial owners, the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, shall cause the sale and transfer of such Notes at the Re-Pricing Redemption Price with respect thereto, without further notice to the non-consenting holders or beneficial owners thereof, on the Re-Pricing Date to the holders or beneficial owners delivering Exercise Notices with respect thereto, pro rata (subject to the applicable minimum denomination requirements and the applicable procedures of DTC) based on the Aggregate Outstanding Amount of the Notes such holders or beneficial owners indicated an interest in purchasing pursuant to their Exercise Notices. In the event the Issuer shall receive Exercise Notices with respect to less than the Aggregate Outstanding Amount of the Notes of the Re-Priced Class held by non-consenting holders or beneficial owners the Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, shall cause the sale and transfer of such Notes, without further notice to the non-consenting holders or beneficial owners thereof, on the Re-Pricing Date to the holders delivering Exercise Notices with respect thereto, and any excess Notes of the Re-Priced Class held by non-consenting holders or beneficial owners shall be sold at the Re-Pricing Redemption Price with respect thereto to one or more transferees designated by the Re-Pricing Intermediary on behalf of the Issuer. All sales of Notes to be effected pursuant to this paragraph shall be made at the Re-Pricing Redemption Price with respect to such Notes, and shall be effected only if the related Re-Pricing is effected in accordance with the provisions of the Indenture. Each holder and beneficial owner of each Note, by its acceptance of an interest in the Notes, agrees to sell and transfer its Notes in accordance with the provisions of the Indenture described in this section and agrees to cooperate with the Issuer, the Re-Pricing Intermediary and the Trustee to effect such sales and transfers. The Issuer, or the Re-Pricing Intermediary on behalf of the Issuer, shall deliver written notice to the Trustee and the Collateral Manager not later than five Business Days prior to the proposed Re-Pricing Date confirming that the Issuer has received written commitments to purchase all Notes of the Re-Priced Class held by non-consenting holders or beneficial owners.

(d) The Issuer shall not effect any proposed Re-Pricing unless: (i) the Co-Issuers and the Trustee shall have entered into a supplemental indenture dated as of the Re-Pricing Date as described in "—The Indenture—Modification of the Indenture" (to be prepared and provided by the Issuer or the Collateral Manager acting on its behalf) solely to reduce the spread over LIBOR applicable to the Re-Priced Class; (ii) each Rating Agency then rating a Class of Secured Notes shall have been notified of such Re-Pricing; (iii) 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 (including in connection with the supplemental indenture described in preceding subclause (i)) shall not exceed (x) the amount of Interest Proceeds available to be applied to the payment thereof under the Priority of Payments on the subsequent Payment Date, after taking into account all amounts required to be paid pursuant to the Priority of Payments on the subsequent Payment Date prior to distributions to the holders of the Subordinated Notes and (y) any amounts on deposit in, or to be deposited into, the Reserve Account that are designated to pay expenses incurred in connection with a Re-Pricing, unless such expenses shall have been paid or shall be adequately provided for by an entity other than the Issuer; and (iv) (A) neither the Issuer nor any Sponsor of the Issuer will fail to be in compliance with the Risk Retention Rules 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 shall be required to purchase any Notes in connection with such Re-Pricing.

(e) If a Re-Pricing Notice has been received by the Trustee from the Collateral Manager pursuant to the Indenture, notice of a Re-Pricing shall be given by the Trustee, at the expense of the Issuer, by not less than five Business Days prior to the proposed Re-Pricing Date, to each holder of Notes of the Re-Priced Class at the address in the Register (with a copy to the Collateral Manager), specifying the applicable Re-Pricing Date, Re-Pricing Rate and Re-Pricing Redemption Price (in each case according to the information set forth in the Re-Pricing Notice). Failure to give a notice of Re-Pricing, or any defect therein, to any holder or beneficial owner of any Re-Priced Class shall 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 on or prior to the second 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 shall transmit such notice to the holders and each Rating Agency. Notwithstanding anything contained herein to the contrary, failure to effect a Re-Pricing, whether or not notice of Re-Pricing has been withdrawn, will not constitute an Event of Default and the Holders and beneficial owners of the Notes will not have any cause of action against the Co-Issuers, the Collateral Manager, the Collateral Administrator or the Trustee for any failure to complete a Re-Pricing. The Trustee shall be entitled to receive and may request and rely upon a written order from the Issuer (or the Collateral Manager on behalf of the Issuer) providing directions and additional information necessary to effect a Re-Pricing.

In order to give effect to a Re-Pricing, the Issuer shall, to the extent necessary, obtain and assign a separate CUSIP or CUSIPs to the Notes of each Class subject to a Re-Pricing.

The Trustee shall be entitled to receive, and shall be fully protected in relying upon, an opinion of counsel stating that the Re-Pricing is authorized or permitted by the Indenture and that all conditions precedent thereto have been complied with.

Cancellation

All Notes surrendered for payment, registration of transfer, exchange or redemption, or deemed lost or stolen, shall be promptly canceled by the Trustee and may not be reissued or resold. No Note may be surrendered (including any surrender in connection with any abandonment) except for payment as provided herein, or for registration of transfer, exchange or redemption in accordance with an Optional Redemption, a Tax Redemption or, if such Special Redemption or Mandatory Redemption results in the payment in full of the applicable Class of Notes, a Special

Redemption or Mandatory Redemption, of the Notes, or for replacement in connection with any Note deemed lost or stolen.

Entitlement to Payments

Payments on the Notes will be made to the Person in whose name the Note is registered on the Record Date. Payments on certificated notes will be made in U.S. Dollars by wire transfer, as directed by the investor, in immediately available funds to the investor; *provided* that wiring instructions have been provided to the Trustee on or before the related Record Date and *provided, further*, that 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 of a Note at such holder's address specified in the applicable register maintained by the Trustee. Final payments in respect of principal on the Notes will be made only against surrender of the Notes at the office of any Paying Agent appointed under the Indenture.

Payments on any Global Secured Notes or Regulation S Global Subordinated Notes will be made to DTC or its nominee, as the registered owner thereof. None of 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 Secured Notes or Regulation S Global Subordinated Notes 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 or interest in respect of a Global Secured Note or any payment of principal or distributions in respect of a Regulation S Global Subordinated Note representing a Class of Notes held by it or its nominee, will immediately credit participants' accounts (through which, in the case of Regulation S Global Secured Notes and Regulation S Global Subordinated Notes, 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 Secured Note for a Class of Notes or a Regulation S Global Subordinated Note, 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 Secured Note or a Regulation S Global Subordinated Note 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 Notes 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 and, if applicable, the Co-Issuer, pursuant to the Indenture; and the holder of a Note shall thereafter, as an unsecured general creditor, look only to the Issuer and, if applicable, the Co-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 (x) such Payment Date is the Stated Maturity or (y) an Enforcement Event has occurred and is continuing, Interest Proceeds will be applied in the order of priority described under "Overview of Terms—Priority of Payments—Application of Interest Proceeds."

On each Payment Date, unless (x) such Payment Date is the Stated Maturity or (y) an Enforcement Event has occurred and is continuing, Principal Proceeds will be applied in the order of

priority described under "Overview of Terms—Priority of Payments—Application of Principal Proceeds."

On each Payment Date, if (x) such Payment Date is the Stated Maturity or (y) an Enforcement Event has occurred and is continuing, Interest Proceeds and Principal Proceeds will be applied in the order of priority described under "Overview of Terms—Priority of Payments—Special Priority of Payments."

The Indenture

The following overview describes certain provisions of the Indenture among the Co-Issuers and the Trustee to be dated as of the Closing Date. The overview does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of 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 any Class A-1 Note or Class A-2 Note or, if there are no Class A-1 Notes or Class A-2 Notes Outstanding, any Secured Note comprising the Controlling Class at such time 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 Secured Note at its Stated Maturity or any Redemption Date; *provided* that, in the case of a default under clause (i) above due to an administrative error or omission by the Collateral Manager, Trustee, Collateral Administrator or any Paying Agent, such default continues for seven Business Days after a trust officer of the Trustee receives written notice or has actual knowledge of such administrative error or omission;

(b) the failure on any Payment Date to disburse amounts available in the Payment Account in excess of $1,000 in accordance with the Priority of Payments and continuation of such failure for a period of five Business Days or, in the case of a failure to disburse due to an administrative error or omission by the Trustee, Collateral Administrator or any Paying Agent, such failure continues for seven 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;

(d) except as otherwise provided in this definition of "Event of Default", a default in a material respect in the performance by, or breach in a material respect of any material covenant of, the Issuer or the Co-Issuer under the Indenture (it being understood, without limiting the generality of the foregoing, that any failure to meet any Concentration Limitation, any Collateral Quality Test, any Coverage Test or the Reinvestment Overcollateralization Test 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, except in either case to the extent provided in clause (f) below), or the failure of any material representation or warranty of the Issuer or the Co-Issuer made in the Indenture or in any certificate or other writing delivered pursuant thereto or in connection therewith to be correct in each case in all material respects when the same shall have been made, and the continuation of such default, breach or failure for a period of 45 days after notice by the Trustee at the direction of the holders of at least a Majority of the Controlling Class to the Issuer or the Co-Issuers, as applicable, the Trustee 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) certain events of bankruptcy, winding up, insolvency, receivership or reorganization of either of the Co-Issuers; or

(f) on any Measurement Date on which the Class A-1 Notes are Outstanding, failure of the percentage equivalent of a fraction (i) the numerator of which is equal to (1) the Collateral Principal Amount *plus* (2) the aggregate Market Value of all Defaulted Obligations on such date and (ii) the denominator of which is equal to the Aggregate Outstanding Amount of the Class A-1 Notes, to equal or exceed 103.0%.

If an Event of Default occurs and is continuing (other than an Event of Default referred to in clause (e) above), the Trustee may, and shall subject to the terms of the Indenture, upon the written direction of a Majority of the Controlling Class by notice to the Co-Issuer, the Issuer (which notice the Issuer shall provide to the Rating Agencies then rating a Class of Secured Notes) and a Responsible Officer of the Collateral Manager, declare the principal of and accrued interest on the Secured Notes to be immediately due and payable. If an Event of Default described in clause (e) above occurs, such an acceleration will occur automatically.

If an Event of Default has occurred and is continuing, the Trustee will retain the Assets intact and 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 Notes in accordance with the Priority of Payments and the subordination provisions of 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 Secured Notes for principal and interest (including accrued and unpaid Deferred Interest) and all other amounts that, pursuant to the Priority of Payments, are required to be paid prior to such payments on such Secured Notes (including any amounts due and owing (or anticipated to be owing) as Administrative Expenses (without regard to the Administrative Expense Cap), any amounts payable to any Hedge Counterparty pursuant to an early termination (or partial early termination) of the related Hedge Agreement as a result of a Priority Termination Event and any due and unpaid Collateral Management Fees) and a Majority of the Controlling Class agrees with such determination;

(ii) in the case of an Event of Default specified in clauses (a), (e) or (f) of the definition of such term, a Supermajority of the Class A-1 Notes (or if no Class A-1 Notes are Outstanding, a Supermajority of each Class of Secured Notes (each voting separately by Class)) direct the sale and liquidation of the Assets (without regard to whether another Event of Default has occurred prior, contemporaneously or subsequent to such Event of Default unless such Event of Default occurred solely as a result of the acceleration of the Secured Notes); or

(iii) in the case of an Event of Default other than an Event of Default specified in clauses (a), (e) and (f) of the definition of such term, a Supermajority of each Class of Secured Notes (each voting separately by Class) direct the sale and liquidation of the Assets.

A Majority of the Controlling Class will have the right following the occurrence, and during the continuance of, an Event of Default 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 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 at the request or direction of the holders of any Notes unless such holders have provided to the Trustee security or indemnity reasonably satisfactory to the Trustee. A Majority of the Controlling Class may, in certain cases, waive any default with respect to such Notes or Event of Default, except a default (a) in the payment of the principal of any Secured Note (which may be waived only with the consent of the holder of such Secured Note), (b) in the payment of interest on any Secured Notes (which may be waived only with the consent of the Holders of such Secured Note), (c) in respect of a provision of the Indenture that cannot be modified or amended without the waiver or consent of the holder of each such Outstanding Note materially and adversely affected thereby (which may be waived only with the consent of each such holder) or (d) in respect of certain representations contained in the Indenture relating to the security interests in the Assets (which may be waived only by a Majority of the Controlling Class if the S&P Rating Condition is satisfied).

No holder of a Note will have the right to institute any proceeding with respect to the Indenture 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% of the then Aggregate Outstanding Amount of the Notes 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 Offered Securities shall be given by first class mail, postage prepaid, to registered holders of Offered Securities at each such holder's address appearing in the register maintained by the Trustee. Notices to holders of the Offered Securities may also be posted to the Trustee's internet website.

Modification of Indenture. With the written consent of the Collateral Manager, a Majority of each Class of Secured Notes materially and adversely affected thereby, if any, if the Subordinated Notes are materially and adversely affected thereby, a Majority of the Subordinated Notes, and any Hedge Counterparty materially and adversely affected thereby, 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 the Notes of any Class under the Indenture; *provided* that without the consent of each holder of each Outstanding Note 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 Secured Note, reduce the principal amount thereof or the rate of interest thereon (other than in the case of a Re-Pricing) or the Redemption Price with respect to any Offered Security, 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 Secured Notes, or distributions on the Subordinated Notes or change any place where, or the coin or currency in which, Notes 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 the percentage of the Aggregate Outstanding Amount of holders of Notes 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) materially impair or materially 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 Secured Note of the security afforded by the lien of the Indenture;

(v) reduce the percentage of the Aggregate Outstanding Amount of holders of any Class of Secured 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 Notes 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 the holder of each Note Outstanding and affected thereby;

(vii) modify the definition of the term "Outstanding" or the priority of payments set forth in the Indenture; or

(viii) modify any of the provisions of the Indenture in such a manner as to affect the calculation of the amount of any payment of interest or principal on any Secured Note, or any amount available for distribution to the Subordinated Notes, or to affect the rights of the holders of any Secured Notes to the benefit of any provisions for the redemption of such Secured Notes contained therein.

The Co-Issuers and the Trustee may also enter into supplemental indentures without the consent of the Holders of the Offered Securities and with only the written consent of the Collateral Manager (except as expressly provided 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 Notes;

(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 Notes;

(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 Notes 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, including, without limitation, by reducing the minimum denomination of any Class of Notes;

(vii) to make such changes (including the removal and appointment of any listing agent, transfer agent, paying agent or additional registrar in Ireland) as shall be necessary or advisable in order for the listed Offered Securities to be or remain listed on an exchange, including the Irish Stock Exchange, and otherwise to amend the Indenture to incorporate any changes required or requested by governmental authority, stock exchange authority, listing agent, transfer agent, paying agent or additional registrar for the Offered Securities in connection therewith;

(viii) subject to the requirements of the immediately succeeding paragraph, to correct or supplement any inconsistent or defective provisions in the Indenture or to cure any ambiguity, omission or errors in the Indenture; *provided* that written consent to such supplemental indenture has been obtained from a Majority of the Controlling Class (such consent not to be unreasonably withheld);

(ix) to conform the provisions of the Indenture to this Offering Circular;

(x) to take any action necessary or helpful (A) to prevent the Issuer or the Trustee from becoming subject to any withholding or other taxes, fees or assessments 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, including in each case, without limitation, any amendments required to form or operate any ETB Subsidiary;

(xi) with the consent of a Majority of the Subordinated Notes, to make such changes as shall be necessary to permit the Co-Issuers (A) to issue or co-issue, as applicable, additional notes of any one or more new classes that are subordinated to the existing Secured 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 Secured Notes and the Subordinated Notes is then Outstanding), *provided* that any such additional issuance or co-issuance, as applicable, of notes shall be issued or co-issued, as applicable, in accordance with the Indenture, including the requirements described under "— Additional Issuance;" *provided*, *further*, that the supplemental indenture effecting such additional issuance may not amend the requirements described under "— Additional Issuance"; (B) to issue or co-issue, as applicable, additional notes of any one or more existing Classes, *provided* that any such additional issuance or co-issuance, as applicable, of notes shall be issued or co-issued, as applicable, in accordance with the Indenture, including the requirements described under "—

Additional Issuance;" *provided*, *further*, that the supplemental indenture effecting such additional issuance may not amend the requirements described under "—Additional Issuance"; or (C) to issue or co-issue, as applicable, replacement securities in connection with a Refinancing, and to make such other changes as shall be necessary to facilitate a Refinancing, in each case in accordance with the Indenture, including the requirements described under "—Optional Redemption" *provided* that such supplemental indenture may not amend the requirements described under "—Refinancing";

(xii) to amend the name of the Issuer or the Co-Issuer;

(xiii) subject to the requirements of the immediately succeeding paragraph, with the consent of the Collateral Manager and a Majority of the Controlling Class, to amend, modify or otherwise change provisions in the Indenture so that (1) the Issuer is not a "covered fund" under the Volcker Rule, (2) the Secured Notes do not constitute "ownership interests" under the Volcker Rule or (3) the Secured Notes will be permitted to be owned by "banking entities" (as defined in the Volcker Rule) under the Volcker Rule;

(xiv) to facilitate the issuance of participation notes, combination notes, composite securities, and other similar securities by the Co-Issuers or the Issuer, as applicable; *provided* that such participation notes, combination notes, composite securities or similar securities shall be comprised of Classes of Notes issued on the Closing Date;

(xv) to modify any provision to facilitate an exchange of one obligation for another obligation of the same Obligor that has substantially identical terms except transfer restrictions, including to effect any serial designation relating to the exchange;

(xvi) to evidence any waiver or modification by any Rating Agency as to any requirement or condition, as applicable, of such Rating Agency set forth herein;

(xvii) to modify the terms of the Indenture in order that it may be consistent with the requirements of the Rating Agencies, including to address any change in the rating methodology employed by either Rating Agency; *provided* that written consent to such supplemental indenture has been obtained from a Majority of the Controlling Class (such consent not to be unreasonably withheld);

(xviii) to take any action necessary or advisable (1) to allow the Issuer to comply with FATCA (including providing for remedies against, or imposing penalties upon, Holders who fail to deliver the Holder FATCA Information) or (2) for any Bankruptcy Subordination Agreement; and to (A) issue a new Note or Notes in respect of, or issue one or more new sub-classes of, any Class of Notes, in each case with new identifiers (including CUSIPs, ISINs and Common Codes, as applicable), to the extent that the Issuer or the Trustee determines that one or more beneficial owners of the Notes of such Class are Recalcitrant Holders or in connection with any Bankruptcy Subordination Agreement; *provided* that any sub-class of a Class of Notes issued pursuant to this clause shall be issued on identical terms as, and rank *pari passu* in all respects with, the existing Notes of such Class and (B) provide for procedures under which beneficial owners of such Class that are not Recalcitrant Holders (or subject to a Bankruptcy Subordination Agreement, as the case may be) may take an interest in such new Note(s) or sub-class(es);

(xix) subject to the requirements of the immediately succeeding paragraph, to make such other changes as the Co-Issuers deem appropriate and that do not materially and adversely affect the interests of any holder of the Notes as evidenced by an opinion

of counsel delivered to the Trustee (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 the opinion) or a certificate of an officer of the Collateral Manager; *provided* that written consent to such supplemental indenture has been obtained from a Majority of the Controlling Class (such consent not to be unreasonably withheld);

(xx) to modify the procedures in the Indenture relating to compliance with Rule 17g-5 of the Exchange Act;

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

(xxii) to amend, modify, enter into or accommodate the execution of any Hedge Agreement upon terms satisfactory to the Collateral Manager;

(xxiii) to facilitate any necessary filings, exemptions or registrations with the CFTC; or

(xxiv) with the consent of a Majority of the Controlling Class, to amend, modify or otherwise change provisions in the Indenture to permit the issuance of one or more new sub-classes of any Class of Secured Notes, in each case with new identifiers, such that one or more sub-classes of any Class of Secured Notes shall be non-voting and deemed not to be Outstanding in connection with a Manager Selection or Removal Action in order that such sub-class of any Class of Secured Notes may not be considered an "ownership interest" under the Volcker Rule; *provided* that any sub-class of a Class of Notes issued pursuant to this clause shall be issued on identical terms as, and rank *pari passu* in all respects with, the existing Notes of such Class, the issuance of such sub-class shall not increase the Aggregate Outstanding Amount of any Class of Secured Notes and the issuance of such sub-class shall not be treated as an additional issuance under the Indenture.

With respect to any supplemental indenture the consent to which is expressly required from all or a Majority of Holders of each Class materially and adversely affected thereby, the Trustee will be entitled to receive and conclusively rely upon 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) or an officer's certificate of the Collateral Manager (as applicable) as to (i) whether or not the Holders of any Class of Secured Notes would be materially and adversely affected by any supplemental indenture described above, (ii) whether or not the Subordinated Notes would be materially and adversely affected by any supplemental indenture described above and (iii) whether or not a Hedge Counterparty would be materially and adversely affected by any supplemental indenture described above. In addition, in executing or accepting the additional trusts created by any supplemental indenture, the Trustee shall be entitled to receive an opinion of counsel stating that the execution of such supplemental indenture is authorized or permitted by the Indenture and an opinion of counsel or an officers' certificate of the Collateral Manager stating that all conditions precedent thereto have been satisfied. The Trustee shall not be liable for any reliance made in good faith upon such an opinion of counsel or such an officer's certificate of the Collateral Manager delivered to the Trustee as described in the Indenture. Such determination, in each such case, shall be conclusive and binding on all present and future holders. In the case of any proposed supplemental indenture described in clause (xiii) or (xix) of the immediately preceding paragraph, if a Majority of any Class of Notes has provided written notice to the Trustee no later than 15 Business Days following delivery of notice of such proposed supplemental indenture (or in the case of any proposed supplemental indenture described in clause (xiii) of the immediately preceding paragraph, up to one Business Day prior to the proposed execution date of such proposed supplemental

indenture) that such Class would be materially and adversely affected thereby, the Trustee shall not enter into such supplemental indenture without the consent of a Majority of such Class.

With respect to any supplemental indenture that modifies or amends any component of the Asset Quality Matrix, the restrictions on the sales of Collateral Obligations, the Concentration Limitations or the Collateral Quality Tests and the definitions related thereto which affect the calculation thereof, (i) the Global Rating Agency Condition is satisfied (provided that (x) satisfaction of the S&P Rating Condition shall not be required for any amendment or modification of the Maximum Moody's Rating Factor Test, the Moody's Diversity Test or the Moody's Recovery Rate and (y) satisfaction of the Moody's Rating Condition shall not be required for any amendment or modification of the S&P Recovery Rate or the S&P CDO Monitor Test) and (ii) written consent to such supplemental indenture has been obtained from a Majority of each Class of Notes (voting separately by Class).

With respect to any supplemental indenture that modifies or amends any provision of the Indenture relating to the payment of a Repack Swap Termination Amount, written consent to such supplemental indenture has been obtained from the holders of 100% of the Aggregate Outstanding Amount of the Class A-1 Notes.

Notwithstanding anything to the contrary herein, no determination of whether any Holder of any Class is materially and adversely affected by a supplemental indenture shall be required in connection with any Re-Pricing.

The Collateral Manager will not be bound to follow any amendment or supplement to the Indenture unless it has consented thereto in accordance with the Indenture. The Trustee shall not be obligated to enter into any supplemental indenture which affects the Trustee's (or, for so long as the Trustee is also the Collateral Administrator, the Collateral Administrator's) own rights, duties, liabilities or immunities under the Indenture or otherwise, except to the extent required by law.

At the cost of the Co-Issuers, for so long as any Notes shall remain Outstanding, not later than 15 Business Days prior to the execution of any proposed supplemental indenture, the Trustee shall deliver to the Collateral Manager, the Collateral Administrator, each Hedge Counterparty and the Holders a copy of such supplemental indenture. In addition, not later than 15 Business Days prior to the execution of any proposed supplemental indenture, the Issuer shall deliver to the Rating Agencies then rating a Class of Secured Notes a copy of such supplemental indenture.

Additional Issuance. The Indenture will provide that, at any time during the Reinvestment Period (or, in the case of an issuance of Subordinated Notes only, after the Reinvestment Period), the Co-Issuers or the Issuer, as applicable, may issue and sell additional notes of any one or more new classes of notes that are subordinated to the existing Secured 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 Secured Notes and the Subordinated Notes is then Outstanding) and/or additional notes of any one or more existing Classes (subject, in the case of additional notes of an existing Class of Secured Notes, to clause (e) below) and use the proceeds to purchase additional Collateral Obligations or as otherwise permitted under the Indenture (except that the proceeds of an additional issuance of Subordinated Notes after the Reinvestment Period may not be used to purchase additional Collateral Obligations); *provided* that the following conditions are met:

(a) the Collateral Manager and a Majority of the Subordinated Notes consent to such issuance and, solely in the case of an additional issuance of Class A-1 Notes, a Majority of the Class A-1 Notes consents to such issuance;

(b) in the case of additional notes of any one or more existing Classes, the aggregate principal amount of Notes of such Class issued in all additional issuances may not

exceed 100% of the respective original outstanding principal amount of the Notes of such Class;

(c) in the case of additional notes of any one or more 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 Secured Notes will accrue from the issue date of such additional Secured Notes and the spread and price of such Notes do not have to be identical to those of the initial Notes of that Class; *provided* that the spread of any such additional Secured Notes will not be greater than the spread on the applicable Class of Secured Notes and such additional issuance shall not be considered a Refinancing under the Indenture);

(d) in the case of additional notes of any one or more 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 the principal amount of Subordinated Notes issued in any such issuance may exceed the proportion otherwise applicable to the Subordinated Notes;

(e) unless only additional Subordinated Notes are being issued, the Global Rating Agency Condition shall have been satisfied with respect to any Secured Notes not constituting part of such additional issuance, *provided* that if only additional Subordinated Notes are being issued, the Issuer notifies each Rating Agency then rating a Class of Secured Notes of such issuance prior to the issuance date;

(f) the proceeds of any additional notes (net of fees and expenses incurred in connection with such issuance, which fees and expenses shall be paid solely from the proceeds of such additional issuance) shall not be treated as Refinancing Proceeds and shall be treated as Principal Proceeds and used to purchase additional Collateral Obligations, to invest in Eligible Investments or to apply pursuant to the Priority of Payments; *provided* that, at the direction of the Collateral Manager, the proceeds of any additional Subordinated Notes may be treated as Refinancing Proceeds; and

(g) an opinion of tax counsel of nationally recognized standing in the United States experienced in such matters shall be delivered to the Trustee to the effect that (A) such issuance would not cause the Holders or beneficial owners of Secured Notes previously issued to be deemed to have sold or exchanged such Notes under Section 1001 of the Code and (B) any additional Class A-1 Notes, Class A-2 Notes, Class B Notes or Class C Notes will, and any additional Class D Notes should, be treated as debt for U.S. federal income tax purposes.

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.

Any additional notes of an existing Class issued as described above will, to the extent reasonably practicable, be offered first to holders of that Class in such amounts as are necessary to preserve their *pro rata* holdings of Notes of such Class.

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 Holders of the Notes of each Class will agree, and the beneficial owners of the Notes will be deemed to agree, pursuant to the Indenture, not to seek to institute against, or join any other person in instituting against, the Issuer, the Co-Issuer or any ETB Subsidiary, bankruptcy, reorganization, arrangement, insolvency, winding up, 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 Notes and the expiration of a period equal to one year and one day or, if longer, the applicable preference period then in effect *plus* one day, following such payment in full. The Indenture will require (notwithstanding any provision in the Indenture relating to enforcement of rights or remedies) the Issuer, the Co-Issuer or any ETB Subsidiary, as applicable, subject to the availability of funds as described in the immediately following sentence, to promptly object to the institution of any such proceeding against it and to take all necessary or advisable steps to cause the dismissal of any such proceeding (including, without limiting the generality of the foregoing, to 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 ETB 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 or in respect of the Issuer, the Co-Issuer or any ETB Subsidiary, as the case may be, under applicable bankruptcy law or any other applicable law). The reasonable fees, costs, charges and expenses incurred by the Issuer, the Co-Issuer or any ETB Subsidiary (including reasonable attorneys' fees and expenses) in connection with taking any such action will be paid as Administrative Expenses.

The Indenture will provide that the foregoing restrictions are a material inducement for each Holder and beneficial owner of the Notes to acquire such Notes and for the Issuer, the Co-Issuer and the Collateral Manager to enter into the Indenture (in the case of the Issuer and the Co-Issuer) and the other applicable transaction documents and are an essential term of the Indenture. Any Holder or beneficial owner of Note, any ETB Subsidiary or either of the Co-Issuers may seek and obtain specific performance of such restrictions (including injunctive relief), including, without limitation, in any bankruptcy, reorganization, arrangement, insolvency, moratorium or liquidation proceedings, or other proceedings under Cayman Islands law, United States federal or state bankruptcy law or similar laws.

In the event one or more Holders or beneficial owners of Notes cause the filing of a petition in bankruptcy against the Issuer in violation of the prohibition described above, such Holder(s) or beneficial owner(s) will be deemed to acknowledge and agree that any claim that such Holder(s) or beneficial owner(s) have against the Issuer or with respect to any Assets (including any proceeds thereof) shall, notwithstanding anything to the contrary in the Priority of Payments, be fully subordinate in right of payment to the claims of each Holder and beneficial owner of any Secured Note that does not seek to cause any such filing, with such subordination being effective until each Secured Note held by each Holder or beneficial owners of any Secured Note that does not seek to cause any such filing 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 U.S. Bankruptcy Code (Title 11 of the United States Code, as amended from time to time (or any successor statute)). The Trustee shall be entitled to rely upon an issuer order from the Issuer with respect to the payment of amounts payable to Holders, which amounts are subordinated pursuant to this paragraph. The Issuer shall direct the Trustee to segregate payments and take other reasonable steps to effect the foregoing. In order to effect the foregoing, the Issuer shall, to the extent necessary, obtain and assign a separate CUSIP or CUSIPs to the Notes of each Class held by such Holder(s).

Even though each Holder and beneficial owner of Notes will agree or be deemed to agree not to cause the filing of an involuntary petition in bankruptcy or insolvency in relation to the Issuer (and will agree to subordinate its claims with respect to the Issuer and the Assets in the event it breaches such agreement) as described above, there is the possibility that a bankruptcy court may in

the exercise of its equitable or other powers determine not to enforce such an agreement on the ground that such an agreement violates an essential policy underlying the Bankruptcy Law or other applicable bankruptcy or insolvency law.

Satisfaction and Discharge of the Indenture. The Indenture will be discharged with respect to the Assets securing the Secured Notes upon (i) delivery to the Trustee for cancellation of all of the Notes, or, with certain exceptions (including the obligation to pay principal and interest), upon deposit with the Trustee of funds sufficient for the payment or redemption thereof, (ii) the payment by the Co-Issuers of all other amounts due under the Indenture and (iii) receipt by the Trustee of an officer's certificate from the Collateral Manager and an opinion of counsel, each stating that all conditions precedent relating to the satisfaction and discharge of the Indenture have been complied with; *provided* that, upon the final distribution of all proceeds of any liquidation of the Collateral Obligations, the Equity Securities and the Eligible Investments effected under the Indenture, the foregoing requirements shall be deemed satisfied for the purposes of discharging the Indenture following certification from the Collateral Manager that it has determined in its discretion that the Issuer's affairs have been wound up.

Trustee. The Bank of New York Mellon Trust Company, National Association will be the Trustee under the Indenture for the Notes. The payment of the fees and expenses of the Trustee relating to the Notes is solely the obligation of the Co-Issuers 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 by an act of a Majority of each Class of Notes (voting separately by Class) or, at any time when an Event of Default shall have occurred and be 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 certain reports prepared pursuant to the Indenture available via its internet website. The Trustee's internet website shall initially be located at "https://gctinvestorreporting.bnymellon.com/"[1]. The Trustee may change the way such statements are distributed. As a condition to access to the Trustee's internet 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.

Collateral Administrator. Pursuant to the terms of the Collateral Administration Agreement, the Issuer and the Collateral Manager will retain The Bank of New York Mellon Trust Company, National Association to compile certain reports, schedules and calculations required to be prepared by the Issuer under the Indenture or by the Collateral Manager under the Collateral Management Agreement. If, in performing its duties under the Collateral Administration Agreement, the Collateral Administrator is required to decide between two alternative courses of action, the

[1] Such website is expressly not incorporated, in any way, as a part of this Offering Circular.

Collateral Administrator may request written instructions from the Collateral Manager as to the course of action desired by it; *provided* that, except to the extent required under the Indenture, the Collateral Manager shall be under no obligation to provide such instructions. If the Collateral Administrator does not receive such instructions within two Business Days after it has requested them, the Collateral Administrator may, but shall be under no duty to, take or refrain from taking any such courses of action. The Collateral Administrator shall act in accordance with instructions received after such two Business Day period except to the extent that it has already taken, or committed itself to take, action inconsistent with such instructions. The Collateral Administrator shall be entitled to rely on the advice of legal counsel and Independent accountants in performing its duties under the Collateral Administration Agreement and shall be deemed to have acted in good faith if it acts in accordance with such advice.

The compensation paid to The Bank of New York Mellon Trust Company, National Association by the Issuer for such services will be the fees paid to The Bank of New York Mellon Trust Company, National Association in its capacity as Collateral Administrator.

The Collateral Administration Agreement provides that any of the Issuer, the Collateral Manager or the Collateral Administrator will be entitled to terminate such agreement by giving at least 60 days prior written notice to the other parties. The Collateral Administration Agreement will also be terminated if The Bank of New York Mellon Trust Company, National Association, is no longer acting as Trustee and may be terminated by the Issuer or the Collateral Manager for cause. In addition, the Collateral Administrator may resign due to non-payment of fees or indemnities. Except in the case of a resignation or a removal for cause, termination of the Collateral Administration Agreement will not be effective until a replacement Collateral Administrator has been appointed.

Form, Denomination and Registration of the Offered Securities

The Secured Notes will be sold only to (i) non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act or (ii) Persons that are (x) Qualified Institutional Buyers or (y) Institutional Accredited Investors and, in the case of (x) and (y) above, (a) Qualified Purchasers or (b) any corporation, partnership, limited liability company or other entity (other than a trust), each shareholder, partner, member or other equity owner of which is a Qualified Purchaser. Each Secured Note sold to a Person that, at the time of the acquisition, purported acquisition or proposed acquisition of any such Secured Note, is both a Qualified Institutional Buyer and a Qualified Purchaser will be issued in the form of one or more permanent global notes in definitive, fully registered form without interest coupons (the "*Rule 144A Global Secured Notes*") unless such Person notifies the Trustee and the Issuer in writing that it elects to receive a Certificated Secured Note and complies with all transfer requirements related to such acquisition. The Secured Notes sold to a Person that, at the time of the acquisition, purported acquisition or proposed acquisition of any such Secured Note is an Institutional Accredited Investor (or, if so elected by such Person, a Qualified Institutional Buyer) and a Qualified Purchaser (or a corporation, partnership, limited liability company or other entity (other than a trust), each shareholder, partner, member or other equity owner of which is a Qualified Purchaser) shall be issued in the form of one or more definitive, fully registered notes without coupons (each, a "*Certificated Secured Note*"). The Secured Notes sold to non-U.S. persons in offshore transactions in reliance on Regulation S will be issued in the form of one or more permanent global notes in definitive, fully registered form without interest coupons (the "*Regulation S Global Secured Notes*"). The Rule 144A Global Secured Notes and the Regulation S Global Secured Notes are referred to herein collectively as the "*Global Secured Notes*".

Each initial investor and subsequent transferee of a Certificated Secured Note will be required to provide a purchaser representation letter in which it will be required to certify, and each initial purchaser or subsequent transferee of an interest in a Global Secured Note (except, in the case of an initial purchaser, as may be expressly agreed in writing between such initial purchaser and the Co-

Issuers) will be deemed to represent, among other matters, as to its status under the Securities Act and the Investment Company Act and ERISA.

The Subordinated Notes will be sold only to (i) non-U.S. persons in offshore transactions in reliance on Regulation S under the Securities Act or (ii) Persons that are (x) Qualified Institutional Buyers or (y) Accredited Investors and, in the case of (x) and (y) above, (a) Qualified Purchasers or Knowledgeable Employees with respect to the Issuer or (b) any corporation, partnership, limited liability company or other entity (other than a trust), each shareholder, partner, member or other equity owner of which is a Qualified Purchaser or a Knowledgeable Employee with respect to the Issuer. The Subordinated Notes sold to non-U.S. persons in offshore transactions in reliance on Regulation S will be issued in the form of one permanent global note in definitive, fully registered form without interest coupons (the "*Regulation S Global Subordinated Notes*"). The Subordinated Notes sold to a Person that, at the time of the acquisition, purported acquisition or proposed acquisition of any such Subordinated Note is (x) a Qualified Institutional Buyer or (y) an Institutional Accredited Investor and, in the case of (x) or (y) above, (a) a Qualified Purchaser or Knowledgeable Employee with respect to the Issuer or (b) a corporation, partnership, limited liability company or other entity (other than a trust), each shareholder, partner, member or other equity owner of which is a Qualified Purchaser or a Knowledgeable Employee with respect to the Issuer shall be issued in the form of one or more definitive, fully registered notes without interest coupons ("*Certificated Subordinated Notes*" and, together with the Regulation S Global Subordinated Notes, the "*Subordinated Notes*") issued pursuant to the Indenture.

Each initial investor and subsequent transferee of a Certificated Subordinated Note and each initial investor in a Regulation S Global Subordinated Note will be required to provide a purchaser representation letter in which it will be required to certify, and each subsequent transferee of any interest in a Regulation S Global Subordinated Note will be deemed to represent, among other matters, as to its status under the Securities Act, the Investment Company Act and ERISA.

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 Notes will be deposited with the Trustee as custodian for, and registered in the name of Cede & Co., a nominee of DTC and, in the case of the Regulation S Global Secured Notes and the Regulation S Global Subordinated Notes, for the respective accounts of Euroclear Bank S.A./N.V., as operator of the Euroclear System ("*Euroclear*") and Clearstream Banking, *société anonyme* ("*Clearstream*").

A beneficial interest in a Regulation S Global Secured Note may be transferred to a Person who takes delivery in the form of an interest in the corresponding Rule 144A Global Secured Note or Certificated Secured Note only upon receipt by the Trustee of (i) a written certification from the transferor in the form required by the Indenture 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 (or, solely in the case of a transfer to a Person who takes delivery in the form of a Certificated Secured Note, an Institutional Accredited Investor in a transaction exempt from registration under the Securities Act and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction) and (ii) a written certification from the transferee in the form required by the Indenture to the effect, among other things, that such transferee is either (x) a Qualified Institutional Buyer or (y) solely in the case of a Certificated Secured Note, an Institutional Accredited Investor, and (z) a Qualified Purchaser or a corporation, partnership, limited liability company or other entity (other than a trust), each shareholder, partner, member or other equity owner of which is a Qualified Purchaser. Beneficial interests in a Rule 144A Global Secured Note or a Certificated Secured Note may be transferred to a Person who takes delivery in the form of an interest in the corresponding Regulation S Global Secured Note or Certificated Secured Note only upon receipt by

the Trustee of (i) in the case of a transfer to a Person who takes delivery in the form of an interest in the corresponding Regulation S Global Secured Note, a written certification from the transferor in the form required by the Indenture to the effect that such transfer is being made in accordance with Regulation S under the Securities Act and a written certification from the transferee in the form required by the Indenture to the effect, among other things, that such transferee is a non-U.S. person purchasing such Note in an offshore transaction pursuant to Regulation S and (ii) in the case of a transfer to a Person who takes delivery in the form of an interest in a Certificated Secured Note, a written certification from the transferee in the form required by the Indenture to the effect, among other things, that such transferee is (x) an Institutional Accredited Investor or (y) a Qualified Institutional Buyer and (z) a Qualified Purchaser or a corporation, partnership, limited liability company or other entity (other than a trust), each shareholder, partner, member or other equity owner of which is a Qualified Purchaser. Any beneficial interest in one of the Global Secured Notes that is transferred to a Person who takes delivery in the form of an interest in another Global Secured Note will, upon transfer, cease to be an interest in such Global Secured Note, and become an interest in such other Global Secured Note, and accordingly, will thereafter be subject to all transfer restrictions and other procedures applicable to beneficial interests in such other Global Secured Notes for as long as it remains such an interest.

A beneficial interest in a Regulation S Global Subordinated Note or a Certificated Subordinated Note may be transferred to a Person who takes delivery in the form of an interest in a Certificated Subordinated Note only upon receipt by the Issuer and the Trustee of (A) the transferor's Subordinated Note (in the case of a transferor transferring a Certificated Subordinated Note) together with an interest transfer form in the form prescribed by the Indenture executed by the transferor and (B) certificates substantially in the form of Annex A-1 and Annex A-2 attached hereto executed by the transferee. Beneficial interests in a Certificated Subordinated Note may be transferred to a Person who takes delivery in the form of an interest in a Regulation S Global Subordinated Note only upon receipt by the Trustee of a written certification from the transferor in the form required by the Indenture to the effect that such transfer is being made in accordance with Regulation S under the Securities Act and a written certification from the transferee in the form required by the Indenture to the effect, among other things, that such transferee is a non-U.S. person purchasing such Note in an offshore transaction pursuant to Regulation S.

No transfer of any Subordinated Note (or any interest therein) will be effective, if after giving effect to such transfer 25% or more of the Aggregate Outstanding Amount of the Subordinated Notes of the Issuer would be held by Persons who have represented that they are Benefit Plan Investors, disregarding Subordinated Notes held by Controlling Persons.

No service charge will be made for any registration of transfer or exchange of Offered 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 Secured Note or the relevant Regulation S Global Subordinated Note will be the only Person entitled to receive payments in respect of the Offered 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 Secured Note or such Regulation S Global Subordinated Note in respect of each amount so paid. No Person other than the registered owner of the relevant Global Secured Note or the relevant Regulation S Global Subordinated Note will have any claim against the Co-Issuers or the Issuer, as applicable, in respect of any payment due on that Global Secured Note or Regulation S Global Subordinated Note, as applicable. Account holders or participants in Euroclear and Clearstream shall have no rights under the Indenture with respect to Global Secured Notes or Regulation S Global Subordinated Notes 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 Secured Notes and Regulation S Global Subordinated Notes for all purposes whatsoever.

Except in the limited circumstances described below, owners of beneficial interests in the Global Secured Notes and the Regulation S Global Subordinated Notes will not be entitled to have Notes registered in their names, will not receive or be entitled to receive definitive physical Notes, and will not be considered "holders" of Notes under the Indenture or the Notes. If DTC notifies the Co-Issuers that it is unwilling or unable to continue as depositary for Global Secured Notes of any Class or Classes or the Regulation S Global Subordinated Notes 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 Co-Issuers will issue or cause to be issued, Notes of such Class or Classes in the form of definitive physical certificates in exchange for the applicable Global Secured Notes or Regulation S Global Subordinated Notes, as applicable, to the beneficial owners of such Global Secured Notes or Regulation S Global Subordinated Notes, as applicable, in the manner set forth in the Indenture. In addition, the owner of a beneficial interest in a Global Secured Note or a Regulation S Global Subordinated Note will be entitled to receive a definitive physical Note in exchange for such interest if an Event of Default has occurred and is continuing. If definitive physical certificates are not so issued by the Issuer to such beneficial owners of interests in Global Secured Notes or Regulation S Global Subordinated Notes, the Issuer expressly acknowledges that such beneficial owners shall be entitled to pursue any remedy that the holders of a Global Secured Note or a Regulation S Global Subordinated Note would be entitled to pursue in accordance with the Indenture (but only to the extent of such beneficial owner's interest in the Global Secured Note or Regulation S Global Subordinated Note, as applicable) as if definitive physical Notes had been issued; *provided* that the Trustee shall be entitled to rely upon any certificate of ownership provided by such beneficial owners and/or other forms of reasonable evidence of such ownership. Finally, if the Trustee is notified that the IRS has recharacterized the Class D Notes as equity for U.S. federal income tax purposes, any beneficial owner of an interest in Global Secured Notes representing Class D Notes will be entitled to receive a definitive physical Note in exchange for such interest. If definitive physical Notes are issued in exchange for Global Secured Notes or Regulation S Global Subordinated Notes as described above, the applicable Global Secured Note or Regulation S Global Subordinated Note, as applicable, will be surrendered to the Trustee by DTC and the Issuer or the Co-Issuers, as applicable, will execute and the Trustee will authenticate and deliver an equal Aggregate Outstanding Amount of definitive physical Notes.

Certificated Secured Notes, Certificated Subordinated Notes and interests in Global Secured Notes and Regulation S Global Subordinated Notes will be subject to certain restrictions on transfer set forth therein and in the Indenture and the Notes will bear the restrictive legend set forth under "Transfer restrictions."

The Secured Notes will be issued in minimum denominations of U.S.$250,000 and integral multiples of U.S.$1.00 in excess thereof, and the Subordinated Notes will be issued in Minimum Denominations of U.S.$200,000 and integral multiples of U.S.$1.00 in excess thereof.

The Subordinated Notes

The Subordinated Notes will be issued pursuant to the Indenture, but will not be secured obligations thereunder. The following overview, together with the preceding overview of certain principal terms of the Indenture, describes certain provisions of the Subordinated Notes, but 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 Ranking. The Subordinated Notes will be unsecured, non-recourse obligations issued by the Issuer under the Indenture. The Subordinated Notes will be fully subordinated to the Secured Notes and to the payment of all other amounts payable in accordance with the Priority of

Payments. The Subordinated Notes will not be secured by the Assets or any pledge of the Assets but, under the terms of the Indenture, the Trustee will pay to the holders of the Subordinated Notes amounts available pursuant to the Priority of Payments. To the extent that following realization of the Assets, these amounts are insufficient to repay the principal amount of the Subordinated Notes or distributions thereon, no other funds will be available to make such payments.

Distributions on the Subordinated Notes. On the Stated Maturity of the Notes, the Trustee will pay all available amounts payable in accordance with the Priority of Payments to the holders of the Subordinated Notes in final payment of such Subordinated Notes, unless such Subordinated Notes were previously redeemed or repaid prior thereto as described herein. To the extent funds are available for such purpose under the Indenture as described above, payments will be made to the holders of the Subordinated Notes on each Payment Date, commencing on the Payment Date in April 2015, or in connection with any optional or mandatory redemption of the Subordinated Notes as set forth below.

Payments on the Subordinated Notes will be made to the Person in whose name such Subordinated Note is registered on the applicable Record Date in the same manner as payments are made to the holders of the Secured Notes as described under "—Entitlement to Payments" and any unclaimed payments will be subject to the terms described under "—Entitlement to Payments—Prescription."

Mandatory Redemption. The Subordinated Notes will be fully redeemed on the Stated Maturity indicated in "Overview of Terms—Principal Terms of the Offered Securities" unless previously redeemed as described herein. The average life of the Subordinated Notes is expected to be less than the number of years until their Stated Maturity. See "Risk Factors—Relating to the Offered Securities—The average lives of the Notes may vary."

Optional Redemption. The Subordinated Notes will be redeemed by the Issuer, in whole but not in part, on any Business Day on or after the date on which all of the Secured Notes have been redeemed or repaid, from the proceeds of the Assets remaining after giving effect to redemption or repayment of the Secured Notes and payment in full of all expenses of the Co-Issuers, at the direction of a Majority of the Subordinated Notes (which direction may be given in connection with a direction to redeem the Secured Notes or at any time after the Secured Notes have been redeemed or repaid in full). The Redemption Price payable to each holder of the Subordinated Notes will be its proportionate share of the proceeds of the Assets remaining after the payments described above.

Tax Redemption. In addition, the Subordinated Notes may be redeemed, in whole but not in part, in connection with a Tax Redemption as described under "—Optional Redemption—General—Redemption of Notes."

Voting. Holders of the Subordinated Notes will have no voting rights except as set forth in the Indenture, the Collateral Management Agreement or the other Transaction Documents, as described herein. A Majority of the Subordinated Notes, together with the Collateral Manager, will be able to direct a redemption of the Secured Notes and/or the Subordinated Notes under certain circumstances pursuant to the Indenture as described herein and, at any time, may approve an amendment of the Indenture to effect the issuance of additional notes of one of more new classes that are subordinated to the existing Secured 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 Secured Notes and the Subordinated Notes is then Outstanding) and/or additional notes of any existing Class, as described herein. See "—Optional Redemption", "—The Indenture—Modification of Indenture" and "—The Indenture—Additional Issuance."

No Gross-Up

All payments on the Notes 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 or in connection with FATCA (including a voluntary agreement entered into with a taxing authority), 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.

Ratings of the Secured Notes

The Secured Notes

It is a condition of the issuance of the Offered Securities that the Secured Notes of each Class receive from S&P, and the Class A-1 Notes receive from Moody's, the minimum rating indicated under "Overview of Terms—Principal Terms of the Offered Securities." In addition, a rating agency not hired by the Issuer to rate the transaction, or a certain Class of Notes, may provide an unsolicited rating that differs from (and may be lower than) those ratings provided by each Rating Agency. See "Risk Factors—Requirements imposed on Rating Agencies could result in withdrawal of ratings if certain actions are not taken by the Arranger." A security rating is not a recommendation to buy, sell or hold securities and is subject to withdrawal at any time. There is no assurance that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn entirely by the assigning Rating Agency if in its judgment circumstances in the future so warrant.

The ratings of the Secured Notes of each Class by S&P and of the Class A-1 Notes by Moody's are based upon their assessment of the probability that the Collateral Obligations will provide sufficient funds to pay the Secured Notes of such Class (and in the case of Moody's, the Class A-1 Notes only) (based upon the Interest Rate and principal balance or face amount, as applicable, of such Class), based largely upon such Rating Agency's statistical analysis of historical default rates on debt securities with various ratings, the terms of the Indenture, the asset and interest coverage required for the Secured Notes (or, in the case of Moody's, the Class A-1 Notes only) (which is achieved through the subordination of the Subordinated Notes and certain Classes of Secured Notes as described herein), and the Concentration Limitations and the Collateral Quality Test, each of which must be satisfied, or, if not satisfied, maintained or improved in order to reinvest in additional Collateral Obligations.

In addition to their respective quantitative tests, the ratings of each Rating Agency take into account qualitative features of a transaction, including the legal structure and the risks associated with such structure, such Rating Agency's view as to the quality of the participants in the transaction and other factors that it deems relevant.

The "*Assets*" will consist of, and the Issuer will grant to the Trustee a perfected security interest for the benefit of the Secured Parties in all property of the Issuer, whether now owned or hereafter acquired and wherever located, including, without limitation:

(a) the Collateral Obligations that the Issuer causes to be delivered to the Trustee (directly or through an intermediary or bailee) pursuant to the Indenture and all payments thereon or with respect thereto, and all Collateral Obligations which are delivered to the Trustee in the future pursuant to the terms of the Indenture and all payments thereon or with respect thereto;

(b) the Issuer's interest in (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 Custodial Account and (vii) the Excluded Collateral Obligation Reserve Account, and in each case any Eligible Investments purchased with funds on deposit therein, and all income from the investment of funds therein;

(c) all income from the investment of funds therein, subject to the rights of the Hedge Counterparty therein, each Hedge Counterparty Collateral Account;

(d) the Issuer's rights under the Collateral Management Agreement, the Hedge Agreements, the Administration Agreement and the Collateral Administration Agreement;

(e) all cash or money delivered to the Trustee (or its bailee) from any source for the benefit of the Secured Parties or the Issuer;

(f) all accounts, contract rights, chattel paper, commercial tort claims, deposit accounts, equipment, financial assets, general intangibles, goods, instruments, inventory, investment property, payment intangibles, promissory notes, security entitlements, letter-of-credit rights and other supporting obligations relating to the foregoing;

(g) any other property otherwise delivered to the Trustee by or on behalf of the Issuer (whether or not constituting Collateral Obligations or Eligible Investments);

(h) the Issuer's ownership interest in and rights in all assets owned by any ETB Subsidiary and the Issuer's rights under any agreement with any ETB Subsidiary;

(i) any Equity Securities received by the Issuer; and

(j) all proceeds with respect to the foregoing;

provided that such grants shall not include (i) amounts (if any) remaining from the proceeds of the issuance of the paid-up ordinary share capital of the Issuer, (ii) amounts remaining (if any) from the transaction fee paid to the Issuer in consideration of the issuance of the Notes, (iii) the membership interests of the Co-Issuer and (iv) any account maintained in respect of the funds referred to in items (i) and (ii), together with any interest thereon.

Collateral Obligations

It is anticipated that the Issuer will have completed the purchase (or commitment to purchase) of at least $315,000,000 (by par amount) of the initial portfolio of Collateral Obligations on the Closing Date. It is expected (but there can be no assurance) that the Concentration Limitations, the Collateral Quality Test and all of the Coverage Tests will be satisfied on or before the Effective Date

(or, in the case of the Interest Coverage Test, on or before the Determination Date occurring immediately prior to the second Payment Date).

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," during the Reinvestment Period, the acquisition of additional Collateral Obligations, sales of Assets and reinvestment of Sale Proceeds and other Principal Proceeds and after the Reinvestment Period, the reinvestment of Post-Reinvestment Principal Proceeds.

The Concentration Limitations

In connection with any investment in Collateral Obligations on and after the Effective Date, the Collateral Obligations in the aggregate are required to comply with all of the requirements of the Concentration Limitations set forth under "Overview of Terms—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. Measurement of the degree of compliance with the Concentration Limitations will be required on every Measurement Date on and after the Effective Date. See "—Collateral Assumptions" below for a description of the assumptions applicable to the determination of satisfaction of the Concentration Limitations.

The Collateral Quality Test

On any Measurement Date 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 set forth under "Overview of Terms—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 Collateral Quality Test will be required on every Measurement Date on and after the Effective Date. See "—Collateral Assumptions" for a description of the assumptions applicable to the determination of satisfaction of the Collateral Quality Test.

Minimum Floating Spread Test.

The Minimum Floating Spread Test will be satisfied on any Measurement Date if the Weighted Average Floating Spread *plus* the Excess Weighted Average Coupon equals or exceeds the Minimum Floating Spread.

The "*Weighted Average Floating Spread*" as of any Measurement Date, is the number obtained by *dividing*:

(a) the amount equal to (A) the Aggregate Funded Spread *plus* (B) the Aggregate Unfunded Spread *plus* (C) the Aggregate Excess Funded Spread; *by*

(b) an amount equal to the aggregate outstanding principal balance of all Floating Rate Obligations as of such Measurement Date, in each case, excluding, for any Deferring Obligation, any interest that has been deferred and capitalized thereon.

The "*Aggregate Funded Spread*" is, as of any Measurement Date, the sum of:

(a) in the case of each Floating Rate Obligation (including, for any Deferrable Obligation, only the required current cash pay interest required by the Underlying Instruments thereon and excluding the unfunded portion of any Delayed Drawdown Collateral Obligation and Revolving Collateral Obligation) that bears interest at a spread over a London interbank offered rate based index, (i) the stated interest rate

spread on such Collateral Obligation above such index *multiplied by* (ii) the outstanding principal balance of such Collateral Obligation (excluding the unfunded portion of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation); *provided* that, with respect to any LIBOR Floor Obligation, the stated interest rate spread on such Collateral Obligation above the applicable index shall be deemed to be equal to the sum of (a) the stated interest rate spread over the greater of (x) LIBOR with respect to the Secured Notes as of the immediately preceding Interest Determination Date and (y) the specified "floor" rate, as applicable, and (b) the excess, if any, of the specified "floor" rate relating to such Collateral Obligation over LIBOR with respect to the Secured Notes as of the immediately preceding Interest Determination Date; and

(b) in the case of each Floating Rate Obligation (including, for any Deferrable Obligation, only the required current cash pay interest required by the Underlying Instruments thereon and excluding the unfunded portion of any Delayed Drawdown Collateral Obligation and Revolving Collateral 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 over LIBOR with respect to the Secured Notes as of the immediately preceding Interest Determination Date (which spread or excess may be expressed as a negative percentage) *multiplied by* (ii) the outstanding principal balance of each such Collateral Obligation (excluding the unfunded portion of any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation).

The "*Aggregate Unfunded Spread*" is, as of any Measurement Date, the sum of the products obtained by *multiplying* (i) for each Delayed Drawdown Collateral Obligation and Revolving 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.

The "*Aggregate Excess Funded Spread*" is, as of any Measurement Date, the amount obtained by *multiplying*:

(a) the amount equal to LIBOR applicable to the Secured 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 outstanding principal balance of the Collateral Obligations (excluding, for any Deferring Obligation, any interest that has been deferred and capitalized thereon) as of such Measurement Date *minus* (ii) the Target Initial Par Amount *minus* (iii) the aggregate amount of Principal Proceeds received from the issuance of additional notes pursuant to the Indenture as described under "Description of the Offered Securities—The Indenture—Additional Issuance".

The "*Excess Weighted Average Coupon*" means a percentage equal as of any Measurement Date 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 by *dividing* the aggregate outstanding principal balance of all Fixed Rate Obligations *by* the aggregate outstanding principal balance of all Floating Rate Obligations.

Minimum Weighted Average Coupon Test.

The Minimum Weighted Average Coupon Test will be satisfied on any Measurement Date if the Weighted Average Coupon *plus* the Excess Weighted Average Floating Spread equals or exceeds the Minimum Weighted Average Coupon.

The Minimum Weighted Average Coupon means (i) if any of the Collateral Obligations are Fixed Rate Obligations, 8.30% and (ii) otherwise, 0%.

The "*Weighted Average Coupon*" as of any Measurement Date, is the number obtained by *dividing*:

(a) the amount equal to the Aggregate Coupon; *by*

(b) an amount equal to the aggregate outstanding principal balance of all Fixed Rate Obligations as of such Measurement Date, in each case, excluding, for any Deferring Obligation, any interest that has been deferred and capitalized thereon.

The "*Aggregate Coupon*" is, as of any Measurement Date, the sum of the products obtained by *multiplying*, in the case of each Fixed Rate Obligation (including, for any Deferrable Obligation, only the required current cash pay interest required by the Underlying Instruments thereon), (i) the stated coupon on such Collateral Obligation expressed as a percentage and (ii) the outstanding principal balance of such Collateral Obligation.

"*Excess Weighted Average Floating Spread*" means a percentage equal as of any Measurement Date 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 by *dividing* the aggregate outstanding principal balance of all Floating Rate Obligations *by* the aggregate outstanding principal balance of all Fixed Rate Obligations.

Maximum Moody's Rating Factor Test.

The Maximum Moody's Rating Factor Test will be satisfied on any Measurement Date if the Adjusted Weighted Average Moody's Rating Factor of the Collateral Obligations is less than or equal to the lower of (x) the sum of (i) the number set forth in the Asset Quality Matrix at the intersection of the applicable "row/column combination" chosen by the Collateral Manager (or interpolating between two adjacent rows and/or two adjacent columns, as applicable) in accordance with the Indenture *plus* (ii) the Moody's Weighted Average Recovery Adjustment and (y) 3200.

The "*Weighted Average Moody's Rating Factor*" is the number (rounded up to the nearest whole number) determined by:

(a) summing the products of (i) the principal balance of each Collateral Obligation (excluding Equity Securities) *multiplied by* (ii) the Moody's Rating Factor of such Collateral Obligation (as described below) and

(b) *dividing* such sum *by* the principal balance of all such Collateral Obligations.

Moody's Diversity Test.

The Moody's Diversity Test will be satisfied on any Measurement Date if the Diversity Score (rounded to the nearest whole number) equals or exceeds the number set forth in the column entitled "*Minimum Diversity Score*" in the Asset Quality Matrix based upon the applicable "row/column combination" chosen by the Collateral Manager (or interpolating between two adjacent rows and/or two adjacent columns, as applicable) in accordance with the Indenture.

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:

(i) An "*Issuer Par Amount*" is calculated for each issuer of a Collateral Obligation, and is equal to the aggregate outstanding principal balance of all Collateral Obligations issued by that issuer and all affiliates.

(ii) An "*Average Par Amount*" is calculated by summing the Issuer Par Amounts for all issuers, and dividing by the number of issuers.

(iii) 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.

(iv) 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.

(v) An "*Industry Diversity Score*" is then established for each Moody's industry classification group by reference to the following table for the related Aggregate Industry Equivalent Unit Score; *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:

Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score
0.0000	0.0000	5.0500	2.7000	10.1500	4.0200	15.2500	4.5300
0.0500	0.1000	5.1500	2.7333	10.2500	4.0300	15.3500	4.5400
0.1500	0.2000	5.2500	2.7667	10.3500	4.0400	15.4500	4.5500
0.2500	0.3000	5.3500	2.8000	10.4500	4.0500	15.5500	4.5600
0.3500	0.4000	5.4500	2.8333	10.5500	4.0600	15.6500	4.5700
0.4500	0.5000	5.5500	2.8667	10.6500	4.0700	15.7500	4.5800
0.5500	0.6000	5.6500	2.9000	10.7500	4.0800	15.8500	4.5900
0.6500	0.7000	5.7500	2.9333	10.8500	4.0900	15.9500	4.6000
0.7500	0.8000	5.8500	2.9667	10.9500	4.1000	16.0500	4.6100
0.8500	0.9000	5.9500	3.0000	11.0500	4.1100	16.1500	4.6200
0.9500	1.0000	6.0500	3.0250	11.1500	4.1200	16.2500	4.6300
1.0500	1.0500	6.1500	3.0500	11.2500	4.1300	16.3500	4.6400
1.1500	1.1000	6.2500	3.0750	11.3500	4.1400	16.4500	4.6500
1.2500	1.1500	6.3500	3.1000	11.4500	4.1500	16.5500	4.6600
1.3500	1.2000	6.4500	3.1250	11.5500	4.1600	16.6500	4.6700
1.4500	1.2500	6.5500	3.1500	11.6500	4.1700	16.7500	4.6800
1.5500	1.3000	6.6500	3.1750	11.7500	4.1800	16.8500	4.6900
1.6500	1.3500	6.7500	3.2000	11.8500	4.1900	16.9500	4.7000
1.7500	1.4000	6.8500	3.2250	11.9500	4.2000	17.0500	4.7100
1.8500	1.4500	6.9500	3.2500	12.0500	4.2100	17.1500	4.7200
1.9500	1.5000	7.0500	3.2750	12.1500	4.2200	17.2500	4.7300
2.0500	1.5500	7.1500	3.3000	12.2500	4.2300	17.3500	4.7400
2.1500	1.6000	7.2500	3.3250	12.3500	4.2400	17.4500	4.7500
2.2500	1.6500	7.3500	3.3500	12.4500	4.2500	17.5500	4.7600
2.3500	1.7000	7.4500	3.3750	12.5500	4.2600	17.6500	4.7700
2.4500	1.7500	7.5500	3.4000	12.6500	4.2700	17.7500	4.7800

Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score	Aggregate Industry Equivalent Unit Score	Industry Diversity Score
2.5500	1.8000	7.6500	3.4250	12.7500	4.2800	17.8500	4.7900
2.6500	1.8500	7.7500	3.4500	12.8500	4.2900	17.9500	4.8000
2.7500	1.9000	7.8500	3.4750	12.9500	4.3000	18.0500	4.8100
2.8500	1.9500	7.9500	3.5000	13.0500	4.3100	18.1500	4.8200
2.9500	2.0000	8.0500	3.5250	13.1500	4.3200	18.2500	4.8300
3.0500	2.0333	8.1500	3.5500	13.2500	4.3300	18.3500	4.8400
3.1500	2.0667	8.2500	3.5750	13.3500	4.3400	18.4500	4.8500
3.2500	2.1000	8.3500	3.6000	13.4500	4.3500	18.5500	4.8600
3.3500	2.1333	8.4500	3.6250	13.5500	4.3600	18.6500	4.8700
3.4500	2.1667	8.5500	3.6500	13.6500	4.3700	18.7500	4.8800
3.5500	2.2000	8.6500	3.6750	13.7500	4.3800	18.8500	4.8900
3.6500	2.2333	8.7500	3.7000	13.8500	4.3900	18.9500	4.9000
3.7500	2.2667	8.8500	3.7250	13.9500	4.4000	19.0500	4.9100
3.8500	2.3000	8.9500	3.7500	14.0500	4.4100	19.1500	4.9200
3.9500	2.3333	9.0500	3.7750	14.1500	4.4200	19.2500	4.9300
4.0500	2.3667	9.1500	3.8000	14.2500	4.4300	19.3500	4.9400
4.1500	2.4000	9.2500	3.8250	14.3500	4.4400	19.4500	4.9500
4.2500	2.4333	9.3500	3.8500	14.4500	4.4500	19.5500	4.9600
4.3500	2.4667	9.4500	3.8750	14.5500	4.4600	19.6500	4.9700
4.4500	2.5000	9.5500	3.9000	14.6500	4.4700	19.7500	4.9800
4.5500	2.5333	9.6500	3.9250	14.7500	4.4800	19.8500	4.9900
4.6500	2.5667	9.7500	3.9500	14.8500	4.4900	19.9500	5.0000
4.7500	2.6000	9.8500	3.9750	14.9500	4.5000		
4.8500	2.6333	9.9500	4.0000	15.0500	4.5100		
4.9500	2.6667	10.0500	4.0100	15.1500	4.5200		

(vi) 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.

S&P CDO Monitor Test.

The S&P CDO Monitor Test will be satisfied on any Measurement Date if, after giving effect to the sale of a Collateral Obligation or the purchase of a Collateral Obligation, the Class Default Differential of the Proposed Portfolio is positive. The S&P CDO Monitor Test will be considered to be improved if the Class Default Differential of the Proposed Portfolio is greater than the Class Default Differential of the Current Portfolio.

The degree of compliance with the S&P CDO Monitor Test will be measured by the Collateral Manager on each Measurement Date on or prior to the last day of the Reinvestment Period.

There can be no assurance that actual defaults of the Collateral Obligations will not exceed those assumed in the application of the S&P CDO Monitor or that recovery rates with respect thereto will not differ from those assumed in the S&P CDO Monitor. None of the Collateral Manager, the Placement Agent, the Co-Issuers, the Trustee or the Collateral Administrator makes any representation as to the expected rate of defaults of the Collateral Obligations or the timing of defaults or as to the expected recovery rate or the timing of recoveries.

Minimum Weighted Average Moody's Recovery Rate Test.

The Minimum Weighted Average Moody's Recovery Rate Test will be satisfied on any Measurement Date if the Weighted Average Moody's Recovery Rate equals or exceeds 43.0%.

The "*Weighted Average Moody's Recovery Rate*" is, as of any Measurement Date, 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 outstanding principal balance of all such Collateral Obligations and *rounding* up to the first decimal place.

The "*Moody's Recovery Rate*" is, with respect to any Collateral Obligation, as of any Measurement Date, the recovery rate determined in accordance with the following, in the following order of priority:

(a) if the Collateral Obligation has been specifically assigned a recovery rate by Moody's (for example, in connection with the assignment by Moody's of an estimated rating), such recovery rate; or

(b) if the preceding clause does not apply to the Collateral Obligation, except with respect to DIP Collateral Obligations, the rate determined pursuant to the table below based on the number of rating subcategories difference between the Collateral Obligation's Moody's Rating and its Moody's Default Probability Rating (for purposes of clarification, if the Moody's Rating is higher than the Moody's Default Probability Rating, the rating subcategories difference will be positive and if it is lower, negative):

Number of Moody's Ratings Subcategories Difference Between the Moody's Rating and the Moody's Default Probability Rating	Senior Secured Loans	Second Lien Loans*	Unsecured Loans
+2 or more	60%	55%	45%
+1	50%	45%	35%
0	45%	35%	30%
-1	40%	25%	25%
-2	30%	15%	15%
-3 or less	20%	5%	5%

(c) if the Collateral Obligation is a DIP Collateral Obligation (other than a DIP Collateral Obligation which has been specifically assigned a recovery rate by Moody's), 50%.

* If such Collateral Obligation does not have both a CFR and an Assigned Moody's Rating, such Collateral Obligation will be deemed to be an Unsecured Loan for purposes of this table.

Minimum Weighted Average S&P Recovery Rate Test.

The Minimum Weighted Average S&P Recovery Rate Test will be satisfied on any Measurement Date if the Weighted Average S&P Recovery Rate for each Class of Secured Notes outstanding equals or exceeds the Weighted Average S&P Recovery Rate for such Class selected by the Collateral Manager in connection with the S&P CDO Monitor Test.

"*Weighted Average S&P Recovery Rate*" means, as of any Measurement Date, the number, expressed as a percentage and determined separately for each Class of Secured Notes, obtained by *summing* the products obtained by *multiplying* the outstanding principal balance of each Collateral Obligation *by* its corresponding recovery rate as determined in accordance with Section 1 of Annex C hereto, *dividing* such sum *by* the aggregate outstanding principal balance of all Collateral Obligations, and rounding to the nearest tenth of a percent.

Weighted Average Life Test.

The Weighted Average Life Test will be satisfied on any Measurement Date if the Weighted Average Life of all Collateral Obligations as of such date is less than the number of years (rounded to the nearest one hundredth thereof) during the period from such Measurement Date to November 20, 2022.

The "*Weighted Average Life*" is, as of any Measurement Date 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:

(b) the aggregate outstanding principal balance at such time of all Collateral Obligations other than Defaulted Obligations.

The "*Average Life*" is, on any Measurement Date with respect to any Collateral Obligation, the quotient obtained by *dividing* (i) the sum of the products of (a) the number of years (*rounded* to the nearest one hundredth thereof) from such Measurement Date to the respective dates of each successive scheduled distribution of principal of such Collateral Obligation and (b) the respective amounts of principal of such scheduled distributions *by* (ii) the sum of all successive scheduled distributions of principal on such Collateral Obligation.

Collateral Assumptions

Unless otherwise specified, the assumptions described below will be applied to the determination of the Concentration Limitations, the Collateral Quality Test and the Coverage Tests.

Except where expressly referenced herein for inclusion in such calculations, Defaulted Obligations will not be included in the calculation of the Collateral Quality Test. For the purposes of calculating compliance with clauses (iv) and (v) of the Concentration Limitations, Defaulted Obligations shall not be considered to have a Moody's Default Probability Rating of "Caa1" or below or an S&P Rating of "CCC+" or below. 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 of zero.

If the Issuer (or the Collateral Manager on behalf of the Issuer) is notified by the administrative agent or other withholding agent or otherwise for the syndicate of lenders in respect of any letter of credit, Revolving Collateral Obligation or Delayed Drawdown Collateral Obligation that any amounts associated therewith are subject to withholding tax imposed by any jurisdiction, the applicable Collateral Quality Test and the Coverage Tests shall be calculated thereafter net of the full amount of such withholding tax unless the related 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 instruments with respect thereto.

For purposes of calculating the Coverage Tests, except as otherwise specified in the Coverage Tests, such calculations will not include scheduled interest and principal payments on Defaulted Obligations unless or until such payments are actually made.

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 all purposes (including calculation of the Coverage Tests but excluding the calculation of the Aggregate Funded Spread), the principal balance of a Revolving Collateral Obligation or a Delayed Drawdown Collateral Obligation will include all unfunded commitments that have not been irrevocably reduced or withdrawn.

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 (including Current Pay Obligations and DIP Collateral Obligations, but excluding Defaulted Obligations, which, except as otherwise provided herein, shall be assumed to have scheduled distributions of zero, except to the extent any payments have actually been received) 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 paid 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 a Collateral Obligation 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 of principal of or interest on the Notes or other amounts payable pursuant to the Indenture.

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 shall 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 disposition or sale of such Defaulted Obligation or Credit Risk Obligation.

If a Collateral Obligation included in the Assets would be deemed 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 outstanding 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 outstanding 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 under "Overview of Terms—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 the Collateral Quality Test, DIP Collateral Obligations will be treated as having an S&P Recovery Rate equal to the S&P Recovery Rate for Senior Secured Loans.

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

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 aggregate face amount of the Assets.

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 the Trustee 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 shall be entitled to follow such direction, and shall be entitled to conclusively rely thereon without any responsibility or liability therefor.

For purposes of calculating compliance with any tests under the Indenture, 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.

For purposes of calculating the Overcollateralization Ratio Tests, assets held by any ETB Subsidiary that constitute Equity Securities will be treated as Equity Securities owned by the Issuer.

Solely with respect to any reporting that may be required prior to the Anniversary Date, if LIBOR is required to be determined for the initial Interest Accrual Period prior to the commencement of the second Notional Determination Date, LIBOR for the second Notional Determination Date shall be deemed to be the same as LIBOR that was in effect as of the first Notional Determination Date.

For purposes of calculating the Fee Basis Amount prior to the end of a Collection Period, the Aggregate Outstanding Amount of the Excluded Notes and the average Collateral Principal Amount shall each be calculated as of the first day of the current Collection Period.

For purposes of the calculation of the Interest Coverage Tests, the Minimum Floating Spread Test and the Minimum Weighted Average Coupon Test, Collateral Obligations contributed to an ETB Subsidiary shall be included net of the actual taxes paid or payable with respect thereto.

The Coverage Tests

See "—Collateral Assumptions" for a description of the assumptions applicable to the determination of satisfaction of the Coverage Tests.

See "Overview of Terms—Coverage Tests" for a description of the calculation of the Overcollateralization Ratio Tests and Interest Coverage Tests.

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.

Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria

Upon the direction to commence any liquidation of the Assets due to an Event of Default and the acceleration of the maturity of the Secured Notes being delivered, liquidation will be effected as described under "Description of the Secured Notes—The Indenture—Events of Default." In such an event, neither the Collateral Manager nor the Issuer will have the right to direct the sale of any Assets.

Subject to the other requirements set forth in the Indenture (including, without limitation, the provisions described immediately above), the Collateral Manager on behalf of the Issuer may (except as otherwise specified below), direct the Trustee to sell and the Trustee shall sell on behalf of the Issuer in the manner directed by the Collateral Manager any Collateral Obligation or Equity Security if such sale meets any one of the following requirements (subject in each case to any applicable requirement of disposition under clause (g) below and provided that if an Event of Default has occurred and is continuing, the Collateral Manager may not direct the Trustee to sell any Collateral Obligation or Equity Security pursuant to clauses (e) (except in connection with any Tax Redemption) or (f)), for purposes of which the Sale Proceeds of a Collateral Obligation sold by the Issuer shall include any Principal Financed Accrued Interest received in respect of such sale:

(a) The Collateral Manager may direct the Trustee to sell any Credit Risk Obligation at any time without restriction;

(b) The Collateral Manager may direct the Trustee to sell any Credit Improved Obligation either:

(i) at any time if (A) the Sale Proceeds from such sale are at least equal to the outstanding principal balance (or, in the case of any Discount Obligation, the purchase price, excluding accrued interest expressed as a percentage of par and multiplied by the outstanding principal balance thereof) of such Credit Improved Obligation or (B) after giving effect to such sale, the Adjusted Collateral Principal Amount (excluding the Collateral Obligation being sold but including, without duplication, the anticipated net proceeds of such sale) will be greater than or equal to the Reinvestment Target Par Balance; or

(ii) solely during the Reinvestment Period, if the Collateral Manager reasonably believes prior to such sale that either (A) after giving effect to such sale and subsequent reinvestment, the Adjusted Collateral Principal Amount (excluding the Collateral Obligation being sold but including, without duplication, the Collateral Obligation being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such additional Collateral Obligation) will be greater than or equal to the Reinvestment Target Par Balance, or (B) it will be able to enter into binding commitments to reinvest all or a portion of the proceeds of such sale, in compliance with the Investment Criteria, in one or more additional Collateral Obligations with an aggregate outstanding principal balance at least equal to the outstanding principal balance (or, in the case of any Discount Obligation, the purchase price, excluding accrued interest expressed as a percentage of par and multiplied by the outstanding principal balance thereof) of such Credit Improved Obligation within 20 Business Days of such sale;

(c) The Collateral Manager may direct the Trustee to sell any Defaulted Obligation at any time without restriction. With respect to each Defaulted Obligation that has not been sold or terminated within three years after becoming a Defaulted Obligation, the Market Value and outstanding principal balance of such Defaulted Obligation shall be deemed to be zero;

(d) The Collateral Manager may direct the Trustee to sell any Equity Security or any asset held by any ETB Subsidiary at any time without restriction, shall use its commercially reasonable efforts to effect the sale of any asset held by any ETB Subsidiary prior to the Stated Maturity and shall use its commercially reasonable efforts to effect the sale of any Equity Security, regardless of price:

(i) within three years after receipt, if such Equity Security is (A) received upon the conversion of a Defaulted Obligation, or (B) received in an exchange initiated by the Obligor to avoid bankruptcy; and

(ii) within 45 days after receipt if such Equity Security constitutes Margin Stock, unless such sale is prohibited by applicable law, in which case such Equity Security shall be sold as soon as such sale is permitted by applicable law;

(e) After the Issuer has notified the Trustee of an Optional Redemption of the Notes or a Majority of an Affected Class or a Majority of the Subordinated Notes has directed (by a written direction delivered to the Trustee) a Tax Redemption and all requirements for an Optional Redemption or Tax Redemption set forth in the Indenture are met, the Collateral Manager shall direct the Trustee to sell (which sale may be through participation or other arrangement) all or a portion of the Collateral Obligations. If any such sale is made through participations, the Issuer shall use reasonable efforts to cause such participations to be converted to assignments within six months after the sale;

(f) The Collateral Manager may direct the Trustee to sell any Collateral Obligation at any time other than during a Restricted Trading Period if:

(i) after giving effect to such sale, the aggregate outstanding principal balance of all Collateral Obligations sold as described in this paragraph (f) during the preceding period of 12 calendar months (or, for the first 12 calendar months after the Closing Date, during the period commencing on the Closing Date) is not greater than 30% of the Collateral Principal Amount as of the first day of such 12 calendar month period (or as of the Closing Date, as the case may be); and

(ii) either (A) during the Reinvestment Period, the Collateral Manager reasonably believes prior to such sale that it will be able to enter into binding commitments to reinvest all or a portion of the proceeds of such sale, in compliance with the Investment Criteria, in one or more additional Collateral Obligations with an aggregate outstanding principal balance at least equal to the outstanding principal balance (or, in the case of any Discount Obligation, the purchase price, excluding accrued interest, expressed as a percentage of par and multiplied by the outstanding principal balance thereof) of such Collateral Obligation within 30 days after such sale; or (B) after giving effect to such sale, the Adjusted Collateral Principal Amount (excluding the Collateral Obligation being sold but including, without duplication, the anticipated net proceeds of such sale) will be greater than or equal to the Reinvestment Target Par Balance;

(g) The Collateral Manager on behalf of the Issuer shall use its commercially reasonable efforts to effect the sale (regardless of price) of any Collateral Obligation that (i) no longer meets the criteria described in clause (vi) of the definition of "Collateral Obligation" within 45 days after the failure of such Collateral Obligation to meet either such criteria or (ii) in the commercially reasonable judgment of the Collateral Manager, causes the Issuer to be a "covered fund" under the Volcker Rule; *provided* that the Collateral Manager shall not be required to effect a sale pursuant to clause (ii) if in the commercially reasonable judgment of the Collateral Manager, the Secured Notes are not "ownership interests" in a "covered fund" (each such term as defined in the Volcker Rule); or

(h) 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, Eligible Investments or Equity Securities scheduled to mature after the Stated Maturity of the Notes and cause the liquidation of all assets held at each ETB Subsidiary and distribution of any proceeds thereof to the Issuer.

Notwithstanding the other requirements set forth in the Indenture (except as described in the first paragraph under "—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria"), the Issuer shall have the right to effect the sale of any Asset or purchase of any Collateral Obligation (x) that has been consented to in writing by holders of Notes evidencing at least (i) with respect to purchases during the Reinvestment Period and sales during or after the Reinvestment Period, 75% of the Aggregate Outstanding Amount of the Controlling Class and (ii) with respect to purchases after the Reinvestment Period, 100% of the Aggregate Outstanding Amount of the Controlling Class and (y) of which each Rating Agency then rating a Class of Secured Notes and the Trustee has been notified.

Notwithstanding anything else in the Indenture to the contrary, as a condition to any purchase of an additional Collateral Obligation, if the balance in the Principal Collection Subaccount after giving effect to (i) all expected debits and credits in connection with such purchase and all other sales and purchases (as applicable) previously or simultaneously committed to but which have not settled and (ii) without duplication of amounts in the preceding clause (i), anticipated receipts of Principal Proceeds is a negative amount, the absolute value of such amount may not be greater than 5% of the Adjusted Collateral Principal Amount as of the Measurement Date immediately preceding the trade date for such purchase. If the Issuer (or the Collateral Manager on its behalf) enters into a committed purchase for an additional Collateral Obligation during one Interest Accrual Period that will settle after such Interest Accrual Period, the Collateral Manager will use commercially reasonable efforts to settle such additional Collateral Obligation during the immediately succeeding Interest Accrual Period. In no event will the Trustee be obligated to settle a trade to the extent such action would result in a negative balance or overdraft of the Principal Collection Subaccount, and the Trustee shall incur no liability for refusing to wire funds in excess of the balance of funds in the Principal Collection Subaccount.

The Collateral Manager, on behalf of the Issuer, shall be authorized to consent to any amendment or exchange of a Collateral Obligation; *provided*, *however*, that the Collateral Manager, on behalf of the Issuer, may not consent to an amendment or exchange of a Collateral Obligation with respect to the Issuer's interest therein that would have the effect of extending the maturity date of the asset to be held by the Issuer during such extended term unless (i)(A) after giving effect to any such exchange or amendment, the Weighted Average Life Test will be satisfied or, if not satisfied, the Weighted Average Life Test will be maintained or improved and (B) the extended maturity date of the asset to be held by the Issuer will not be after the Stated Maturity or (ii)(A) in its commercially reasonable business judgment, the Collateral Manager believes that the value of the amended or exchanged asset is greater than the value of the Collateral Obligation being exchanged or amended, (B) the extended maturity date of the asset

to be held by the Issuer will not be after the Stated Maturity and (C) the Collateral Manager will use commercially reasonable efforts to sell such amended or exchanged asset within 10 Business Days of the date of amendment or exchange (or, if the Collateral Manager is unable to sell within 10 Business Days, such longer period as may be necessary).

Investment Criteria. On any date during the Reinvestment Period, the Collateral Manager on behalf of the Issuer may subject to the other requirements in the Indenture 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 Principal Financed Accrued Interest, and the Trustee shall invest such Principal Proceeds and other amounts in accordance with such direction. After the Reinvestment Period (other than as provided in "—Investment after the Reinvestment Period" below), the Collateral Manager shall not direct the Trustee to invest any amounts on behalf of the Issuer; *provided* that cash on deposit in any Account (other than the Payment Account) may be invested in Eligible Investments following the Reinvestment Period.

Such proceeds may be used to purchase additional Collateral Obligations during the Reinvestment Period (or after the Reinvestment Period with Post-Reinvestment Principal Proceeds) subject to the requirement that each of the following conditions (the "*Investment Criteria*") is satisfied (except to the extent inconsistent with the requirements under "—Investment after the Reinvestment Period" below, in which case the requirements set forth in "—Investment after the Reinvestment Period" shall apply) 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 purchases previously committed to (it being understood that, if one or more purchases and/or sales are entered into as a single transaction, the Collateral Manager shall determine in its sole discretion (with notice to the Collateral Administrator) the order in which such trades are deemed to have occurred for purposes of determining compliance with such criteria); *provided* that the conditions set forth in clauses (b), (c) and (d) below need only be satisfied with respect to purchases of Collateral Obligations occurring on or after the Effective Date:

(a) such obligation is a Collateral Obligation;

(b) if the commitment to make such purchase occurs on or after the Effective Date (or, in the case of the Interest Coverage Tests, on or after the Determination Date occurring immediately prior to the second Payment Date), (A) each Coverage Test will be satisfied, or if not satisfied, such Coverage Test will be maintained or improved and (B) if each Coverage Test is not satisfied, the Principal Proceeds received in respect of any Defaulted Obligation or the proceeds of any sale of a Defaulted Obligation will not be reinvested in additional Collateral Obligations;

(c) (A) in the case of an additional Collateral Obligation purchased with the proceeds from the sale of a Credit Risk Obligation or a Defaulted Obligation, either (1) the aggregate outstanding principal balance of all additional Collateral Obligations purchased with the proceeds from such sale will at least equal the Sale Proceeds from such sale, (2) the aggregate outstanding principal balance of the Collateral Obligations will be maintained or increased (when compared to the aggregate outstanding principal balance of the Collateral Obligations immediately prior to such sale) or (3) the Adjusted Collateral Principal Amount (excluding the Collateral Obligation being sold but including, without duplication, the Collateral Obligation being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such additional Collateral Obligation) will be greater than or equal to the Reinvestment Target Par Balance and (B) in the case of any other purchase of additional Collateral Obligations purchased with the proceeds from the sale of a Collateral Obligation, either (1) the aggregate outstanding principal balance of the Collateral Obligations will be maintained or increased (when

compared to the aggregate outstanding principal balance of the Collateral Obligations immediately prior to such sale) or (2) the Adjusted Collateral Principal Amount (excluding the Collateral Obligation being sold but including, without duplication, the Collateral Obligation being purchased and the anticipated cash proceeds, if any, of such sale that are not applied to the purchase of such additional Collateral Obligation) will be greater than or equal to the Reinvestment Target Par Balance; and

(d) either (A) each requirement or test, as the case may be, of the Concentration Limitations and the Collateral Quality Test (except, in the case of an additional Collateral Obligation purchased with the proceeds from the sale of a Credit Risk Obligation or a Defaulted Obligation, the S&P CDO Monitor 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.

Investment after the Reinvestment Period. After the Reinvestment Period, the Collateral Manager on behalf of the Issuer may, but shall not be required to, invest Post-Reinvestment Principal Proceeds in accordance with the requirements set forth below and, to the extent not inconsistent with the requirements set forth below, the Investment Criteria specified in the immediately preceding paragraph:

(a) Such reinvestment occurs within the later of (x) 45 calendar days from the Issuer's receipt of such Post-Reinvestment Principal Proceeds and (y) the last day of the then-current Collection Period; and

(b) the Collateral Manager reasonably believes that after giving effect to such investment:

(i) either (x) each requirement or test, as the case may be, of the Concentration Limitations, the Moody's Diversity Test, the Minimum Weighted Average Coupon Test, the Minimum Floating Spread Test, the Maximum Moody's Rating Factor Test, the Minimum Weighted Average Moody's Recovery Rate Test, the Minimum Weighted Average S&P Recovery Rate Test and the Weighted Average Life Test will be satisfied or (y) if any such requirement or test was not satisfied immediately prior to such investment, such requirement or test will be maintained or improved;

(ii) all Coverage Tests will be satisfied;

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

(iv) (1) the additional Collateral Obligations purchased shall have an S&P Rating equal to or better than the S&P Rating of the Collateral Obligation that gave rise to the Post-Reinvestment Principal Proceeds or the Class Scenario Default Rate must be maintained or improved and (2) the weighted average Moody's Default Probability Rating of the additional Collateral Obligations is equal to or better than the Moody's Default Probability Rating of the Collateral Obligation that gave rise to the Post-Reinvestment Principal Proceeds;

(v) (x) the stated maturity of each additional Collateral Obligation is the same as or earlier than the stated maturity of the Collateral Obligation that produced the Post-Reinvestment Principal Proceeds or (y) the weighted average maturity of the additional Collateral Obligations is the same as or earlier than

the weighted average maturity of the Collateral Obligations that produced the Post-Reinvestment Principal Proceeds and the Class Scenario Default Rate must be maintained or improved; and

(vi) (A) in the case of additional Collateral Obligations purchased with the proceeds from the sale of a Credit Risk Obligation, the Aggregate Principal Balance of all additional Collateral Obligations purchased with the proceeds from such sale will at least equal the Sale Proceeds from such sale and (B) in the case of additional Collateral Obligations purchased with any other Post-Reinvestment Principal Proceeds (other than the Sale Proceeds of Credit Risk Obligations), the Aggregate Principal Balance of such additional Collateral Obligations equals or exceeds the outstanding principal amount of the Post-Reinvestment Collateral Obligations that generated such Post-Reinvestment Principal Proceeds used to purchase such additional Collateral Obligations.

For purposes of calculating compliance with the Investment Criteria, at the election of the Collateral Manager in its sole discretion, any proposed investment (whether a single Collateral Obligation or a group of Collateral Obligations) identified by the Collateral Manager as such at the time 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 the ten Business Days following the date of determination of such compliance (such period, the "*Trading Plan Period*"); *provided* that (u) after the Reinvestment Period, 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 three years, (v) for the purpose of determining whether or not such Collateral Obligations satisfy the definition of "Discount Obligation," no such calculation or evaluation may be made using the weighted average price of any Collateral Obligation or any group of Collateral Obligations, (w) no day during any Trading Plan Period relating to a Trading Plan may be a Determination Date, (x) no Trading Plan may result in the purchase of Collateral Obligations having an aggregate outstanding principal balance that exceeds 5% of the Collateral Principal Amount as of the first day of the Trading Plan Period, (y) no more than one Trading Plan may be in effect at any time during a Trading Plan Period and (z) if the Investment Criteria are satisfied prospectively after giving effect to a Trading Plan but are not satisfied upon the expiry of the related Trading Plan Period, the Investment Criteria shall not at any time thereafter be evaluated by giving effect to a Trading Plan unless the S&P Rating Condition is satisfied with respect to any subsequent Trading Plan; *provided* that no further satisfaction of the S&P Rating Condition will be required after the S&P Rating Condition is satisfied pursuant to this clause (z) unless a Trading Plan fails, in which case S&P shall be notified of such Trading Plan failure and satisfaction of the S&P Rating Condition will be required with respect to the subsequent Trading Plan. The Collateral Manager shall notify Moody's of any Trading Plan failure.

Additional Restriction on Reinvestment. On each day during which the Moody's rating of the Class A-1 Notes or the S&P rating of the Class A-1 Notes is one or more subcategories below its initial rating thereof, the Collateral Manager may not reinvest Principal Proceeds unless the Collateral Manager reasonably believes that, after giving effect to such reinvestment, the Overcollateralization Ratio Test with respect to the Class A Notes will be satisfied.

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 segregated accounts, one of which will be designated the "*Interest Collection Subaccount*" and one of which will be designated the "*Principal Collection Subaccount*," and together comprising the "*Collection Account*". Such distributions and proceeds of distributions will be available, together with reinvestment earnings thereon, for application to the payment of the amounts set forth under "Overview of Terms—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 or Payment Account will be deposited in the Interest Collection Subaccount. All other amounts received by the Trustee or transferred from the Expense Reserve Account or Revolver Funding Account and remitted to the Collection Account will be deposited in the Principal Collection Subaccount, 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). The Issuer may, but under no circumstances shall be required to, deposit from time to time into the Collection Account prior to the first Payment Date, 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. Prior to the Effective Date, any Principal Proceeds shall be held in the Ramp-Up Account.

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 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 shall not exceed the Administrative Expense Cap for the related Payment Date. The Collateral Manager on behalf of the Issuer may direct the Trustee to transfer from amounts on deposit in the Interest Collection Subaccount to the Principal Collection Subaccount, amounts necessary for application as described under "Use of Proceeds—Effective Date." In connection with the purchase of any Collateral Obligation that will settle following the Effective Date, such purchase shall be settled with Principal Proceeds on deposit in the Principal Collection Subaccount. In addition, the Collateral Manager on behalf of the Issuer may direct the Trustee to deposit from the Principal Collection Subaccount 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. See "—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria" and "Overview of Terms—Priority of Payments."

On the Business Day immediately preceding each Payment Date, the Trustee will deposit into a single, segregated non-interest bearing trust account designated as the "*Payment Account*" all funds in the Collection Account (other than 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 Secured Notes and distributions on the Subordinated Notes and payments of fees and expenses in accordance with the priorities described under "Overview of Terms—Priority of Payments." The Co-Issuers shall 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 shall remain uninvested.

The Ramp-Up Account

The net proceeds of the issuance of the Offered Securities remaining after payment of fees and expenses will be deposited on the Closing Date into a single, segregated non-interest bearing trust account designated as the "*Ramp-Up Account*". Of the proceeds of the issuance of the Offered 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, approximately U.S.$1,125,000.00 will be deposited in the interest subaccount of the Ramp-Up Account on the Closing Date and certain proceeds of the issuance of the Offered Securities not deposited in the Expense Reserve Account, the Revolver Funding Account or the interest subaccount of the Ramp-Up Account will be deposited in the principal subaccount of the Ramp-Up Account 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 (using amounts in the interest subaccount or the principal subaccount of the Ramp-Up Account (at the direction of the Collateral Manager) and invest in Eligible Investments any amounts not used to purchase such additional Collateral Obligations. At the direction of the Collateral Manager given on or prior to the Effective Date, funds in the interest subaccount of the Ramp-Up Account may be designated by written notice to the Trustee and the Collateral Administrator as either Interest Proceeds or Principal Proceeds by the Collateral Manager to the Trustee and shall be transferred from the interest subaccount of the Ramp-Up Account to the Interest Collection Subaccount or Principal Collection Subaccount (as directed) of the Collection Account. On the Effective Date, at the direction of the Collateral Manager, funds in the principal subaccount of the Ramp-Up Account 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 principal subaccount of the Ramp-Up Account to the Interest Collection Subaccount or Principal Collection Subaccount (as directed) of the Collection Account; *provided* that (i) after giving effect to such transfer, the Target Initial Par Condition and the Specified Tested Items are satisfied and (ii) not more than 1.00% of the Target Initial Par Amount may be so designated as Interest Proceeds. Prior to the Effective Date, any Principal Proceeds shall be held in the Ramp-Up Account. On the first day after the Effective Date or upon the occurrence of an Event of Default which a trust officer of the Trustee has actual knowledge of, the Trustee will deposit any remaining amounts (excluding, for the avoidance of doubt, any amounts designated as Interest Proceeds pursuant to the second preceding sentence above) in the principal subaccount of the Ramp-Up Account into the Principal Collection Subaccount as Principal Proceeds and any remaining amounts in the interest subaccount of the Ramp-Up Account into the Interest Collection Subaccount as Interest Proceeds or (at the discretion of the Collateral Manager) the Principal Collection Subaccount as Principal Proceeds. Any income earned on amounts deposited in the Ramp-Up Account will be deposited in the Interest Collection Subaccount 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 designated as the "*Custodial Account*". All Collateral Obligations shall be credited to the Custodial Account. 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 Subaccount and deposited in a single, segregated trust account designated as the "*Revolver*

Funding Account". An amount to be specified in the Indenture will be deposited in the Revolver Funding Account on the Closing Date to be reserved for the unfunded funding obligations under the Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations purchased on or before the Closing Date. Upon initial purchase of any such obligations, funds deposited in the Revolver Funding Account in respect of any Delayed Drawdown Collateral Obligation or Revolving 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 Subaccount as Interest Proceeds.

The Issuer shall, at all times maintain sufficient funds on deposit in the Revolver Funding Account such that the sum of the amount of funds on deposit in the Revolver Funding Account shall be equal to or greater than the sum of the unfunded funding obligations under all such Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations then included in the Assets. Funds shall 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 on behalf of the Issuer. In the event of any shortfall in the Revolver Funding Account, the Collateral Manager (on behalf of the Issuer) may direct the Trustee to, and the Trustee thereafter shall, transfer funds in an amount equal to such shortfall from the Principal Collections Subaccount to the Revolver Funding Account.

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 under all Delayed Drawdown Collateral Obligations and Revolving Collateral Obligations that are included in the Assets 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 Subaccount. The Trustee shall not be responsible at any time for determining whether the funds in such Revolver Funding Account are insufficient.

The Hedge Counterparty Collateral Accounts

If and to the extent that any Hedge Agreement requires the Hedge Counterparty to post collateral with respect to such Hedge Agreement, the Issuer will (at the direction of the Collateral Manager), on or prior to the date such Hedge Agreement is entered into, direct the Trustee to establish a segregated, non-interest bearing trust account which will be designated as a Hedge Counterparty Collateral Account (each such account, a "*Hedge Counterparty Collateral Account*"). The Trustee (as directed by the Collateral Manager on behalf of the Issuer) will deposit into each Hedge Counterparty Collateral Account all collateral received by it from the related Hedge Counterparty for posting to such account and all other funds and property received by it from or on behalf of the related Hedge Counterparty and identified or instructed by the Collateral Manager to be deposited into the Hedge Counterparty Collateral Account in accordance with the terms of the related Hedge Agreement. The only permitted withdrawals from or application of funds or property on deposit in the Hedge Counterparty Collateral Account will be in accordance with the written instructions of the Collateral Manager.

The Expense Reserve Account

The Trustee will, prior to the Closing Date, establish a single, segregated non-interest bearing trust account designated as the "*Expense Reserve Account*". Approximately U.S.$1,700,000 will be deposited in the Expense Reserve Account as Interest Proceeds on the Closing Date for the payment of certain expenses of the Issuer incurred in connection with the issuance of the Offered Securities. On any Business Day from the Closing Date to and including the Determination Date relating to the

first Payment Date following the Closing 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 Offered Securities or to the Collection Account as Principal Proceeds; *provided* that the payment of Administrative Expenses payable to the Trustee or to The Bank of New York Mellon Trust Company, National Association in any capacity shall not require such direction by issuer order. By the Determination Date relating to the first Payment Date following the Closing 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) and the Expense Reserve Account will be closed. Any income earned on amounts deposited in the Expense Reserve Account will be deposited in the Interest Collection Subaccount as Interest Proceeds as it is paid.

The Reserve Account

The Trustee will, prior to the Closing Date, establish a single, segregated non-interest bearing trust account designated as the "*Reserve Account*". Amounts designated for deposit into the Reserve Account pursuant to clause (W) of "Overview of Terms—Priority of Payments—Application of Interest Proceeds" will be deposited into the Reserve Account and transferred to the Collection Account at the written direction of the Collateral Manager to the Trustee for a Permitted Use designated by the Collateral Manager in such written direction and consented to by a Majority of the Subordinated Notes.

The Excluded Collateral Obligation Reserve Account

The Trustee will, prior to the Closing Date, establish a single, segregated non-interest bearing trust account designated as the "*Excluded Collateral Obligation Reserve Account*". The Trustee, as directed in accordance with the terms of the Indenture, will deposit in the Excluded Collateral Obligation Reserve Account an amount equal to the withholding tax due and payable in respect of fees received in relation to an Excluded Collateral Obligation. The only permitted withdrawal from or application of funds or property on deposit in the Excluded Collateral Obligation Reserve Account will be made pursuant to the Indenture (i) to pay any withholding tax due and payable in respect of fees received in relation to an Excluded Collateral Obligation, (ii) to the Interest Collection Subaccount as Interest Proceeds in respect of any former Excluded Collateral Obligation in relation to which the Issuer (or the Collateral Manager on behalf of the Issuer) and the Trustee have received an opinion of counsel to the effect that payments with respect to such Collateral Obligation should not or will not be subject to withholding tax (U.S. or non-U.S.), (iii) from time to time in respect of any amounts deposited into the Excluded Collateral Obligation Reserve Account in error, or (iv) to the Interest Collection Subaccount as Interest Proceeds on a Redemption Date, the Stated Maturity or the date of final application of monies in accordance with the Special Priority of Payments. Amounts in the Excluded Collateral Obligation Reserve Account will be invested in overnight funds that are Eligible Investments and earnings from all such investments will be deposited in the Interest Collection Subaccount as Interest Proceeds.

Account Requirements

Each account established under the Indenture shall be established and maintained with (a) a federal or state-chartered depository institution rated (x) at least "A-1" by S&P (or at least "A+" by S&P if such institution has no short-term rating) and (y) at least "P-1" and "A2" by Moody's, and if such institution's rating falls below "A-1" by S&P (or below "A+" by S&P if such institution has no short-term rating) or below "P-1" or "A2" by Moody's, the assets held in such Account shall be moved within 60 calendar days to another institution that is rated at least "A-1" by S&P (or at least "A+" by S&P if such institution has no short-term rating) and at least "P-1" or "A2" by Moody's or (b) in segregated trust accounts with the corporate trust department of a federal or state-chartered

deposit institution rated at least "P-1" and "A2" by Moody's and subject to regulations regarding fiduciary funds on deposit similar to Title 12 of the Code of Federal Regulation Section 9.10(b), and if such institution's rating falls below "P-1" or "A2" by Moody's, the assets held in such Account shall be moved within 30 calendar days to another institution that is rated at least "P-1" and "A2" by Moody's. Such institution shall have a combined capital and surplus of at least U.S.$200,000,000. All cash deposited in the Accounts shall be invested only in Eligible Investments or Collateral Obligations in accordance with the terms of the Indenture. Each Account (including any subaccount) shall be a securities account established with The Bank of New York Mellon Trust Company, National Association, in the name of "Marathon CLO VII Ltd., subject to the lien of The Bank of New York Mellon Trust Company, National Association, as Trustee" and shall be maintained by The Bank of New York Mellon Trust Company, National Association in accordance with the Securities Account Control Agreement.

Hedge Agreements

The Issuer may enter into Hedge Agreements from time to time on or after the Closing Date solely for the purpose of managing interest rate and other risks in connection with the Issuer's issuance of, and making payments on, the Offered Securities. Each Hedge Counterparty will be required to have, at the time that any Hedge Agreement to which it is a party is entered into, the Required Hedge Counterparty Ratings unless the applicable Rating Agency Condition is satisfied or credit support is provided as set forth in the Hedge Agreement. Any Hedge Agreement will be required to contain appropriate limited recourse and non-petition provisions equivalent to those contained in the Indenture with respect to the Offered Securities. Payments on Hedge Agreements will be subject to the Priority of Payments. The Issuer will not be permitted to enter into a Hedge Agreement unless (i) the Global Rating Agency Condition has been satisfied with respect thereto, (ii) a Majority of the Controlling Class and a Majority of the Subordinated Notes have consented to such Hedge Agreement and (iii) it obtains written advice of counsel that such Hedge Agreement will not cause the Collateral Manager to be required to register as a CPO with the CFTC with respect to the Issuer.

The Issuer does not expect to enter into any Hedge Agreements on the Closing Date.

General

The net proceeds from the issuance of the Offered Securities that will be used to acquire Collateral Obligations, after payment of applicable fees and expenses in connection with the structuring and placement of the Offered Securities (including by making a deposit to (x) the Expense Reserve Account of funds to be used to pay expenses following the Closing Date and (y) an upfront expense reserve account and an expense reserve account, in each case established and maintained in accordance with the Repack Indenture for use as described in the Repack Indenture (such accounts, the "*Repack Accounts*")), are expected to be approximately U.S.$445,507,745.

Prior to the Closing Date, an affiliate of the Placement Agent, the Collateral Manager, Collateral Manager Related Parties and partners and employees of the Collateral Manager provided a warehouse facility to the Issuer to finance the acquisition of certain Collateral Obligations. The net proceeds from the issuance of the Offered Securities will be used to repay such warehouse facility, to pay to the Collateral Manager its management fee for managing the Collateral Obligations prior to the Closing Date, to acquire Collateral Obligations on the Closing Date and to make deposits into certain accounts.

Approximately U.S.$1,125,000.00 will be deposited into the interest subaccount of the Ramp-Up Account on the Closing Date and certain proceeds of the issuance of the Offered Securities not deposited in the Expense Reserve Account, the Revolver Funding Account, the Repack Accounts or the interest subaccount of the Ramp-up Account will be deposited into the principal subaccount of the Ramp-Up Account for the purchase of additional Collateral Obligations prior to the Effective Date and for deposit into the Collection Account on the Effective Date as described herein. Approximately U.S.$1,700,000 will be deposited into the Expense Reserve Account on the Closing Date for use as described herein and an amount to be specified in the Indenture will be deposited in the Revolver Funding Account as described herein. Approximately U.S.$1,001,000 will be deposited into the Repack Accounts on the Closing Date for use as described in the Repack Indenture.

Effective Date

The Issuer will use commercially reasonable efforts to purchase, on or before the Effective Date, Collateral Obligations such that the Target Initial Par Condition is satisfied.

(a) Within 15 Business Days after the Effective Date, (i) the Issuer will provide, or cause the Collateral Manager to provide, to each Rating Agency a report identifying the Collateral Obligations and requesting that S&P reaffirm its initial ratings of the Secured Notes, (ii) the Issuer shall cause the Collateral Administrator to compile and provide to each Rating Agency a report (the "*Effective Date Report*") determined as of the Effective Date, containing (A) the information required in a Monthly Report and (B) a calculation with respect to whether the Target Initial Par Condition is satisfied and (iii) the Trustee shall have received an accountants' certificate (the "*Accountants' Certificate*") recalculating and comparing the following items in the Effective Date Report: (A) confirming the issuer, principal balance, coupon/spread, stated maturity, Moody's Rating, Moody's Default Probability Rating, Moody's industry classification, S&P Rating and country of Domicile with respect to each Collateral Obligation as of the Effective Date and the information provided by the Issuer with respect to every other asset included in the Assets, by reference to such sources as shall be specified therein, (B) recalculating as of the Effective Date the level of compliance with, or satisfaction or non-satisfaction of (1) the Target Initial Par Condition, (2) the Overcollateralization Ratio Tests, (3) the Concentration

Limitations and (4) the Collateral Quality Test (excluding the S&P CDO Monitor Test) (the items in this clause (B), collectively, the "*Specified Tested Items*"); and (C) specifying the procedures undertaken by them to review data and computations relating to such Accountants' Certificate. If (x) the Issuer provides the Accountants' Certificate to the Trustee with the results of the Specified Tested Items and (y) the Issuer causes the Collateral Administrator to provide to Moody's the Effective Date Report and the Effective Date Report confirms satisfaction of the Specified Tested Items, then Moody's shall be deemed to have confirmed its initial rating of the Class A-1 Notes (such deemed confirmation, the "*Effective Date Moody's Condition*"). For the avoidance of doubt, the Effective Date Report shall not include or refer to the Accountants' Certificate.

(b) (x) If (1) the Effective Date Moody's Condition is not satisfied and (2) the Issuer has not received written confirmation from Moody's of its initial rating of the Class A-1 Notes, in each case at least one Business Day prior to the first Determination Date (clauses (1) and (2) constituting a "*Moody's Ramp-Up Failure*"), then the Issuer (or the Collateral Manager on the Issuer's behalf) shall instruct the Trustee to transfer amounts from the Interest Collection Subaccount to the Principal Collection Subaccount and may, prior to the first Payment Date, purchase additional Collateral Obligations in an amount sufficient to (i) satisfy the Effective Date Moody's Condition or (ii) obtain from Moody's written confirmation of its initial rating of the Class A-1 Notes; *provided* that, in lieu of this clause (x), the Issuer (or the Collateral Manager on the Issuer's behalf) may take such action, including but not limited to, a Special Redemption and/or transferring amounts from the Interest Collection Subaccount to the Principal Collection Subaccount as Principal Proceeds (for use in a Special Redemption), sufficient to (1) satisfy the Effective Date Moody's Condition or (2) obtain from Moody's written confirmation of its initial rating of the Class A-1 Notes; and (y) if S&P does not provide written confirmation of its initial rating of the Secured Notes (such event, an "*S&P Rating Confirmation Failure*") at least one Business Day prior to the first Determination Date, then the Issuer (or the Collateral Manager on the Issuer's behalf) will instruct the Trustee to transfer amounts from the Interest Collection Subaccount to the Principal Collection Subaccount 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 S&P has provided written confirmation of its initial rating of the Secured Notes; *provided* that, in lieu of this clause (y), the Issuer (or the Collateral Manager on the Issuer's behalf) may take such action, including but not limited to, a Special Redemption and/or transferring amounts from the Interest Collection Subaccount to the Principal Collection Subaccount as Principal Proceeds (for use in a Special Redemption), sufficient to enable the Issuer (or the Collateral Manager on the Issuer's behalf) to obtain written confirmation from S&P of its initial rating of the Secured Notes; it being understood that, if the events specified in both of clauses (x) and (y) occur, the Issuer (or the Collateral Manager on the Issuer's behalf) will be required to satisfy the requirements of both clause (x) and clause (y); *provided, further*, that in the case of each of the foregoing clauses (x) and (y), amounts may not be transferred from the Interest Collection Subaccount to the Principal Collection Subaccount if, after giving effect to such transfer, (I) the amounts available pursuant to the Priority of Payments on the next succeeding Payment Date would be insufficient to pay the full amount of the accrued and unpaid interest on any Class of Secured Notes on such next succeeding Payment Date or (II) such transfer would result in a deferral of interest with respect to the Deferrable Notes on the next succeeding Payment Date.

The Collateral Manager

The information appearing in this section has been prepared by the Collateral Manager and has not been independently verified by the Co-Issuers or JPMorgan. The Co-Issuers have taken reasonable care to ensure that this information has been accurately reproduced and as far as the Co-Issuers are aware and are able to ascertain from information provided by the Collateral Manager, no material facts have been omitted which would render the reproduced information inaccurate or misleading. Accordingly, notwithstanding anything to the contrary herein, the Co-Issuers and JPMorgan do not assume any responsibility for the accuracy, completeness or applicability of such information.

General

Certain advisory and administrative functions with respect to the Assets will be performed by Marathon as the Collateral Manager under the Collateral Management Agreement to be entered into on or prior to the Closing Date between the Issuer and the Collateral Manager. The Collateral Manager is located at One Bryant Park, 38th Floor, New York, New York 10036.

Based in New York, New York, with offices located in London and Singapore, Marathon Asset Management, L.P. is a registered investment adviser specializing in asset classes that include bank loans, high yield and high grade corporate bonds, stressed and distressed corporate debt, convertible bonds, CLO and CDO debt, asset-backed loans, structured finance debt, and real estate in the U.S., Europe, Asia, and emerging markets. As of September, 2014, Marathon Asset Management, L.P. managed approximately $12.5 billion in capital (including commitments) from a diversified institutional investor base. Established in New York in January 1998, as of September, 2014, Marathon Asset Management, L.P. employs approximately 140 professionals.

Key Personnel

The names of certain senior executives of Marathon are listed below. There can be no assurance that such Persons will remain in such positions with Marathon or, even if they do so, will be involved in the management of the Issuer, the Collateral Obligations or in carrying out any of the other obligations of Marathon under the Collateral Management Agreement during the term thereof.

Louis Hanover is a Co-Managing Partner and the Chief Investment Officer of the firm. Mr. Hanover oversees Marathon's portfolio managers and their investment activities. Mr. Hanover's responsibilities also include managing risk on a firm-wide basis, as well as serving as Senior Portfolio Manager for MSOF, MCOF, and managed accounts. Additionally, Mr. Hanover serves on Marathon's Investment Committee and Executive Committee. Mr. Hanover has extensive trading experience and expertise as an asset manager, arbitrageur, and risk manager in both the equity and fixed income markets on a global basis. Prior to co-founding Marathon in 1998, Mr. Hanover was a Managing Director at Smith Barney, where he was responsible for all trading and risk management in the global emerging markets debt trading division. Earlier, Mr. Hanover was a Director of the global emerging markets debt and foreign exchange derivatives trading division at Merrill Lynch. In 1991, he pioneered the use of warrants on a basket of Latin American equities at Nomura Securities. Mr. Hanover previously traded European sovereign debt futures at First Chicago Capital Markets and was a floor trader at the Chicago Board of Trade. Mr. Hanover received a B.A. degree in Economic History from the University of Chicago (1986) and an MBA from the Graduate School of Business at the University of Chicago (1989).

Bruce Richards is a Co-Managing Partner and the Chief Executive Officer of Marathon, and is responsible for general oversight of the firm's capital across its funds and managed accounts. Mr. Richards leads Marathon's Executive Committee, which manages the firm's operational initiatives and its strategic direction, and he is also a member of Marathon's Investment Committee. Mr.

Richards' day-to-day presence is critical in maximizing the firm's synergies and leveraging the intellectual capital throughout the firm. Prior to founding Marathon, Mr. Richards worked on Wall Street for 15 years, including 10 years as a Managing Director in the fixed income divisions of Smith Barney and Donaldson, Lufkin & Jenrette where he was head of a trading desk responsible for principal investments and market making. Mr. Richards also worked at Shearson Lehman Hutton ("Lehman Brothers") as a trader in their Fixed Income Division, after starting his career with Paine Webber. Mr. Richards received his B.A. in Economics, summa cum laude, from Tulane University in 1982 and is a member of Phi Beta Kappa.

Andrew Rabinowitz is a Partner and the Chief Operating Officer at Marathon. Mr. Rabinowitz is also a member of the firm's Executive Committee, which manages the firm. He manages Marathon's day-to-day activities including oversight of the firm's global infrastructure including operations, treasury, legal, compliance, and technology. He is also responsible for setting global policies and procedures, financial controls, and external code of conduct. In addition, Mr. Rabinowitz oversees Marathon's Investor Relations and Client Services team, actively involved in business development, objectives, initiatives and meetings with investors. Lastly, Mr. Rabinowitz monitors Marathon's third party relationships with external service providers such as prime brokers, lawyers, accountants and fund administrators. Mr. Rabinowitz joined Marathon in 2001 from Schulte Roth & Zabel, where he was a practicing lawyer in the corporate group specializing in hedge funds and asset management from 2000-2001. Previously, Mr. Rabinowitz was employed at Ernst & Young for seven years as a Certified Public Accountant (CPA) focused on hedge funds and asset management and broker-dealers. He supervised and conducted audits and oversaw consulting engagements in the financial services industry. He also co-founded The R Baby Foundation which has raised several million dollars for children's hospitals in the U.S. Mr. Rabinowitz holds his J.D. in Law from Fordham University School of Law and a B.B.A. in Accounting from Pace University, magna cum laude. Mr. Rabinowitz is a CPA in the State of New York and is currently a member of the Bar in New York and Washington, D.C.

Richard Ronzetti is a Partner and the Global Head of Investment Analysis and Asset Management at Marathon. Mr. Ronzetti is a member of the firm's Executive Committee, which manages the firm, and the Investment Committee. Mr. Ronzetti assists in formulation of overall investment strategy while overseeing corporate investments including restructurings, distressed investments, and private funding investments. Mr. Ronzetti also manages investment research and credit analysis at the firm. Mr. Ronzetti worked at Morgan Stanley and Drexel Burnham Lambert as an investment banker in the corporate finance and financial institutions departments before joining the U.S. private equity arm of the Agnelli Group. At the Agnelli Group, he was a senior investment analyst responsible for private equity investments in Latin America as well as several private equity investments and restructurings in the United States. Mr. Ronzetti also served as a Managing Director and Head of Emerging Market and International High Yield research at Paine Webber and Smith Barney. Mr. Ronzetti holds an A.B. degree from Harvard College in Government and Economics (1982) and a MBA from the Harvard University Graduate School of Business Administration (1986).

Gabriel Szpigiel is a Partner and Senior Portfolio Manager in Marathon's Emerging Markets Group responsible for asset management of sovereign and corporate credit, local markets and equities (including distressed debt and special situations) across Latin America, EMEA and the Middle East and Africa. In addition, Mr. Szpigiel is a member of Marathon's Executive Committee, which manages the firm. Mr. Szpigiel has more than twenty years of experience in Emerging Markets. In 2003 he joined Marathon from Deutsche Bank, where he worked for six years as a Managing Director, first in London responsible for Eastern Europe trading and then as Head of Global Fixed Income Latin American Trading based in New York. During his Wall Street tenure, Mr. Szpigiel also worked as a senior trader at Chase Manhattan Bank, ING, and Smith Barney, where he worked with both Louis Hanover and Bruce Richards. He also served as Vice Chairman of the Emerging Markets Trade Association since 2000. Mr. Szpigiel earned his M.S. degree in Economics from the University of Buenos Aires, Argentina.

Stuart Goldberg is a Partner and Senior Portfolio Manager and Co-Head of Marathon's Structured Credit Group, which focuses on principal investments in various securitized asset classes including Asset Backed Securities (ABS), Residential Mortgage Backed Securities (RMBS) and Commercial Mortgage Backed Securities (CMBS). He is a member of the firm's Executive Committee which assists in the oversight of the firm. Mr. Goldberg is charged with managing the Marathon Securitized Credit Fund, Marathon Distressed Subprime Fund and Marathon Legacy Securities PPIP Fund. Mr. Goldberg also has responsibility for structured finance investments in other Marathon investment vehicles, including separate accounts. Prior to joining Marathon in March 2006, Mr. Goldberg headed up the Asset-Backed trading desk at Citigroup Global Markets. Mr. Goldberg's career on Wall Street began in 1987 after graduating with a BA in Economics from Yeshiva University.

Jake Hyde is a Partner and Senior Portfolio Manager in Marathon's Corporate Credit Group. Mr. Hyde manages the firm's global opportunistic credit funds and managed accounts, and is a member of Marathon's Executive Committee, which oversees management of the firm. Prior to joining Marathon, Mr. Hyde was a Managing Director of High Yield Trading at Citigroup Global Capital Markets. Mr. Hyde has extensive experience with structured corporate securities, including airline EETCs and ETCs, CTLs, Leveraged Lease transactions, CDOs and Single Asset securitizations. Mr. Hyde began his career as a mortgage trader at Salomon Brothers in 1994. Mr. Hyde earned his B.A. from Georgetown University's College of Arts and Sciences in 1993.

Andrew Springer is a Partner and Senior Portfolio Manager responsible for the principal investment decisions in Marathon's structured credit business including Residential Mortgage Backed Securities (RMBS), Commercial Mortgage Backed Securities (CMBS) and Asset Backed Securities (ABS). Mr. Springer manages the Marathon Securitized Credit Fund, Marathon Distressed Subprime Fund and Marathon Legacy Securities PPIP Fund. Mr. Springer also has responsibility for structured finance investments in other Marathon investment vehicles, including separate accounts. Mr. Springer serves as a member of the firm's Executive Committee, which assists in the oversight of the firm. Mr. Springer has 23 years of experience in underwriting, purchasing and securitizing assets. Mr. Springer previously worked at Guggenheim Capital Markets from 1999 - 2003 where he established a trading and advisory business focused on credit sensitive situations relating to structured finance and hard assets in real estate related markets. In 1998, Mr. Springer worked in a similar capacity at Marathon Asset Management, L.P. Prior to that he spent three years at Smith Barney where he was a Director and Head of CMBS trading and securitization. Mr. Springer began his career at Donaldson Lufkin & Jenrette where he spent nine years, 1987-1995, trading and securitizing adjustable rate mortgage backed securities and whole loans. Mr. Springer has a B.A. in Economics from the State University of New York, Binghamton University.

Jamie Raboy is a Senior Managing Director and Chief Risk Officer at Marathon. Mr. Raboy, a member of Marathon's Executive Committee, is focused on monitoring, reporting, and evaluating investment risk for the capital entrusted to Marathon. His duties include, among other things, reviewing traditional risk measurements such as concentration risk, volatility, correlation, and credit sensitivity across the various funds. Mr. Raboy reports directly to Lou Hanover, Managing Partner and CIO, and evaluates Marathon's various portfolios to ensure portfolio construction is consistent with the firms' overall view and the Fund's risk-return objectives. Mr. Raboy also works closely with Andrew Rabinowitz, Partner and COO, to provide reporting to investors and counterparts. Portfolio Managers consult with Mr. Raboy to evaluate investment strategy, risk-reward assumptions, trade activity and portfolio construction to ensure consistency with respect to risk limits and the investment mandate of the Fund. Prior to taking on his current role, Mr. Raboy served as a Portfolio Manager across a number of different product areas such as: global equity, volatility and convertibles; he has also been a emerging markets trader. Mr. Raboy joined Marathon at its inception in 1998 after his tenure with Salomon Smith Barney, where he was a fixed income trader (1996-1998). He also worked at Morgan Stanley as a controller for operations, brokerage and clearing (1990-1994). Mr. Raboy received an MBA with a focus on Financial Engineering from MIT and has a BA from Columbia University.

Andrew Brady is a Managing Director and Senior Investment Analyst focused on high yield bank loan and bond markets, including management of Marathon's CLOs. Mr. Brady joined Marathon in 2004 after eight years with Indosuez Capital, the merchant banking and high yield asset management division of Credit Agricole, where he was a Director and Senior Investment Analyst managing high yield bank loans, bonds, and subordinated debt across $4+ billion in structured vehicles and other portfolios. Mr. Brady graduated from Wharton School of Business, University of Pennsylvania, with a B.S. in Economics and is a CFA charterholder.

Jason Friedman is a Managing Director and member of the Executive Committee responsible for identifying, evaluating, structuring and managing debt and equity investments. From 1996 to 2007, Mr. Friedman worked for CCMP Capital and its predecessors JP Morgan Partners, Chase Capital Partners and Chemical Venture Partners, where he was a Principal. Mr. Friedman has been engaged in all aspects of the investment process including sourcing transactions, performing complex investment analyses and diligence, working through complex restructurings and monitoring Company performance at the Board of Director level. Prior to joining CCMP in 1996, Mr. Friedman began his career as an investment banking analyst with Chemical Bank's Acquisition Finance and Global Loan Syndication groups. Mr. Friedman holds a B.A. degree in Public Policy and Economics from Duke University and an MBA with High Distinction (Baker Scholar) from the Harvard University Graduate School of Business Administration.

Initial Portfolio

The Collateral Obligations expected to be held on the Closing Date will be selected by the Collateral Manager in accordance with the Collateral Manager's procedures for selecting investments of a type similar to the Collateral Obligations. The Collateral Manager has undertaken its own investigation in selecting the initial Collateral Obligations and has reviewed such information as it deemed appropriate and proper in its reasonable professional judgment and has determined that each of the Collateral Obligations expected to be held on the Closing Date is an eligible Collateral Obligation.

Investment Strategy

The Collateral Manager expects, within the limitations imposed by the Indenture and the Collateral Management Agreement, to pursue similar underwriting and investment principles that have been utilized by Marathon Asset Management, L.P. and its portfolio managers throughout their careers. The analytical approach emphasizes downside protection and principal preservation in conjunction with seeking superior risk-adjusted returns. To accomplish the latter, the Collateral Manager will employ fundamental credit analysis and actively manage credit risk by monitoring economic and industry trends to identified events which could impact existing investments. The Collateral Manager's portfolio management team maintains regular contact with market participants to identify trends that may impact future investment returns.

Credit Underwriting Process

Screening. Each potential Collateral Obligation that is considered for purchase by the Issuer is subject to an assessment process by the Collateral Manager. The elements in this process include:

- Considering the overall macro-economic outlook.

- Developing and maintaining views on various industrial segments, including those to which it wishes to avoid exposure and those to which it wishes to have exposure on only a highly selective basis.

- Assessing each potential new obligation for appropriate fit within the existing pool of collateral, considering such aspects as exposure to various industrial sectors and overall portfolio parameters.

- Reviewing the purpose, nature and structure of the transaction underlying the investment opportunity, including the summary of *pro forma* credit statistics, the structure of the facility, pricing and timing.

- Gauging initial market acceptance of the transaction, especially regarding pricing and liquidity.

Credit Analysis. The Collateral Manager will conduct in-depth financial analysis to evaluate the credit risk of an issuer prior to investing. The analysis will include:

- Examining the historical and projected financial performance of the issuer, placing emphasis on the availability, frequency and reliability of cash flow generating capabilities.

- Assessing the issuer's capital structure to measure the underlying asset and enterprise values, employing modeling based on adverse scenarios in both cash flow and liquidation valuations.

- Evaluating the issuer's financial flexibility, in particular, its access to capital markets and stress case financial modeling.

- Evaluating industry conditions and trends that impact the issuer, including market position and ability to withstand economic, competitive and regulatory pressures.

- Assessing the structural protection afforded by the capital structure of an issuer, collateral security pledged in support of the obligation and other factors.

- Assessing the issuer's strategy, ability to execute, operating experience, competitive position and overall credibility of the issuer's management team.

- Considering the resources, reputation and track record of the underwriters/agents of the debt facilities with respect to the quality of the due diligence process.

Document Review. The Collateral Manager will review relevant documentation, including credit agreements for each potential Collateral Obligation that is considered for purchase by the Issuer to ensure that Collateral Obligations are structured and documented in accordance with the requirements of the Indenture.

Investment Committee. All investments are presented for review and approval by the Investment Committee.

Ongoing Portfolio Management

Utilizing both internal and external resources, the Collateral Manager will monitor economic, industry and Obligor-specific trends on an on-going basis, including:

- Tracking periodic financial results of Obligors and industry critical parameters;

- Accessing economic, industry, and issuer research from various market sources;

- Assessing collateral and covenant protection;

- Benchmarking of issuer actual performance relative to the base case and stress case scenarios established by the Collateral Manager (systematic review of issuer quarterly results);

- Utilizing an early warning system incorporating updated rating agency information and analysis, as well as other market indicators and bond and loan market feedback; and

- Conducting regular portfolio analysis and review of portfolio trends.

The Collateral Management Agreement

General

The Collateral Management Agreement requires the Collateral Manager to provide certain management, advisory and administrative functions with respect to the Assets. Pursuant to the terms of the Collateral Management Agreement and the Indenture, the Collateral Manager is required to (i) select the Collateral Obligations and Eligible Investments to be acquired and sold by the Issuer and (ii) monitor the Collateral Obligations and provide the Issuer and the Trustee certain information with respect to the composition and characteristics of the Collateral Obligations, any disposition or tender of a Collateral Obligation, the reinvestment of the proceeds of any such disposition in Eligible Investments and with respect to the retention of the proceeds of any such disposition or the application thereof toward the purchase of an additional Collateral Obligation. Certain administrative duties of the Issuer will be performed for the Issuer, or the Collateral Manager on behalf of the Issuer, with respect to the Collateral Obligations, including the performance of certain calculations with respect to the Collateral Quality Tests, the S&P CDO Monitor Test and the Coverage Tests, by the Collateral Administrator under the Collateral Administration Agreement.

In addition, pursuant to the terms of the Collateral Administration Agreement, the Issuer will retain The Bank of New York Mellon Trust Company, National Association to prepare certain reports with respect to the Collateral Obligations based in part on information provided by the Collateral Manager.

Neither the Placement Agent nor any of its affiliates will select any of the Collateral Obligations.

The Indenture places significant restrictions on the Collateral Manager's ability to advise the Issuer to buy and sell obligations to be included in the Assets, and the Collateral Manager is subject to compliance with the Indenture. As a result of the restrictions contained in the Indenture, during certain periods or in certain specified circumstances, the Issuer may be unable to buy or sell obligations or to take other actions which the Collateral Manager might consider in the best interests of the Issuer and the Holders of the Notes.

The Collateral Management Agreement requires the Collateral Manager to comply with the Trading Restrictions.

The Collateral Management Agreement requires that the Collateral Manager use all commercially reasonable efforts not to take, and to not intentionally or with reckless disregard take, any action which in its good faith judgment would, among other things, cause the Issuer to be engaged in a U.S. trade or business for U.S. federal income tax purposes or otherwise cause material adverse tax consequences to the Issuer. The foregoing requirement will be deemed to have been satisfied if the Trading Restrictions have been complied with, so long as there has not been a change in law subsequent to the date of the Collateral Management Agreement that the Collateral Manager, acting in good faith, actually knows would require changes to the Trading Restrictions in order to prevent the Issuer from being treated as engaged in a trade or business in the United States for U.S. federal income tax purposes or otherwise being subject to U.S. federal income tax on a net income basis. The Collateral Manager is not obligated to monitor changes in law that could affect whether the Issuer is treated as engaged in a trade or business in the United States for U.S. federal income tax purposes or is otherwise subject to U.S. federal income tax on a net income basis.

Under the Collateral Management Agreement, the Issuer will acknowledge and agree, among other things, that (i) the Collateral Manager engages in other business and furnishes investment

management and advisory services to other funds which may differ from those provided by the Collateral Manager on behalf of the Issuer, as required by the Indenture; (ii) the Collateral Manager may make recommendations or effect transactions which may differ from those effected with respect to the securities included in the Collateral; (iii) the Collateral Manager may, from time to time, cause or direct another account managed by the Collateral Manager to buy or sell, or recommend to the account the buying or selling of, securities of the same or a different kind or class of the same issuer, as the Collateral Manager directs be purchased or sold on behalf of the Issuer; and (iv) in certain circumstances, the interests of the Issuer and/or the Holders of the Notes with respect to matters as to which the Collateral Manager is advising the Issuer may conflict with the interests of the Collateral Manager.

Pursuant to the Collateral Management Agreement, any transaction effected between the Issuer and the Collateral Manager or accounts, portfolios or investment companies managed or advised by the Collateral Manager shall be conducted on an arm's length basis for fair market value and on terms as favorable to the Issuer as would be the case in a transaction with an independent third party and in accordance with the Collateral Manager's fiduciary obligations under applicable laws including (but not limited to) the Investment Advisers Act.

In addition, the Collateral Manager may employ third parties (including its affiliates) to render advice (including investment advice) and assistance to the Issuer and to perform any of its duties under the Collateral Management Agreement; *provided, however*, that in connection with any delegation by the Collateral Manager of any investment advice with regard to the purchase or sale of any Collateral Obligation, the consent of a Majority of the Subordinated Notes will be required (unless such third party is an Affiliate of the Collateral Manager at the time of such delegation, for which no such consent from the Subordinated Notes will be required); *provided, further*, that the Collateral Manager will not be relieved of any of its duties under the Collateral Management Agreement regardless of the performance of any services by third parties.

Resignation or Removal of the Collateral Manager

Under certain circumstances the Collateral Manager may resign or be removed. Under the terms of the Collateral Management Agreement, the Collateral Manager may be removed for Cause upon 30 days' prior written notice by the Issuer or the Trustee, at the direction of a Supermajority of the Controlling Class or a Supermajority of the Subordinated Notes at any time. "Cause" means:

(i) the Collateral Manager willfully violates or willfully breaches any material provision of the Collateral Management Agreement or the Indenture applicable to it (it being understood that the poor economic performance of the Collateral Obligations shall not in itself constitute a willful violation or willful breach);

(ii) the Collateral Manager breaches in any material respect any provision of the Collateral Management Agreement or the Indenture applicable to it, and fails to cure such breach within 30 days after the first to occur of (A) written notice of such failure is given to the Collateral Manager or (B) the Collateral Manager has Actual Knowledge of such breach, unless, if such failure is remediable, the Collateral Manager has taken action that the Collateral Manager in good faith believes will remedy, and that does in fact remedy, such failure within 90 days after written notice of such failure is given to the Collateral Manager or the Collateral Manager has Actual Knowledge of such breach;

(iii) the failure of any representation, warranty, certification or statement made or delivered by the Collateral Manager in or pursuant to the Collateral Management Agreement or the Indenture to be correct in any material respect when made and no correction is made for a period of 30 days after the Collateral Manager having Actual Knowledge of, or its receipt of written notice from the Issuer or the Trustee of, such failure;

(iv) certain events of bankruptcy or insolvency occur in respect of the Collateral Manager;

(v) the occurrence and continuance of an Event of Default under the Indenture (except if such Event of Default is caused solely by the Trustee's, the Collateral Administrator's or the Issuer's failure to perform its or their duties under the Indenture) that consists of a default in the payment of principal or interest on the Secured Notes when due and payable, and that results from a breach by the Collateral Manager of its duties under the Collateral Management Agreement or under the Indenture, which breach or default is not cured within the applicable cure period;

(vi) the occurrence of an act by the Collateral Manager that constitutes fraud or criminal activity in the performance of its obligations under this Agreement or the provisions of the Indenture applicable to it, or the Collateral Manager or any of the principals of the Collateral Manager, Bruce Richards, Louis Hanover, Andrew Rabinowitz or Richard Ronzetti, (in the performance of his or her investment management duties) being indicted for a felony offense related to its primary business and such principal continues to have responsibility for the performance by the Collateral Manager of its duties following such conviction; or

(vii) the Collateral Manager consolidates with or merges into any other corporation, partnership, trust or other entity, if the survivor of such transaction fails to expressly assume the obligations of the Collateral Manager under the Collateral Management Agreement and the Indenture or the transaction fails to comply with the requirements described under "— Assignment".

"*Actual Knowledge*" means the actual knowledge of (a) any senior officer of the Collateral Manager, (b) any officer of employee of the Collateral Manager charged with the day to day performance or supervision of the Collateral Manager's duties under the Collateral Management Agreement or (c) any officer or employee of the Collateral Manager to whom any matter related to its investment advisory services under the Collateral Management Agreement is referred because of his or her knowledge or familiarity with the particular subject. If any of the events described in the foregoing paragraph occur, the Collateral Manager will be required to give written notice thereof to the Issuer, the Trustee and the Holders of all outstanding Notes with five Business Days of the Collateral Manager's having Actual Knowledge of the occurrence of such event.

The Collateral Manager may resign at any time upon 90 days' prior written notice (or such shorter period as is acceptable to the Issuer) to the Issuer, the Trustee (who shall forward such notice to the Holders of the Notes) and Moody's.

Promptly, but in any event within 30 days, after notice of any resignation or removal of the Collateral Manager under any provision of the Collateral Management Agreement while any of the Notes are outstanding, a Majority of the Subordinated Notes shall nominate an institution that is not an Affiliate of the Collateral Manager as a successor collateral manager subject to the consent of a Majority of the Controlling Class and the requirement that such successor collateral manager satisfies the requirements of the second succeeding paragraph. If a Majority of the Controlling Class does not consent to such institution within 30 days of receiving notice of such nomination, a Majority of the Controlling Class may nominate, subject to the consent of a Majority of the Subordinated Notes, an institution as a successor collateral manager that is not an Affiliate of the Collateral Manager that satisfies the provisions of the requirements of the immediately succeeding paragraph; *provided* that if the Majority of the Subordinated Notes does not consent to the institution nominated by the Majority of the Controlling Class within 30 days of receiving notice of such nomination, a Majority of the Controlling Class may thereafter select a successor collateral manager for the Issuer without the consent of Holders of Subordinated Notes. All nominations and consents of nominations shall be made by delivering written notice to the Trustee and the Issuer. The Issuer shall promptly appoint as successor collateral manager any institution that has been nominated and consented to, as provided above and shall notify Moody's of such successor

collateral manager. If no successor collateral manager is nominated as provided above, the resigning or removed Collateral Manager shall, 90 days after notice of the resignation or removal is given to the Holders of the Notes pursuant to any provision of the Collateral Management Agreement, petition any court of competent jurisdiction for the appointment of a successor collateral manager.

With respect to any vote in connection with (x) the removal of (and, in the case of the removal of the Collateral Manager for "cause," the nomination of and consent to any successor collateral manager) of the Collateral Manager or (y) the waiver of any event constituting "cause" as a basis for removal of the Collateral Manager, any Notes held by the Collateral Manager, one or more affiliates of the Collateral Manager or accounts managed by the Collateral Manager as to which the Collateral Manager has discretionary voting authority, shall be disregarded and deemed not to be outstanding in connection with such vote.

Any successor institution nominated or approved as described above must be an institution that (i) has demonstrated an ability to professionally and competently perform duties similar to those imposed upon the Collateral Manager, (ii) is legally qualified and has the capacity to act as Collateral Manager under the Collateral Management Agreement and under the applicable terms of the Indenture, (iii) the appointment of which does not cause or result in the Issuer becoming engaged in a U.S. trade or business or otherwise subject to adverse tax consequences, and (iv) the appointment of which does not cause or result in the Issuer becoming, or require the pool of Assets to be registered as, an investment company under the Investment Company Act; *provided, however*, that no removal of or resignation by the Collateral Manager shall be effective until a successor collateral manager has been appointed and approved in the manner specified herein and in the Collateral Management Agreement.

Assignment

The Collateral Manager may not assign (within the meaning of Section 202(a)(l) of the Investment Advisers Act of 1940, as amended) its rights or responsibilities under the Collateral Management Agreement unless: (a) the S&P Rating Condition and the Moody's Rating Condition have been satisfied in respect of such assignment, (b) 30 days' prior written notice of the proposed assignment has been given to the Holders of the Notes, (c) the written consent of the Issuer (acting at the direction of a Majority of the Subordinated Notes) has been obtained, and (d) the written consent of a Majority of the Controlling Class has been obtained; *provided, however*, that the Collateral Manager shall be permitted, without the consent of the Issuer or any of the Holders of the Notes or the satisfaction of the Global Rating Agency Condition (as applicable), to assign any or all of its rights and delegate any or all of its obligations under the Collateral Management Agreement to a Collateral Manager Related Party or a wholly owned subsidiary of a Collateral Manager Related Party so long as such Collateral Manager Related Party or such wholly owned subsidiary of a Collateral Manager Related Party, as the case may be, (A) has demonstrated an ability to professionally and competently perform duties similar to those imposed upon the Collateral Manager under the Collateral Management Agreement, (B) is legally qualified and has the capacity to act as Collateral Manager under the Collateral Management Agreement and (C) immediately after the assignment, employs principal personnel performing the duties required under the Collateral Management Agreement who are the same individuals who would have performed such duties had the assignment not occurred.

The Collateral Management Agreement shall not be assigned by the Issuer without the prior written consent of the Collateral Manager and the Trustee (acting at the direction of a Majority of the Controlling Class), except in the case of an assignment by the Issuer to an entity which is a successor to the Issuer permitted under the Indenture, in which case such successor organization shall be bound under the Collateral Management Agreement and by the terms of said assignment in the same manner as the Issuer is bound thereunder. Notwithstanding the foregoing, the Issuer

may assign its right, title and interest in (but not its obligations under) the Collateral Management Agreement to the Trustee pursuant to the grant of a security interest under the Indenture.

Amendment

The Collateral Management Agreement may not be modified or amended other than by an agreement in writing executed by the Issuer and the Collateral Manager and in accordance with the Indenture. No amendment or modification to any material terms of the Collateral Management Agreement may be made without the prior written consent of a Majority of the Controlling Class and a Majority of the Subordinated Notes.

Compensation and Indemnification of the Collateral Manager

As compensation for the performance of its obligations as Collateral Manager, the Collateral Manager will be entitled to receive a fee on each Payment Date (in accordance with the Priority of Payments), which will consist of the Senior Collateral Management Fee, the Subordinated Collateral Management Fee and the Incentive Collateral Management Fee (collectively, the "*Collateral Management Fee*"). The Collateral Management Fee will be payable on each Payment Date to the extent of the funds available for such purpose in accordance with the Priority of Payments. The Senior Collateral Management Fee (the "*Senior Collateral Management Fee*") will accrue quarterly in arrears on each Payment Date (prorated for the related Interest Accrual Period), in an amount equal to 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; *provided* that the Senior Collateral Management Fee payable on any Payment Date shall not include any such fee (or any portion thereof) that has been waived or deferred by the Collateral Manager no later than the Determination Date immediately prior to such Payment Date pursuant to the Collateral Management Agreement. The Subordinated Collateral Management Fee (the "*Subordinated Collateral Management Fee*") will accrue quarterly in arrears on each Payment Date (prorated for the related Interest Accrual Period), in an amount equal to 0.20% 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; *provided* that the Subordinated Collateral Management Fee payable on any Payment Date shall not include any such fee (or any portion thereof) that has been waived or deferred by the Collateral Manager no later than the Determination Date immediately prior to such Payment Date pursuant to the Collateral Management Agreement.

If the Collateral Management Agreement is terminated or Marathon has resigned or is removed as the Collateral Manager, each of the Senior Collateral Management Fee and the Subordinate Collateral Management Fee will be prorated for any partial period elapsing from the prior Payment Date to the date of such termination, resignation or removal and shall be due and payable on the first Payment Date following the date of termination, resignation or removal, subject to the Priority of Payments and, for the avoidance of doubt, to the extent that, by operation of the Priority of Payments on such Payment Date, there are insufficient funds available to pay such prorated amount in full, the unpaid portion of such prorated amount shall be payable on each subsequent Payment Date, subject to the Priority of Payments, until paid in full.

In addition to the Senior Collateral Management Fee and the Subordinated Collateral Management Fee, on each Payment Date, in accordance with the Priority of Payments, the Collateral Manager will be entitled to receive an incentive collateral management fee (the "*Incentive Collateral Management Fee*"). The Incentive Collateral Management Fee will be payable in accordance with the Priority of Payments and will equal 20.0% of the Interest Proceeds and Principal Proceeds available for distribution to the Holders of Subordinated Notes under the Priority of Payments on and after the Payment Date on which the Subordinated Notes issued on the Closing Date have received an Internal Rate of Return of at least 12.0% (calculated from the Closing Date to and including such Payment Date). If Marathon has resigned or is removed as the Collateral

Manager, the Incentive Collateral Management Fee, if any, will be payable on each Payment Date after such resignation or removal to Marathon and the successor Collateral Manager(s) appointed under the Collateral Management Agreement pro rata calculated based on duration of service as collateral manager for the Issuer calculated from the Closing Date to (and including) such Payment Date.

The Senior Collateral Management Fee is payable on each Payment Date only to the extent that sufficient Interest Proceeds or Principal Proceeds are available. To the extent it is not paid on any Payment Date when due, the Senior Collateral Management Fee will be deferred and will be payable on subsequent Payment Dates in accordance with the Priority of Payments, without interest.

If amounts distributable on any Payment Date in accordance with the Priority of Payments are insufficient to pay the Subordinated Collateral Management Fee in full (other than as a result of a waiver or deferral of such Subordinated Collateral Management Fee by the Collateral Manager), then a portion of the Subordinated Collateral Management Fee equal to the shortfall will be deferred and will accrue interest at a rate of LIBOR for the applicable period plus 3.00% per annum and will be payable on subsequent Payment Dates on which funds are available therefor according to the Priority of Payments.

The Collateral Manager may, in its sole discretion (but shall not be obligated to), elect to waive all or any portion of the Collateral Management Fee, payable to the Collateral Manager on any Payment Date. Any such election shall be made by the Collateral Manager delivering written notice thereof to the Trustee no later than the Determination Date immediately prior to such Payment Date. Any election to waive the Collateral Management Fee may also take the place of written standing instructions to the Trustee; *provided* that such standing instructions may be rescinded by the Collateral Manager at any time except during the period between a Determination Date and Payment Date.

The Collateral Manager may, in its sole discretion, elect to defer payment of any or all of its Senior Collateral Management Fee or Subordinated Collateral Management Fee otherwise due and payable on any Payment Date (respectively, the "*Current Deferred Senior Collateral Management Fee*" and the "*Current Deferred Subordinated Collateral Management Fee*" and, collectively, the "*Current Deferred Collateral Management Fee*"). Any Current Deferred Collateral Management Fee for such Payment Date will be distributed as Interest Proceeds or, at the option of the Collateral Manager, as Principal Proceeds. After such Payment Date, any Current Deferred Collateral Management Fee will be added to the cumulative amount of the Senior Collateral Management Fee or the Subordinated Collateral Management Fee, as applicable, which the Collateral Manager has elected to defer on prior Payment Dates and which has not been repaid (respectively, the "*Cumulative Deferred Senior Collateral Management Fee*" and the "*Cumulative Deferred Subordinated Collateral Management Fee*" and, collectively, the "*Cumulative Deferred Collateral Management Fee*"). Any Cumulative Deferred Senior Collateral Management Fee or any Cumulative Deferred Subordinated Collateral Management Fee will be payable, without interest, on any subsequent Payment Date at the election of the Collateral Manager to the extent funds are available for such purpose in accordance with the Priority of Payments and, in the case of the Cumulative Deferred Senior Collateral Management Fee, subject to the additional requirement that the payment of such amount does not cause the non-payment or deferral of interest on any Class of Secured Notes. Any election to defer the Collateral Management Fee may also take the place of written standing instructions to the Trustee; provided that such standing instructions may be rescinded by the Collateral Manager at any time except during the period between a Determination Date and Payment Date.

The Collateral Manager shall 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. The Issuer will reimburse the Collateral Manager for

expenses including fees and out-of pocket expenses reasonably incurred by the Collateral Manager in connection with the services provided under the Collateral Management Agreement with respect to (i) any fees, expenses or other amounts payable to the Rating Agencies, the Collateral Administrator, the Trustee, the Independent accountants appointed under the Indenture or any other accountants of the Issuer, (ii) the reasonable expenses incurred by the Collateral Manager to employ outside legal advisers, consultants, agents, rating agencies, accountants, brokers and other professionals retained by the Issuer or the Collateral Manager (on behalf of the Issuer) reasonably necessary in connection with the evaluation, transfer, restructuring, default or enforcement of any Collateral Obligation or any proposed purchase of a Collateral Obligation by the Issuer (excluding costs or fees associated with obtaining investment research in the ordinary course) and any reasonable fees and expenses incurred by the Collateral Manager in obtaining advice from legal advisers or consultants with respect to its obligations under the Collateral Management Agreement, (iii) asset pricing and asset rating services, compliance services and software, and accounting, programming and data entry services directly related to the management of the Assets, (iv) travel and other miscellaneous expenses incurred and paid by the Collateral Manager in connection with (1) the Collateral Manager's management of the Collateral Obligations (including, without limitation, expenses related to the purchase and sale of any Collateral Obligations, the workout of Collateral Obligations, research systems and compliance monitoring) and (2) the purchase and sale of any Collateral Obligations and (v) brokerage commissions, transfer fees, registration costs, taxes and other similar costs and any and all costs and expenses incurred in connection with the acquisition, disposition of investments on behalf of the Issuer (whether or not actually consummated), including attorneys' fees and disbursements; *provided* that, to the extent any fees, expenses or other amounts set forth in clauses (i), (ii), (iii), (iv) and (v) above are incurred for the benefit of the Issuer and other entities affiliated with or advised by the Collateral Manager, the Issuer shall be responsible for only a pro rata portion of such expenses of the Collateral Manager, based on a good faith allocation by the Collateral Manager of such expenses among all such entities and the Issuer. The fees and expenses payable to the Collateral Manager on any Payment Date are payable only as described under "Overview of Terms—Priority of Payments."

Generally, the Collateral Manager will not be liable to the Issuer, the Trustee or the Holders of Notes for any loss incurred as a result of the actions taken or recommended by the Collateral Manager under the Collateral Management Agreement or the Indenture, except (x) by reason of acts or omissions constituting bad faith, willful misconduct, gross negligence or reckless disregard in the performance of its obligations thereunder or (y) for any losses that arise out of or are based upon any information provided by the Collateral Manager expressly for inclusion in the final Offering Circular and contained in the final Offering Circular, as thereafter amended or supplemented, in the sections entitled "Risk factors—Relating to Certain Conflicts of Interest—Past performance of Collateral Manager not indicative," "Risk factors—Relating to Certain Conflicts of Interest—The Issuer will depend on the managerial expertise available to the Collateral Manager and its key personnel," "Risk factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving the Collateral Manager and its affiliates" and "The Collateral Manager" (collectively, the "*Collateral Manager Information*"), that contains an untrue statement of material fact or omission to state a material fact necessary in order to make statements therein, in light of the circumstances under which they were made, not misleading.

Additionally, the Collateral Management Agreement will provide that the Collateral Manager will not be responsible for any loss, damage or failure to fulfill its duties under the Collateral Management Agreement if such loss, damage or failure is the result, whether directly or indirectly, of the occurrence of a Force Majeure Event, *provided* that (i) such Force Majeure Event has a material adverse effect on the ability of the Collateral Manager to perform its duties under the Collateral Management Agreement, and (ii) the Collateral Manager uses commercially reasonable efforts to minimize the effect of the same. In no event will the Collateral Manager be liable for any special, indirect or consequential loss or damage of any kind whatsoever (including but not limited to loss of profits) regardless of whether such losses or damages are foreseeable, or if the Collateral

Manager has been advised of the likelihood of such losses or damages, and regardless of the form of action. As used herein, the term "*Force Majeure Event*" means such an operation of the forces of nature as reasonable foresight and ability could not foresee or reasonably provide against including but not limited to, acts of God, flood, war (whether declared or undeclared), terrorism, fire, strikes or work stoppages for any reason, embargo, government action, including any laws, ordinances, regulations or the like which restrict or prohibit the providing of the services contemplated by the Collateral Management Agreement, inability to obtain material, equipment, or communications or computer facilities, or the failure of equipment or interruption of communications or computer facilities, and other causes beyond a party's control, whether or not of the same class or kind as specifically named above. For the avoidance of doubt, events giving rise to a Force Majeure Event will not limit the determination of whether or not a Cause event has occurred, but the limitation on liability of the Collateral Manager for losses occurring as a result of a Force Majeure Event will apply notwithstanding that such Force Majeure Event also constitutes a Cause event.

Pursuant to the Collateral Management Agreement, the Issuer will indemnify and hold harmless (the Issuer in such case, the "*Indemnifying Party*") the Collateral Manager, Collateral Manager Related Parties and their respective stockholders, members, directors, officers, managers and employees (each such party being, in such case, an "*Indemnified Party*") from and against any and all expenses, losses, damages, liabilities, demands, charges or claims of any kind or nature whatsoever (including reasonable attorneys' fees and costs and expenses relating to investigating or defending any demands, charges and claims) (collectively, "*Losses*") (excluding any Losses in respect of or arising out of such Indemnified Party's election to acquire Collateral Obligations as principal), in respect of or arising from acts or omissions of any such Indemnified Party made in good faith in the performance of the Collateral Manager's duties under the Collateral Management Agreement and the Indenture and not (x) constituting bad faith, willful misconduct, gross negligence or reckless disregard of the Collateral Manager's duties under the Collateral Management Agreement and the Indenture, or (y) resulting from any information provided by the Collateral Manager (as such information may be amended or supplemented) expressly for inclusion in the final Offering Circular and contained in the final Offering Circular, in the sections entitled "Risk factors—Relating to Certain Conflicts of Interest—Past performance of Collateral Manager not indicative," "Risk factors—Relating to Certain Conflicts of Interest—The Issuer will depend on the managerial expertise available to the Collateral Manager and its key personnel," "Risk factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving the Collateral Manager and its affiliates" and "The Collateral Manager," that contains an untrue statement of material fact or omission to state a material fact necessary in order to make statements therein, in light of the circumstances under which they were made, not misleading.

Pursuant to the Collateral Management Agreement, the Collateral Manager will indemnify and hold harmless (the Collateral Manager in such case, the "*Indemnifying Party*") the Issuer and the Trustee and their respective stockholders, members, directors, officers, managers and employees (each, an "*Indemnified Party*") from and against any and all Losses in respect of or arising out of (x) any acts or omissions of the Collateral Manager, its stockholders, directors, officers, managers or employees constituting bad faith, willful misconduct, gross negligence in the performance of, or reckless disregard with respect to, the Collateral Manager's duties under the Collateral Management Agreement and the Indenture and (y) any information provided by the Collateral Manager (as such information may be amended or supplemented) expressly for inclusion in the final Offering Circular and contained in the final Offering Circular, in the sections entitled "Risk factors—Relating to Certain Conflicts of Interest—Past performance of Collateral Manager not indicative," "Risk factors—Relating to Certain Conflicts of Interest—The Issuer will depend on the managerial expertise available to the Collateral Manager and its key personnel," "Risk factors—Relating to Certain Conflicts of Interest—The Issuer will be subject to various conflicts of interest involving the Collateral Manager and its affiliates" and "The Collateral Manager," that contains an untrue statement of material fact or omission to state a material fact necessary in order to make statements therein, in light of the circumstances under which they were made, not misleading.

Waiver of Rights in Connection with a Manager Selection or Removal Action

Any holder of a Note entitled to exercise rights in connection with a Manager Selection or Removal Action (as defined below) may, by notice to the Trustee in the form attached to the Indenture (a "*Notice of Waiver*"), waive such rights; *provided* that (A) such holder may withdraw such waiver by notice to the Trustee, (B) any such waiver shall not be binding on any subsequent holder of such Note and (C) no such withdrawal, and no exercise of such rights by a subsequent holder, shall have any retroactive effect. Any Note held by a holder that has waived such rights (and not withdrawn such waiver) shall be a "*Disregarded Note*". Disregarded Notes will retain voting rights with respect to all other matters as to which the holders of such Notes are entitled to vote. Upon transfer of the Disregarded Note to any other person and written notice to the Trustee of such transfer, such Note shall cease to be a Disregarded Note. A "*Manager Selection or Removal Action*" is a vote, request, demand, authorization, direction, notice, consent, waiver or proposal in connection with (i) the removal of the Collateral Manager for "cause" under the Collateral Management Agreement, (ii) the waiver of any event constituting "cause" as a basis for termination of the Collateral Management Agreement and removal of the Collateral Manager or (iii) the proposal or approval of a successor Collateral Manager following the resignation, termination or removal of the Collateral Manager under the Collateral Management Agreement, including petitioning a court of competent jurisdiction for the appointment of a successor Collateral Manager. Disregarded Notes will be disregarded and deemed not to be Outstanding with respect to any Manager Selection or Removal Action. In determining whether the holders of the requisite Aggregate Outstanding Amount of a Class have taken any Manager Selection or Removal Action, if a Class entitled to exercise such rights is composed entirely of Disregarded Notes, then the next most senior Class of Notes shall be entitled to exercise the specified rights in lieu of the Class composed entirely of Disregarded Notes. Accordingly, if 100% of the Aggregate Outstanding Amount of the Controlling Class is composed of Disregarded Notes, the next most senior Class that is not composed entirely of Disregarded Notes will become entitled to exercise rights otherwise exercisable by the Controlling Class in connection with a Manager Selection or Removal Action. The Trustee will notify the Issuer, the Collateral Manager and the holders of Notes promptly following such time as the Trustee has received Notices of Waiver (that have not been withdrawn) from holders representing 100% of the Aggregate Outstanding Amount of any Class of Notes.

The Co-Issuers

General

Marathon CLO VII Ltd. (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 Offered Securities and engaging in certain related transactions. The Issuer was incorporated on July 10, 2014 in the Cayman Islands with registered number IT-289647 and has an indefinite existence. The Issuer's registered office and the business address of each of the directors of the Issuer is at the offices of Intertrust SPV (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands, telephone no. (345) 943-3100, facsimile no. (345) 945-4757. The directors of the Issuer are Mora Goddard and Christopher Bryan. 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 except in connection with the warehousing facility described in this Offering Circular. 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 alternate director or duly appointed proxy in his absence) is at liberty to vote in respect of any contract or transaction in which he 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 the alternate director appointed by him 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 1,000 ordinary voting shares, U.S.$1.00 par value per share (the "*Issuer Ordinary Shares*"). All of the Issuer Ordinary Shares are, or will be on the Closing Date, held by Intertrust SPV (Cayman) 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 certain other eligible assets will be pledged to the Trustee as security for the Issuer's obligations under the Secured Notes and the Indenture.

Marathon CLO VII 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 Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes. The Co-Issuer was formed on October 1, 2014 in the State of Delaware with file number 5613655 and has an indefinite existence. The Co-Issuer's registered office is at 850 Library Avenue, Suite 204, Newark, DE 19711, telephone no. (302) 738-6680. The Co-Issuer has no substantial assets and will not pledge any assets to secure the Notes. The Co-Issuer will only be capitalized to the extent of its membership interests of U.S.$10.00. The Co-Issuer's membership interests will be held by the Issuer.

The sole independent manager of the Co-Issuer is Donald J. Puglisi. The principal outside function of Donald J. Puglisi consists of being a finance professor emeritus at the University of Delaware and serving as a corporate director for a variety of entities. Donald J. Puglisi may be contacted at the principal office of the Co-Issuer. The Co-Issuer's principal office is at c/o Puglisi & Associates, 850 Library Avenue, Suite 204, Newark, DE 19711, telephone no. (302) 738-6680. 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 Notes are not obligations of the Trustee, the Collateral Manager, JPMorgan, the Collateral Administrator, or any of their respective affiliates, the Administrator, the Share Trustee or any

directors, managers or officers of the Co-Issuers. The Co-Issuer will not make any payments of interest or principal on the Offered 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 Offered Securities and the Issuer Ordinary Shares (before deducting expenses of the offering) is set forth below:

	Amount
Class A-1 Notes	$272,650,000
Class A-2 Notes	$54,950,000
Class B Notes	$36,400,000
Class C Notes	$28,600,000
Class D Notes	$18,650,000
Subordinated Notes	$49,500,000
Total Debt	$460,750,000
Issuer Ordinary Shares	$1,000
Retained Earnings	
Total Equity	$1,000
Total Capitalization	$460,751,000

The Co-Issuer has no other liabilities other than the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes.

Business of the Co-Issuers

The Issuer's Memorandum and Articles of Association describes the objects of the Issuer, which include the activities to be carried out by the Issuer in connection with the Offered Securities. The Co-Issuer's limited liability company agreement describes the powers of the Co-Issuer, which include the activities to be carried out by the Co-Issuer in connection with the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes. The Co-Issuers have not issued securities which are currently outstanding, other than common shares or ordinary shares (as applicable), prior to the date of Offering Circular and have not listed any securities on any exchange. The Co-Issuers will not undertake any activities other than the issuance, redemption and payment of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes and any additional notes issued pursuant to the Indenture and, in the case of the Issuer, the issuance, redemption and payment of the Class D Notes and the Subordinated Notes and any additional notes issued pursuant to the Indenture, the acquisition, holding, selling, exchanging, redeeming and pledging of Collateral Obligations and Eligible Investments, solely for its own account, and other incidental activities, including entering into the Transaction Documents to which it is a party. The Issuer will have no subsidiaries other than the Co-Issuer and any subsidiary that (x) meets the then-current general criteria of the Rating Agencies for bankruptcy remote entities, (y) is formed for the sole purpose of holding equity interests in "partnerships" (within the meaning of Section 7701(a)(2) of the Code), "grantor trusts" (within the meaning of the Code) or entities that are disregarded as separate from their owners for U.S. federal income tax purposes that are or may be engaged or deemed to be engaged in a trade or business in the United States, in each case received in a workout of a Defaulted Obligation or otherwise acquired in connection with a workout of a Collateral Obligation (and not in a purchase from the market) (each, an "*ETB Subsidiary*") and (z) includes customary "non-petition" and "limited recourse" provisions in any agreement to which it is a party; *provided* that an ETB Subsidiary may not hold any interest that is treated as a real property interest for purposes of Section 897 of the Code or causes the Issuer's subsidiary to have or be deemed to have an ownership interest or a controlling interest in real property or an ownership interest in an entity that has a controlling interest in real property. The Co-Issuer will have no subsidiaries. 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 Offered Securities, 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 Secured Notes—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria."

In addition, pursuant to the terms of the Collateral Administration Agreement, the Issuer will retain the Collateral Administrator to, among other things, compile certain reports with respect to the Collateral Obligations. 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.

Intertrust SPV (Cayman) Limited (the "*Administrator*"), a Cayman Islands licensed trust company, will act as the corporate administrator of the Issuer. 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 agreement between the Administrator and the Issuer (the "*Administration Agreement*"), the Administrator will perform various corporate management functions on behalf of the Issuer, including communications with the general public, and the provision of certain clerical, administrative and other services in the Cayman Islands until termination of the Administration Agreement. In consideration of the foregoing, the Administrator will receive various fees and other charges payable by the Issuer at rates agreed upon from time to time plus expenses.

The activities of the Administrator under the Administration Agreement will be subject to the overview of the Issuer's board of directors. The Administration Agreement may be terminated by either the Issuer or the Administrator upon thirty (30) days written notice, in which case a replacement Administrator will be appointed. The Administrator's principal office is at Intertrust SPV (Cayman) Limited, 190 Elgin Avenue, George Town, Grand Cayman KY1-9005, Cayman Islands; Attention: Marathon CLO VII Ltd.

U.S. federal income tax considerations

Any advice contained herein, including any opinions of counsel referred to herein, is not intended or written to be used, and may not be able to be used by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer, and any such advice is written in connection with the promotion or marketing of the Notes and the transactions described herein (or in such opinion or other advice). Each taxpayer should seek advice based on the taxpayer's particular circumstances from an independent tax advisor.

Introduction

The following is a overview of certain of the United States federal income tax consequences of an investment in the Notes by purchasers that acquire their Notes in the initial offering and, other than with respect to the Subordinated Notes, for an amount equal to their "issue price" (as defined pursuant to the Internal Revenue Code of 1986, as amended (the "*Code*") and applicable U.S. Treasury Regulations). The discussion and the opinions referenced below are based upon laws, regulations, rulings, and decisions currently in effect, all of which are subject to change, possibly with retroactive effect. Prospective investors should note that no rulings have been, or are expected to be, sought from the IRS with respect to any of the United States federal income tax consequences discussed below, and no assurance can be given that the IRS or a court will not take contrary positions. Further, the following overview does not address all United States federal income tax consequences applicable to any given investor, nor does it address the United States federal income tax considerations (except, in some circumstances, in very general terms) applicable to all categories of investors, some of which may be subject to special rules, such as Non-U.S. Holders (as such term is defined below), banks, real estate investment trusts, regulated investment companies, insurance companies, tax-exempt organizations, dealers in securities or currencies, electing large partnerships, natural persons, cash method taxpayers, S corporations, estates and trusts, investors that hold their Notes as part of a hedge, straddle, or an integrated or conversion transaction, or U.S. Holders whose "functional currency" is not the Dollar. Furthermore, it does not address alternative minimum tax consequences, or the indirect effects on investors of equity interests in either a U.S. Holder (as such term is defined below) or a Non-U.S. Holder. In addition, this overview is generally limited to investors that will hold their Notes as "capital assets" within the meaning of Section 1221 of the Code. Investors should consult their own tax advisors to determine the Cayman Islands, United States federal, state, local, and other tax consequences of the purchase, ownership, and disposition of the Notes.

As used herein, "*U.S. Holder*" means a beneficial owner of a Note that is an individual citizen or resident of the United States for U.S. federal income tax purposes, a corporation or other entity taxable as a corporation created or organized in, or under the laws of, the United States or any state thereof (including the District of Columbia), an estate, the income of which is subject to United States federal income taxation regardless of its source, or a trust for which a court within the United States is able to exercise primary supervision over its administration and for which one or more United States persons (as defined in the Code) have the authority to control all of its substantial decisions or a trust that has made a valid election under U.S. Treasury Regulations to be treated as a domestic trust.

"*Non-U.S. Holder*" means any holder (or beneficial holder) of a Note that is not a U.S. Holder or an entity treated as a partnership for U.S. federal income tax purposes.

If a partnership (or other pass-through entity) holds Notes, the tax treatment of a partner (or other equity holder) will generally depend upon the status of the partner (or other equity holder) and upon the activities of the partnership (or other pass-through entity). Partners of partnerships (or equity holders of other pass-thru entities) holding Notes should consult their own tax advisors.

Notes issued in additional offerings by the Issuer or the Co-Issuer may not be fungible for U.S. federal income tax purposes with the Notes issued in the original offering.

FATCA and the Cayman IGA

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, 2016, 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 either complies with the Cayman IGA (which it expects to do) or enters into an FFI Agreement. In general, the Cayman IGA requires, among other things, that the Issuer collect and provide to the Cayman Islands government substantial information regarding direct and indirect holders of the Notes and withhold (or instruct paying agents to withhold) 30% of certain payments to certain holders of Notes (as described below).

The Issuer intends to comply with its obligations under the Cayman IGA and FATCA. However, in some cases, the ability to comply and avoid FATCA withholding tax could 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 Notes 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 itself compliant with FATCA. The terms of the Cayman IGA require the Issuer to comply with Cayman Islands legislation implemented to give effect to FATCA. Unless it qualifies as a Non-Reporting Cayman Islands Financial Institution, the Issuer will report information about its holders to the Cayman Islands Tax Information Authority, which will exchange such information with the IRS under the terms of the Cayman IGA. Withholding generally will not be imposed on payments made (x) to the Issuer or (y) except as described below, on payments made by the Issuer. Future guidance under FATCA or the Cayman IGA may subject payments on Subordinated Notes (or other classes of Notes that are treated as equity for U.S. federal income tax purposes) and Secured Notes that are materially modified more than six months after the issuance of such future guidance addressing payments on non-U.S. source obligations such as the Notes, to a withholding tax of 30% if each foreign financial institution that holds any such Note, or through which any such Note is held, has not entered into an information reporting agreement with the IRS under FATCA or complied with the terms of a relevant intergovernmental agreement.

Each owner of an interest in Notes will be required to provide the Issuer and the Trustee or their agents with information requested in connection with FATCA, as discussed above. Holders that do not supply required information, or whose ownership of Notes may otherwise prevent the Issuer from achieving FATCA compliance (for example by causing the Issuer to be affiliated with a non-compliant foreign financial institution), may be subjected to punitive measures under the Indenture, including withholding, forced transfer of their Notes, assignment of separate CUSIPs to their Notes, or being subject to an amendment to the Indenture in order for the Issuer to achieve FATCA compliance. There can be no assurance, however, that these measures will be effective, and that the Issuer and holders of the Notes will not be subject to withholding taxes under FATCA or the Cayman Islands legislation implementing the Cayman IGA. The imposition of such taxes could materially affect the Issuer’s ability to make payments on the Notes or could reduce such payments. In addition, the imposition of withholding taxes and incurrence by the Issuer of FATCA compliance costs in excess of certain thresholds (whether actually imposed or incurred, or reasonably anticipated) is a Tax Event that allows the Issuer to retire Notes.

Each potential purchaser of Notes should consult its own tax advisor to obtain a more detailed explanation of FATCA and to learn how it might affect such investor in its particular circumstance.

U.S. Federal Income Tax Consequences to the Issuer

Upon the issuance of the Notes, Ashurst LLP will deliver an opinion generally to the effect that, under current law, assuming compliance with the Indenture (and certain other documents) and based upon certain factual representations made by the Issuer and/or the Collateral Manager, and assuming the correctness of all opinions and advice of counsel that permit the Issuer to take or fail to take any action under the transaction documents based upon such opinions or advice, although the matter is not free from doubt, the Issuer will not be treated as engaged in the conduct of a trade or business within the United States for U.S. federal income tax purposes. The opinion of Ashurst LLP will be based on certain factual assumptions, covenants and representations as to the Issuer's contemplated activities. The Issuer intends to conduct its affairs in accordance with such assumptions and representations, and the remainder of this overview assumes that the Issuer will not be treated as engaged in a trade or business within the United States for U.S. federal income tax purposes. In addition, you should be aware that the opinion referred to above will be predicated upon the Collateral Manager's compliance with certain tax restrictions set out in the Indenture and the Collateral Management Agreement (the "*Trading Restrictions*"), which are intended to prevent the Issuer from engaging in activities which could give rise to a trade or business within the United States. Although the Collateral Manager has undertaken generally to comply with the Trading Restrictions, the Collateral Manager is permitted to depart from the Trading Restrictions if it obtains an opinion from nationally recognized tax counsel (or written advice from Ashurst LLP or Schulte Roth & Zabel LLP) that the departure will not cause the Issuer to be treated as engaged in a trade or business within the United States. There can be no assurance that any such opinion or advice of tax counsel (other than Ashurst LLP) will be consistent with Ashurst LLP's views and opinion standards, and any such departures would not be covered by the opinion of Ashurst LLP referred to above. The opinion of Ashurst LLP is based on the documents as of the Closing Date, and accordingly, will not address any potential U.S. federal income tax effect of any supplemental indenture. Furthermore, the Collateral Manager is not obligated to monitor (and in some cases conform the Issuer's activities in order to comply with) changes in law that could affect whether the Issuer is treated as engaged in a U.S. trade or business. The Collateral Manager might act in accordance with the Trading Restrictions notwithstanding the issuance of new decisions by the courts, new legislation or official guidance (regardless of whether such new interpretation, legislation or guidance would either merely increase the risk that the Issuer would be, or actually cause the Issuer to be, engaged in a U.S. trade or business).

In addition, the opinion of Ashurst LLP and any such other advice or opinions are not binding on the IRS or the courts, and no ruling will be sought from the IRS regarding this, or any other, aspect of the U.S. federal income tax treatment of the Issuer. Accordingly, in the absence of authority on point, the U.S. federal income tax treatment of the Issuer is not entirely free from doubt, and there can be no assurance that positions contrary to those stated in the opinion of Ashurst LLP or any such other advice or opinions may not be asserted successfully by the IRS.

If the IRS were to characterize successfully the Issuer as engaged in a United States trade or business, among other consequences, the Issuer would be subject to net income taxation in the United States on its income (and possibly on a gross basis) that was effectively connected with such business (as well as the branch profits tax). The levying of such taxes could materially affect the Issuer's financial ability to make payments on the Notes.

There have been recent legislative proposals that were not enacted that proposed to treat a foreign corporation as a domestic corporation subject to U.S. federal income taxation if the foreign corporation's assets consisted primarily of assets managed on behalf of investors and decisions as to the management of those assets were made within the United States. If legislation with similar provisions were to be enacted and were to apply to the Issuer, then depending on the specific terms of those provisions, such a change in law could have a material adverse effect on the Issuer's ability to make payments on the Notes and could constitute a Tax Event that would permit a tax redemption.

Payments on the Collateral Obligations (except for commitment fees and other similar fees (including, without limitation, certain payments on obligations or securities that include a participation in or that support a letter of credit) associated with Revolving Collateral Obligations or Delayed Drawdown Collateral Obligations) are required not to be subject to withholding tax when the Collateral Obligations are acquired by the Issuer unless the Obligor thereof is required to make payments of additional amounts (so called "gross-up payments") that cover the full amount of such withholding tax on an after-tax basis. The Issuer will not, however, make any independent investigation of the circumstances surrounding the issue of the individual assets comprising the Assets, and there can be no assurance that income derived by the Issuer will not become subject to withholding tax as a result of a change in tax law or administrative practice or other causes. Moreover, as indicated above, certain payments received by the Issuer are permitted to be reduced by any applicable withholding taxes. In addition, if the Issuer is or becomes a CFC (defined below), the Issuer will incur U.S. withholding tax on any interest received from a related United States person. Certain distributions on Equity Securities likely will, and distributions on defaulted assets and certain securities rated below investment grade may, be subject to withholding taxes imposed by the United States.

If withholding or deduction of any taxes from payments is required by law in any jurisdiction, the Issuer will be under no obligation to make any additional payments to any holder in respect of such withholding or deduction.

Notwithstanding the foregoing, any commitment fee, facility fee or similar fee that the Issuer earns may be subject to a 30% withholding tax and any lending fees received under a securities lending agreement may also be subject to withholding tax. In the event withholding in respect of an Excluded Collateral Obligation is not initially imposed but is imposed retroactively, such withholding would reduce amounts otherwise available to make payments on the Notes (and could adversely affect some classes of Notes that would not have been adversely affected had the withholding been imposed initially).

In addition, under FATCA the Issuer could be subject to a 30% U.S. withholding tax on (i) certain U.S.-source payments and, after December 31, 2016, the proceeds of certain sales received by the Issuer with respect to an obligation that is not outstanding on or that is materially modified on or after July 1, 2014 and (ii) payments treated as "foreign passthru payments" within the meaning of FATCA received by the Issuer after December 31, 2016 with respect to an obligation that is not outstanding on or is materially modified on or after the date that is six months following the issuance of final regulations defining the term "foreign passthru payment," in each case. However, under the terms of the Cayman IGA, withholding will not be imposed on payments made to the Issuer unless the IRS has specifically listed the Issuer as a nonparticipating financial institution.

U.S. Classification and U.S. Tax Treatment of the Secured Notes

The Issuer intends to agree and, by its acceptance of a Secured Note, each Holder will be deemed to have agreed, to treat the Secured Notes as debt of the Issuer for U.S. federal income tax purposes, except as otherwise required by applicable law; *provided* that this shall not limit a holder from making a protective qualified electing fund election (described below under "—Treatment of U.S. Holders of the Subordinated Notes—QEF Election") or filing certain United States tax information returns required of only certain equity owners with respect to various reporting requirements under the Code (as described below under "—Transfer and Other Reporting Requirements"). Upon the issuance of the Notes, Ashurst LLP will deliver an opinion generally to the effect that, assuming compliance with the Indenture (and certain other documents), and based on certain factual representations made by the Issuer and/or the Collateral Manager, the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes will, and the Class D Notes should, be characterized as debt of the Issuer for U.S. federal income tax purposes. The determination of whether a Note will be treated as debt for United States federal income tax purposes is based on the facts and circumstances existing at the time the Secured Note is issued.

The opinion of Ashurst LLP will be based on current law and certain representations and assumptions. Prospective investors should be aware that opinions of counsel are not binding on the IRS, and there can be no assurance that the IRS will not seek to characterize as something other than indebtedness any particular Class or Classes of the Notes. Further, the Co-Issuers may, for certain specified purposes, enter into supplemental indentures, some of which may be entered into without the consent of any Holders of Notes and without requiring the Issuer to consider specifically if such supplemental indentures will, for United States federal income tax purposes, affect the characterization (as debt or equity) of the Notes. The opinion of special U.S. tax counsel is based on the documents as of the Closing Date, and accordingly, will not address any potential U.S. federal income tax effect of any supplemental indenture. Except as discussed under "—Alternative Characterization of the Notes" below, the balance of this discussion assumes that the Secured Notes of all Classes will be characterized as debt of the Issuer for U.S. federal income tax purposes.

For U.S. federal income tax purposes, the Issuer, and not the Co-Issuer, will be treated as the issuer of the Notes.

Subject to the discussion of original issue discount below, U.S. Holders of the Secured Notes generally will include payments of stated interest received on the Notes in income in accordance with their regular method of tax accounting as ordinary interest income from sources outside the United States.

A U.S. Holder of Notes issued with original issue discount ("*OID*") must include the OID in income on a constant yield-to-maturity basis (based on the original maturity of the Note) regardless of the timing of the receipt of the cash attributable to such income. A Note will have been issued with OID if its stated redemption price exceeds its issue price by an amount as great as 0.25% of its stated redemption price multiplied by its weighted average maturity (and in such case the amount of OID will be equal to its stated redemption price less its issue price). Additionally, because stated interest payments on the Deferrable Notes may not be considered to be unconditionally payable (a requisite for stated interest to not constitute OID) since they may be deferred in certain events, the Issuer intends to treat all interest on the Deferrable Notes (together with any excess of stated principal over issue price) as OID. U.S. Holders would be entitled to claim a loss upon maturity or other disposition of a Note with respect to OID accrued and included in gross income for which cash is not received. Such a loss generally would be a capital loss.

The Secured Notes may be debt instruments described in Section 1272(a)(6) of the Code (debt instruments that may be accelerated by reason of the prepayment of other debt obligations securing such debt instruments). Special tax rules principally relating to the accrual of OID, market discount, and bond premium apply to debt instruments described in Section 1272(a)(6). Further, those debt instruments may not be treated for U.S. federal income tax purposes as part of an integrated transaction with a related hedge under U.S. Treasury Regulation Section 1.1275-6. Prospective investors should consult with their own tax advisors regarding the effects of Section 1272(a)(6).

The Co-Issuers may, for certain specified purposes, enter into supplemental indentures, some of which may be entered into without the consent of any Holders of Notes and without requiring the Issuer to consider specifically if such supplemental indentures will cause, for United States federal income tax purposes, the Notes to be deemed to have been exchanged for the modified Notes. The opinion of special U.S. tax counsel is based on the documents as of the Closing Date, and accordingly, will not address any potential U.S. federal income tax effect of any supplemental indenture. In the event that a supplemental indenture causes the Notes to be deemed to have been exchanged in such a transaction, gain or loss may be recognized in the manner indicated in the paragraph below.

In general, a U.S. Holder of a Secured Note will have a basis in that Secured Note equal to the cost of that Secured Note, increased by any OID and any market discount includible in income by such U.S. Holder and reduced by any amortized premium and any principal payments and any stated interest not treated as unconditionally payable for purposes of computing OID. Upon a sale, exchange or other disposition (including a deemed disposition) of a Secured Note, a U.S. Holder generally will recognize gain or loss equal to the difference between the amount realized on the sale, exchange or other disposition (less any accrued and unpaid interest (other than OID), which would be taxable as such) and the U.S. Holder's tax basis in such Secured Note. Such gain or loss generally will be long-term capital gain or loss if the U.S. Holder held the Secured 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; however, the ability of U.S. Holders to offset capital losses against ordinary income is limited. See also "—3.8% Medicare Tax on Net Investment Income" (for a discussion of the application of such tax).

Alternative Treatment of the Secured Notes

It is also possible that the Class B Notes, the Class C Notes and the Class D Notes could be treated as "contingent payment debt instruments" for federal income tax purposes. In this event, the timing of a U.S. Holder's OID inclusions could differ from that described above and any gain recognized on the sale, exchange, or retirement of such Notes would be treated as ordinary income and not capital gain.

Alternative Characterization of the Secured Notes

Notwithstanding Ashurst LLP's opinion, Holders and beneficial owners therein should note that there is some uncertainty regarding the appropriate classification of instruments such as the Secured Notes. It is possible, for example, that the IRS may contend that the Class D Notes, or any other Class of Secured Notes, should be treated in whole or in part as equity interests in the Issuer. Such a recharacterization might result in material adverse U.S. federal income tax consequences to U.S. Holders. Prospective investors should note, however, that the classification of an instrument as debt or equity is highly factual, and there can be no assurance that the IRS will not contend, and that a court will not ultimately hold, that one or more Classes of Notes, particularly the more junior Classes of Notes, are equity. For example, if a single investor or a group of investors that holds all of the Subordinated Notes also holds all of the Class D Notes, this would be one factor that could make it more likely that the Class D Notes were treated as equity for U.S. federal income tax purposes. If U.S. Holders of one or more Classes of the Secured Notes were treated as owning equity interests in the Issuer, the U.S. federal income tax consequences to those U.S. Holders would be as described under "—Treatment of U.S. Holders of the Subordinated Notes" and "—Transfer and Other Reporting Requirements." In order to avoid the application of the PFIC rules described below, each U.S. Holder of a Secured Note should consider making a qualified electing fund election provided in Section 1295 of the Code on a "protective" basis (although such a protective election may not be respected by the IRS because current regulations do not specifically authorize such an election). See "—Treatment of U.S. Holders of the Subordinated Notes—Status of the Issuer as a PFIC" and "—Treatment of U.S. Holders of the Subordinated Notes—QEF Election." Further, U.S. Holders of Secured Notes should consult with their own tax advisors with respect to whether, if those Secured Notes were treated, in whole or in part, as representing equity in the Issuer, they would be required to file information returns in accordance with sections 6038, 6038B, and 6046 of the Code (and, if so, whether they should file such returns on a protective basis).

Non-U.S. Holders of the Secured Notes

Subject to the discussion under "—FATCA and the Cayman IGA", above, a Non-U.S. Holder of a Secured Note that has no connection with the United States and is not related, directly or indirectly, to the Issuer or the holders of the Issuer's equity or the Subordinated Notes will not be subject to U.S. tax withholding on interest payments; *provided* that the Issuer is not engaged in a U.S. trade or

business for U.S. federal income tax purposes. Non-U.S. Holders may be required to make certain tax representations regarding the identity of the beneficial owner of the Secured Notes in order to receive payments free of tax withholding, and Non-U.S. Holders may be required to provide such certification in order to receive payments free of backup withholding and not to have such payments be subject to information reporting.

Gain realized by a Non-U.S. Holder on the redemption or disposition of a Secured Note will not be subject to U.S. federal income tax unless (i) the gain is effectively connected with the Non-U.S. Holder's conduct of a trade or business in the United States or (ii) the Non-U.S. Holder is an individual present in the United States for at least 183 days during the taxable year of redemption or disposition and certain other conditions are met.

Treatment of U.S. Holders of the Subordinated Notes

General. The Issuer intends to agree and, by its acceptance of a Subordinated Note, each Holder will be deemed to have agreed, to treat such Subordinated Notes as equity in the Issuer for U.S. federal income tax purposes, except as otherwise required by applicable law. If U.S. Holders of the Subordinated Notes were treated as owning debt in the Issuer, the U.S. federal income tax consequences to those U.S. Holders would be as described under "—U.S. Federal Income Tax Consequences to the Issuer—U.S. Classification and U.S. Tax Treatment of the Secured Notes". The balance of this discussion assumes that the Subordinated Notes will be characterized as equity in the Issuer for U.S. federal income tax purposes. Prospective investors should consult their own tax advisors regarding the consequences of their acquiring, holding or disposing of the Subordinated Notes.

The IRS could contend that Subordinated Notes should be treated as voting equity of the Issuer for U.S. federal income tax purposes.

Distributions on the Subordinated Notes. Subject to the anti-deferral rules discussed below, any payment on the Subordinated Notes that is distributed by the Issuer to a U.S. Holder that is subject to United States federal income tax will be taxable to that U.S. Holder as a dividend to the extent of the current and accumulated earnings and profits (determined under U.S. federal income tax principles) of the Issuer. Such payments will not be eligible for the dividends received deduction generally allowable to corporations and will not be eligible for the preferential income tax rate on qualified dividend income. Distributions in excess of earnings and profits will be non-taxable to the extent of, and will be applied against and reduce, the U.S. Holder's adjusted tax basis in the Subordinated Notes. Distributions in excess of earnings and profits and basis will be taxable as gain from the sale or exchange of property, as described below. Distributions on the Subordinated Notes received by certain individuals, estates and trusts may be includible in "net investment income" for purposes of the Medicare contribution tax. QEF and Subpart F inclusions (discussed below) in respect of the Subordinated Notes may, depending on a taxpayer's particular circumstances, be includible in "net investment income" subject to the Medicare contribution tax, and actual distributions with respect to prior inclusions that were not previously included in net investment income will generally be subject to such tax. See "—3.8% Medicare Tax on Net Investment Income".

Sale, Exchange or Other Disposition of the Subordinated Notes. In general, a U.S. Holder of the Subordinated Notes will recognize gain or loss upon the sale, exchange or other disposition of such Subordinated Notes in an amount equal to the difference between the amount realized and such U.S. Holder's adjusted tax basis in such Subordinated Notes. The character of that gain or loss (as ordinary or capital) generally will depend on whether the U.S. Holder either has made a QEF Election or is subject to the CFC rules (as each is described below). Initially, the tax basis of a U.S. Holder should equal the amount paid for the Subordinated Notes. That basis will be (i) increased by amounts taxable to the U.S. Holder by virtue of a QEF Election or the CFC rules, and (ii) decreased by

actual distributions from the Issuer that are deemed to consist of previously taxed amounts or to represent the return of capital.

Gain on the disposition of the Subordinated Notes by certain individuals, estates and trusts may be includible in "net investment income" for the purposes of the Medicare contribution tax. See "—3.8% Medicare Tax on Net Investment Income".

Anti-Deferral Rules. Prospective investors should be aware that certain of the procedural rules for "PFICs" and "QEF" elections (as these terms are defined below) are complex and should consult their own tax advisors regarding these rules.

The tax consequences for U.S. Holders of the Subordinated Notes discussed above are likely to be materially modified by the anti-deferral rules. In general, each U.S. Holder's investment in the Issuer will be taxed as an investment in a passive foreign investment company ("*PFIC*") or a controlled foreign corporation ("*CFC*"), depending (in part) upon the percentage of the Issuer's equity that is acquired and held by certain U.S. Holders. If applicable, the rules pertaining to CFCs generally override those pertaining to PFICs (although, in certain circumstances, both sets of rules may apply simultaneously).

Prospective investors should be aware that in determining what percentage of the equity of the Issuer is held by various categories of investors (for example, for purposes of the CFC and information reporting rules described below), the Subordinated Notes will be treated as equity (and possibly as voting equity) and the Collateral Manager's interest in certain portions of its fee and classes of Secured Notes may be considered equity (and possibly voting equity).

Prospective investors should be aware that the amount of the Issuer's income that is allocated to holders (under the QEF rules and/or the CFC rules discussed below) for any taxable year may be substantially greater than the amount of cash that is distributed on the Subordinated Notes for that year. Differences between allocated income and cash distributions for any taxable year may arise for a variety of reasons, including but not limited to, holding Assets subject to the OID rules or purchased at a discount or premium, application of interest or other income received by the Issuer to acquire Assets or pay principal on the Secured Notes and realization of cancellation of indebtedness income if the Issuer ultimately fails to pay any portion of the Secured Notes upon maturity.

Status of the Issuer as a PFIC. The Issuer will be treated as a "PFIC" for U.S. federal income tax purposes. U.S. Holders in PFICs, other than U.S. Holders that make a timely "qualified electing fund" or "QEF" election described below, are subject to special rules for the taxation of "excess distributions" (which include both certain distributions by a PFIC and any gain recognized on a disposition of PFIC stock). In general, Section 1291 of the Code provides that the amount of any "excess distribution" will be allocated to each day of the U.S. Holder's holding period for its PFIC stock. The amount allocated to the current taxable year will be included in the U.S. Holder's gross income for the current taxable year as ordinary income. With respect to amounts allocated to prior taxable years, the tax imposed for the current taxable year will be increased by the "deferred tax amount" (an amount calculated with respect to each prior taxable year by multiplying the amount allocated to that year by the highest rate of tax in effect for that year, together with an interest charge, as though the amounts of tax were overdue).

An excess distribution is the amount by which distributions for a taxable year exceed 125% of the average distribution in respect of the Subordinated Notes during the three preceding taxable years (or, if shorter, the investor's holding period for the Subordinated Notes). As indicated above, any gain recognized upon disposition (or deemed disposition) of the Subordinated Notes will be treated as an excess distribution and taxed as described above (and not as capital gain). For this purpose, a U.S. Holder that uses a Subordinated Note as security for an obligation will be treated as having disposed of such Subordinated Note.

Special rules apply to certain regulated investment companies that own interests in PFICs and any such investor should consult with its own tax advisors regarding the consequences to it of acquiring Subordinated Notes. Each U.S. Holder who is a shareholder of a PFIC is required to file an annual report containing such information as the IRS may require in the revised Form 8621. Additionally, in the event a U.S. Holder does not file Form 8621, the statute of limitations on the assessment and collection of U.S. federal income taxes of such U.S. Holder for the related tax year (with respect to its entire return and not just the portion reflecting its investment in the PFIC) may not close before the date which is three years after the date on which such report is filed. Recently issued U.S. Treasury temporary regulations provide specific rules on when an indirect U.S. owner of equity in a PFIC may be required to file Form 8621.

QEF Election. If a U.S. Holder (including certain U.S. Holders indirectly owning Subordinated Notes) makes the qualified electing fund election (the "*QEF Election*") provided in Section 1295 of the Code, the U.S. Holder will be required to include its *pro rata* share (unreduced by any prior year losses) of the Issuer's ordinary income and net capital gains (as ordinary income and long-term capital gain, respectively) for each taxable year and pay tax thereon even if such income and gain is not distributed to the U.S. Holder by the Issuer. In addition, any net losses of the Issuer will not be currently deductible by such U.S. Holder. Rather, any tax benefit from such losses will be available only when a U.S. Holder sells or disposes of its Subordinated Notes.

A U.S. Holder of a Subordinated Note that makes the QEF Election generally may elect to defer the payment of tax on undistributed income (until such income is distributed or the Subordinated Note is transferred), provided that it agrees to pay interest on such deferred tax liability. As indicated above, Collateral Obligations may be purchased by the Issuer with substantial OID the cash payment of which may be deferred, perhaps for a substantial period of time, and the Issuer may use interest and other income from the Collateral Obligations to purchase additional Collateral Obligations or to retire Secured Notes. As a result, the Issuer may have in any given year substantial amounts of earnings for United States federal income tax purposes that are not distributed on the Subordinated Notes. Thus, absent an election to defer payment of taxes, U.S. Holders that make a QEF Election with respect to the Issuer may owe significant tax on significant "phantom" income. For this purpose, a U.S. Holder that uses a Subordinated Note as security for an obligation will be treated as having disposed of such Subordinated Note. If the Issuer later distributes the income or gain on which the U.S. Holder has already paid taxes, amounts so distributed to the U.S. Holder will not be further taxable to the U.S. Holder. A U.S. Holder's tax basis in the Subordinated Notes will be increased by the amount included in that U.S. Holder's income and decreased by the amount of nontaxable distributions. A U.S. Holder making the QEF Election generally will recognize, on the disposition of the Subordinated Notes, capital gain or loss equal to the difference, if any, between the amount realized upon such disposition (including redemption or retirement) and its adjusted tax basis in such Subordinated Notes. That gain or loss generally will be long-term capital gain or loss if the U.S. Holder held such Subordinated Notes for more than one year at the time of disposition. In certain circumstances, U.S. Holders that are individuals may be entitled to preferential tax treatment for net long-term capital gains. The ability of U.S. Holders to offset capital losses against ordinary income is limited.

If the Issuer holds equity of another PFIC (an "*equity PFIC*"), such as an interest in an ETB Subsidiary, a U.S. Holder of the Subordinated Notes that wants to avoid the application of the excess distribution rules (described above) with respect to its indirect interest in that equity PFIC will have to make a separate QEF Election with respect to that equity PFIC. In that case, the Issuer will provide, to the extent it receives it, the information needed for U.S. Holders to make the QEF Election. That information may not, however, be available to the Issuer. U.S. Holders should consult their own tax advisors with respect to the tax consequences of such a situation.

In general, 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 for which it holds a Subordinated Note. The QEF Election is effective only if certain required information is made available by the Issuer. The Issuer

will undertake to comply with the IRS information requirements necessary to be a qualified electing fund, which will permit U.S. Holders to make the QEF Election. Nonetheless, there can be no assurance that such information will be available or presented.

Where a QEF Election is not timely made by a U.S. Holder for the year in which it acquired its Subordinated Notes, but is made for a later year, the excess distribution rules can be avoided for subsequent years by making an election to recognize gain from a deemed sale of such Subordinated Notes at the time when the QEF Election becomes effective.

A U.S. Holder should consult its own tax advisors regarding whether it should make a QEF Election (and, if it fails to make an initial election, whether it should make an election for a subsequent taxable year).

Proposals are made from time to time to amend the Code. One recent proposal, if enacted, would, among other things, repeal the present law rules that impose an interest charge when a U.S. person who owns stock of a PFIC receives an excess distribution in respect of that stock. Instead, if a United States person owns non-publicly-traded stock in a PFIC, the person must include in gross income each year the person's interest accrual amount with respect to the stock, which in very general terms is the owner's adjusted basis in the stock multiplied by the sum of five percentage points plus a specified Treasury borrowing rate. Any interest accrual amount would be treated as interest income for federal income tax purposes. Conforming rules would generally prevent double taxation of distributions and gains on sale to the extent of previously accrued interest accrual amounts. If a U.S. person recognizes a loss from the disposition of PFIC stock, a portion of that loss may be treated as an ordinary loss. The provision is proposed to be effective for taxable years beginning after December 31, 2014.

In addition, the proposal, if enacted, would require any U.S. person who holds certain PFIC stock ("covered stock") on the last day of the person's taxable year beginning in 2014 to treat the PFIC stock as sold for its fair market value on that day. (The proposal provides for the adjustment of the amount of any gain or loss subsequently realized from covered stock to reflect the amount of any gain or loss on the stock from the deemed sale.) For this purpose, covered stock is any stock of a PFIC unless there was a QEF Election or mark-to-market election in effect for the taxable year in which the deemed sale would take place. It appears that this deemed sale is intended to establish a U.S. person's basis to use for the proposed interest accrual methodology described above.

No representation is made that this or any other change in law will be enacted, or, if enacted, what effect it will have on the Subordinated Notes or any other Notes that are treated as equity for U.S. federal income tax purposes.

Status of the Issuer as a CFC. U.S. tax law also contains special provisions addressing the taxation of interests in CFCs. A U.S. person that owns (directly or indirectly) at least 10% of the voting stock (and under recently proposed legislation, or at least 10% of the value) of a foreign corporation, is considered a "U.S. Shareholder" (a "*U.S. Shareholder*") with respect to the foreign corporation. If U.S. Shareholders in the aggregate own (directly or indirectly) more than 50% of the voting power or value of the stock of such corporation, the foreign corporation will be classified as a CFC. Complex attribution rules apply for purposes of determining ownership of stock in a foreign corporation such as the Issuer. As indicated above, the Subordinated Notes (as well as some or all of the Classes of the Secured Notes and certain portions of the Collateral Manager's fee) may be treated as voting equity in the Issuer.

If the Issuer is classified as a CFC for at least 30 consecutive days (or under recently proposed legislation, at any time) during its taxable year, a U.S. Shareholder (and possibly any U.S. Holder that is a direct or indirect holder of a grantor trust that is considered to be a U.S. Shareholder) that is a shareholder of the Issuer as of the end of the Issuer's taxable year generally will be subject to current U.S. federal income tax on its share of the income of the Issuer, regardless of the amount of

any cash distributions from the Issuer. Earnings subject to tax generally will not be taxed again when they are distributed to the U.S. Holder. In addition, income that would otherwise be characterized as capital gain and gain on the sale of the CFC's stock by a U.S. Shareholder (during the period that the corporation is a CFC and thereafter for a five-year period) will be classified in whole or in part as dividend income.

Certain income generated by a corporation conducting a banking, financing, insurance, or other similar business would not be includible in a holder's income under the CFC rules. However, each U.S. Holder of a Note will agree not to take the position that the Issuer is engaged in such a business. Accordingly, if the CFC rules apply, a U.S. Shareholder generally will be subject to tax currently on its share of the Issuer's income.

The tax consequences of the ownership and disposition of Subordinated Notes, including the potential interplay of the PFIC, QEF and CFC rules, are quite complex, and U.S. Holders of Subordinated Notes (actually or constructively by attribution) should consult their tax advisors with respect to the tax consequences of ownership of such Subordinated Notes,

Taxation of Non-U.S. Holders of Subordinated Notes

Subject to the discussion under "— FATCA and the Cayman IGA", above, payments on, and gain from the sale, exchange or redemption of, Subordinated Notes generally should not be subject to United States federal income tax in the hands of a Non-U.S. Holder that has no connection with the United States other than the holding of such Notes. Subject to the discussion under "—FATCA", above, United States information reporting and backup withholding generally will not apply to payments on a Subordinated Note to, and proceeds from the disposition of such Subordinated Note by, a Non-U.S. Holder if the holder certifies as to its non-United States status on the appropriate Internal Revenue Service Form W-8. Backup withholding is not an additional tax and may be refunded or credited against the holder's U.S. federal income tax liability if certain required information is furnished to the IRS.

Transfer and Other Reporting Requirements

In general, U.S. Holders who acquire any Subordinated Notes (or any Class of Secured Notes that is recharacterized as equity in the Issuer) for cash may be required to file a Form 926 with the IRS and to supply certain additional information to the IRS if (i) such U.S. Holder owns (directly or indirectly) immediately after the transfer, at least 10% by vote or value of the Issuer or (ii) the transfer when aggregated with all related transfers under applicable regulations, exceeds U.S. $100,000. In the event a U.S. Holder that is required to file fails to file such form, that U.S. Holder could be subject to a penalty of up to U.S.$100,000 (computed as 10% of the gross amount paid for the Subordinated Notes) or more if the failure to file was due to intentional disregard of its obligation.

In addition, a U.S. Holder of Subordinated Notes that owns (actually or constructively) at least 10% by vote or value of the Issuer (and each officer or director of the Issuer that is a U.S. citizen or resident) may be required to file an information return on IRS Form 5471. A U.S. Holder of Subordinated Notes generally is required to provide additional information regarding the Issuer annually on IRS Form 5471 if it owns (actually or constructively) more than 50% by vote or value of the Issuer. U.S. Holders should consult their own tax advisors regarding whether they are required to file IRS Form 5471. In the event a U.S. Holder that is required to file such form fails to file such form, the U.S. Holder could be subject to a penalty of U.S.$10,000 for each such failure to file (in addition to other consequences).

Prospective investors in the Subordinated Notes (or any Class of Secured Notes or other interest that could be recharacterized as equity in the Issuer) should consult with their own tax advisors regarding whether they are required to file IRS Form 8886 in respect of this transaction. Such filing

generally will be required if such investors file a U.S. federal income tax return or U.S. federal information return and recognizes a loss in excess of a specified threshold, and significant penalties may be imposed on taxpayers that fail to file the form in a timely manner. Such filing generally will also be required by a U.S. Holder of the Subordinated Notes if the Issuer both participates in certain types of transactions that are treated as "reportable transactions", such as a transaction in which its loss exceeds a specified threshold and either (x) such U.S. Holder owns 10% or more of the aggregate amount of the Subordinated Notes and makes a QEF Election with respect to the Issuer or (y) the Issuer is treated as a CFC and such U.S. Holder is a "U.S. Shareholder" (as defined above) of the Issuer. If the Issuer does participate in a reportable transaction, it will make reasonable efforts to make such information available. Significant penalties may be imposed on taxpayers required to file Form 8886 that fail to do so in a timely manner.

A U.S. Holder that is an individual and holds certain foreign financial assets must file new IRS Form 8938 to report the ownership of such assets if the total value of those assets exceeds the applicable threshold amounts. The threshold varies depending on whether the individual lives in the United States or files a joint income tax return with a spouse. For example, an unmarried U.S. Holder living in the United States is required to file Form 8938 if the total value of all specified foreign financial assets is more than $50,000 on the last day of the tax year or more than $75,000 at any time during the tax year. U.S. Holders in other situations have the same or a greater threshold. In general, specified foreign financial assets include debt or equity interests (that are not regularly traded on an established securities market) issued by foreign financial institutions (such as the Issuer), and any interest in a foreign entity that is not a financial institution, including any stock or security, and any financial instrument or contract held for investment that has an issuer or counterparty that is not a U.S. person. Proposed regulations also would require certain domestic entities that are formed, or availed of, for purposes of holding, directly or indirectly, specified foreign financial assets to file IRS Form 8938. In addition, certain non-resident alien individuals may be required to file Form 8938, notwithstanding the availability of any special treatment under an income tax treaty. However, in general, such form is not required to be filed with respect to the Notes if they are held through a U.S. payer, such as a U.S. financial institution, a U.S. branch of a non-U.S. bank, and certain non-U.S. branches or subsidiaries of U.S. financial institutions.

Taxpayers who fail to make the required disclosure with respect to any taxable year are subject to a penalty of $10,000 for such taxable year, which may be increased up to $50,000 for a continuing failure to file the form after being notified by the IRS. In addition, the failure to file Form 8938 will extend the statute of limitations for a taxpayer's entire related income tax return (and not just the portion of the return that relates to the omission) until at least 3 years after the date on which the Form 8938 is filed.

All U.S. Holders are urged to consult with their own tax advisors with respect to whether a Note is a foreign financial asset that (if the applicable threshold was met) would be subject to this rule.

The failure to file any applicable form may toll the statute of limitations on the assessment and collection of U.S. federal income taxes of such U.S. Holder for the related tax year (with respect to its entire return) until the date which is three years after the date on which such form is filed.

State and Local Taxes

In addition to the federal income tax consequences described herein, potential investors should consider the state and local income tax consequences of the acquisition, ownership, and disposition of the Notes. State and local income tax law may differ substantially from the corresponding federal law, and this Offering Circular does not purport to describe any aspect of the income tax laws of any state or local jurisdiction. Therefore, potential investors should consult their tax advisors with respect to the various state or local tax consequences of an investment in the Notes.

3.8% Medicare Tax on Net Investment Income

U.S. Holders that are individuals, estates, and certain trusts are subject to an additional 3.8% tax (the "*3.8% Medicare Tax*") on all or a portion of their "net investment income" which may include any income or gain with respect to the Notes. The 3.8% Medicare Tax will be imposed on the lesser of (i) net investment income (undistributed net investment income for estates and trusts) and (ii) the excess of modified adjusted gross income (adjusted gross income for estates and trusts) and a threshold amount. The threshold amount is $250,000 for a married taxpayer filing a joint return (or a surviving spouse), $125,000 for a married individual filing a separate return, the dollar amount at which the highest bracket begins for estates and trusts, and $200,000 in any other case. Recently released regulations have subjected equity holders of PFICs and CFCs to such tax, although the application of the tax (and the availability of particular elections) is quite complex. U.S. Holders should consult their advisors with respect to their consequences with respect to the 3.8% Medicare Tax.

Tax-Exempt Investors

Special considerations apply to pension plans and other investors ("*Tax-Exempt Investors*") that are subject to tax only on their unrelated business taxable income ("*UBTI*"). A Tax-Exempt Investor's income from an investment in the Issuer generally should not be treated as resulting in UBTI under current law, so long as such investor's acquisition of the Notes is not debt-financed, and, with respect to an investment in the Secured Notes, such investor does not (in addition to the investment in such Secured Notes) own more than 50% of the Issuer's equity (which would include the Subordinated Notes and any Class of Notes (if any) or portion of the Collateral Manager's fee that is recharacterized as equity).

Tax-Exempt Investors should consult their own tax advisors regarding an investment in the Issuer.

Information Reporting and Backup Withholding

As a condition to the payment of principal and interest on any Note without United States federal back-up withholding, the Issuer and the Paying Agent will require the delivery of properly completed and signed applicable United States federal income tax certifications (generally, an IRS Form W-9 (or applicable successor form) in the case of a person that is a "United States person" within the meaning of Section 7701(a)(30) of the Code or the applicable IRS Form W-8 (or applicable successor form) in the case of a person that is not a "United States person" within the meaning of Section 7701(a)(30) of the Code).

Under certain circumstances, information reporting requirements will apply to payments on a Note to, and the proceeds of the sale of a Note by, U.S. Holders and "backup withholding" will apply to such payments if the U.S. Holder fails to provide an accurate taxpayer identification number or otherwise fails to comply with, or establish an exemption from, the backup withholding requirements. 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 and may be refunded or credited against the holder's federal income tax liability if certain required information is furnished to the IRS. The information reporting requirements may apply regardless of whether withholding is required. See also "— FATCA and the Cayman IGA," above, for a discussion of reporting obligations under FATCA.

FBAR Reporting

U.S. Holders that own directly or indirectly more than 50% of the Subordinated Notes (or any other Class of Notes recharacterized as equity in the Issuer) should consider their possible obligation

to file a FinCEN Form 114—Report of Foreign Bank and Financial Accounts with respect to such Notes. Holders should consult their tax advisers with respect to this possible reporting requirement.

No Gross-Up

The Issuer expects that payments on the Notes will ordinarily not be subject to any withholding tax in the Cayman Islands, the United States or any other jurisdiction. In the event that withholding or deduction of any taxes from payments on the Notes is required by law in any jurisdiction or in connection with FATCA (including a voluntary agreement entered into with the IRS), neither of the Co-Issuers shall be under any obligation to make any additional payments in respect of such withholding or deduction.

Optional Re-Pricing

The treatment of a Re-Pricing for U.S. federal income tax purposes is not entirely clear. It is possible that a Re-Pricing will be treated as a deemed exchange of old Notes of the Re-Priced Class for new notes of the Re-Priced Class. In that event , it is unclear whether such deemed exchange would be taxable to a U.S. Holder. If it is taxable, a U.S. Holder may be required to recognize gain or loss with respect to its Notes that are part of the Re-Priced Class. This gain or loss would be equal to the difference between the issue price of the deemed new notes of the Re-Priced Class, which if such class of notes has a principal amount in excess of $100 million, may be the fair market value rather than the principal amount of the notes, and the U.S. Holder's tax basis in the deemed old notes of the Re-Priced Class.

In the event that the Re-Pricing is a taxable event for U.S. Holders and the stated redemption price at maturity of the new notes of a Re-Priced Class received in the deemed exchange is greater than the issue price of such notes, a U.S. Holder of a new note of a Re-Priced Class may be required to include additional OID in income as a result of the Re-Pricing. In the event that the issue price of the deemed new notes of the Re-Priced Class is less than the principal amount of such notes, the Issuer may be required to recognize cancellation of indebtedness income, which could affect the Holders of the Subordinated Notes that have made a QEF election or are subject to inclusions under the CFC rules. This may result in adverse consequences for the Subordinated Notes. Additionally, any Class of Notes that are Re-Priced after six months after the adoption of final regulations addressing withholding on passthru payments would likely not be considered a Grandfathered Obligation under FATCA (see discussion under "— FATCA and the Cayman IGA" above) if the Re-Pricing is treated as a deemed exchange. Each prospective investor should consult its own tax advisor regarding the tax consequences to it of a Re-Pricing.

Cayman Islands Tax Considerations

The following is a discussion of certain Cayman Islands tax consequences of an investment in the Offered Securities. The discussion is a general overview 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:

(i) Payments of interest, principal and other amounts on the Secured Notes and amounts in respect of the Subordinated Notes 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 Secured Notes or a distribution to any holder of the Subordinated Notes, nor will gains derived from the disposal of the Offered 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;

(ii) No stamp duty is payable in respect of the issue or transfer of the Offered Securities although duty may be payable if Offered Securities are executed in or brought into the Cayman Islands; and

(iii) Certificates evidencing the Offered Securities, in registered form, to which title is not transferable by delivery, should not attract Cayman Islands stamp duty. However, an instrument transferring title to an Offered Security, if brought to or executed in 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 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 the provision of Section 6 of the Tax Concession Law (2011 Revision) the Governor in Cabinet undertakes with:

Marathon CLO VII Ltd. "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 21st day of July, 2014.

***CLERK OF THE CABINET"

The Cayman Islands does not have an income tax treaty arrangement with the United States or any other country; however, the Cayman Islands has entered into a tax disclosure agreement with the United States.

United Kingdom and Cayman Islands Information Sharing Agreement

Holders of Offered Securities who are resident in the United Kingdom for tax purposes should be aware that the United Kingdom has now signed an intergovernmental automatic information exchange agreement with the Cayman Islands (and is in the process of negotiating and agreeing similar agreements with other United Kingdom Overseas Territories and Crown Dependencies), modeled on the intergovernmental agreement between the United Kingdom and the United States that implements the United States FATCA legislation. Under this automatic information exchange agreement, the Cayman Islands requires the Issuer to, among other things, identify any direct or indirect United Kingdom resident account holders (including debt holders and equity holders) in the Issuer and obtain and provide to the Cayman Islands Tax Information Authority certain information about such United Kingdom resident account holders. Such information is then automatically exchanged by the Cayman Islands Tax Information Authority with the United Kingdom tax authorities. A Holder of Offered Securities that is resident in the United Kingdom for tax purposes or is an entity that is identified as having one or more controlling persons that is resident in the United Kingdom for tax purposes is generally required to provide to the Issuer information which identifies such United Kingdom tax resident persons and the extent of their respective interests in the Issuer. Holders who may be affected should consult their own tax advisers regarding the possible implications of these rules.

ERISA imposes certain requirements on "employee benefit plans" (as defined in Section 3(3) of ERISA) which are 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 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 the Notes.

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 which are subject to Section 4975 of the Code, such as individual retirement accounts (together with ERISA Plans, "*Plans*") and certain Persons ("parties in interest" as defined in Section 3(14) of ERISA (each a "*Party in Interest*") for purposes of ERISA or "disqualified persons" as defined in Section 4975(e)(2) of the Code (each a "*Disqualified Person*") for purposes of Section 4975 of the Code) having certain relationships to such Plans, unless a statutory or administrative exemption is applicable to the 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 Section 4975 of the Code.

Regulations promulgated by the United States Department of Labor at 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA (collectively, the "*Plan Asset Regulations*"), describe what constitutes the assets of a Plan with respect to the Plan's investment in an entity for purposes of certain provisions of ERISA and Section 4975 of the Code, including the fiduciary responsibility provisions of Title I of ERISA and prohibited transaction provisions of Title I of ERISA and Section 4975 of the Code. Under the Plan Asset Regulations, 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, as further discussed below, that participation in the entity by "benefit plan investors" constitutes less than 25% of the value of each class of equity interests in the entity, determined in accordance with the Plan Asset Regulations.

For purposes of the Plan Asset Regulations, a "publicly offered security" is a security that is (a) "freely transferable," (b) part of a class of securities that is "widely held," and (c)(i) sold to the Plan as part of an offering of securities to the public pursuant to an effective registration statement under the Securities Act and the class of securities to which such security is a part is registered under the Exchange Act within 120 days after the end of the fiscal year of the issuer during which the offering of such securities to the public has occurred, or (ii) is part of a class of securities that is registered under Section 12 of the Exchange Act.

It is not anticipated that (i) the Notes will constitute "publicly offered securities" for purposes of the Plan Asset Regulations, (ii) the Issuer will be an investment company registered under the Investment Company Act or (iii) the Issuer will qualify as an operating company within the meaning of the Plan Asset Regulations.

Whether or not the underlying assets of the Issuer are deemed to include "plan assets," as described below, prohibited transactions within the meaning of Section 406 of ERISA or Section

4975 of the Code may arise if Notes are acquired with the assets of a Plan with respect to which the Issuer, JPMorgan, the Trustee, the Collateral Manager, any seller of Collateral Obligations to the Issuer 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, depending in part on the type of Plan fiduciary making the decision to acquire a Note and the circumstances under which such decision is made. Included among these exemptions are Prohibited Transaction Class Exemption ("*PTCE*") 91-38 (relating to investments by bank collective investment funds), PTCE 84-14 (relating to transactions effected by a "qualified professional asset manager"), PTCE 90-1 (relating to investments by insurance company pooled separate accounts), PTCE 95-60 (relating to investments by insurance company general accounts), PTCE 96-23 (relating to transactions effected by in-house asset managers), and Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code, regarding certain transactions with non-fiduciary service providers for "adequate consideration". Even if one or more exemptions is available, there can be no assurance that relief will be provided from all prohibited transactions that may result if any Note or any interest therein is acquired or held by a Plan.

Governmental plans, certain church plans and non-U.S. plans, while not subject to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code, may nevertheless be subject to other state, local, other federal or non-U.S. laws or regulations that are substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code (any such law or regulation, "*Other Plan Law*"). Fiduciaries of any such plans should consult with their counsel before acquiring any Notes.

Any insurance company proposing to invest assets of its general account in Notes should consider the extent to which such investment would be subject to the requirements of Title I of ERISA and Section 4975 of the Code in light of the U.S. Supreme Court's decision in *John Hancock Mutual Life Insurance Co. v. Harris Trust and Savings Bank*, 510 U.S. 86 (1993), and Section 401(c) of ERISA. In particular, such an insurance company should consider (i) the exemptive relief granted by the U.S. Department of Labor for transactions involving insurance company general accounts in PTCE 95-60 and (ii) if such exemptive relief is not available, whether its acquisition of Notes will be permissible under the final regulations issued under Section 401(c) of ERISA.

The Plan Asset Regulations define an "equity interest" as 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. Generally, a profits interest in a partnership, an undivided ownership interest in property and a beneficial ownership interest in a trust are deemed to be "equity interests" under the Plan Asset Regulations. The assets of an entity will be deemed to be the assets of an investing Plan (in the absence of another applicable Plan Asset Regulation exception) if 25% or more of the value of any class of equity interest in the entity is held by "benefit plan investors" as calculated under the Plan Asset Regulations (the "*25% Limitation*"). The term "benefit plan investor" is defined in Section 3(42) of ERISA and includes (a) an employee benefit plan that is subject to the fiduciary responsibility provisions of Title I of ERISA, (b) a plan that is subject to Section 4975 of the Code or (c) any entity whose underlying assets include "plan assets" by reason of any such employee benefit plan's or plan's investment in the entity (collectively, "*Benefit Plan Investors*"). For purposes of making the 25% determination, the value of any equity interests held by a Person (other than a Benefit Plan Investor) who has discretionary authority or control with respect to the assets of the entity or any Person who provides investment advice for a fee (direct or indirect) with respect to such assets, or any affiliate of any such Person (each, a "*Controlling Person*"), is disregarded. Under the Plan Asset Regulations, an "affiliate" of a Person includes any Person, directly or indirectly through one or more intermediaries, controlling, controlled by or under common control with the Person, and "control" with respect to a Person other than an individual means the power to exercise a controlling influence over the management or policies of such Person.

Although there is little guidance on how this definition applies, the Issuer believes that the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes, will be treated as

indebtedness without substantial equity features for purposes of the Plan Asset Regulations, although no assurance can be given in this regard. However, the Class D Notes and the Subordinated Notes will likely be treated as equity interests in the Issuer for purposes of the Plan Asset Regulations. Accordingly, in an effort to avoid issues that could arise if the assets of the Issuer were to be treated as plan assets for purposes of ERISA or Section 4975 of the Code, the Class D Notes and the Subordinated Notes will be subject to restrictions on ownership by Benefit Plan Investors and Controlling Persons.

If you are a purchaser or transferee of Class A-1 Notes, Class A-2 Notes, Class B Notes or Class C Notes, or an interest therein, you will be required or deemed to represent, warrant and agree that (1) if you are, or are acting on behalf of, a Benefit Plan Investor, your acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (2) if you are a governmental, church, non-U.S. or other plan which is subject to any Other Plan Law, your acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any such Other Plan Law.

If you are a purchaser or transferee of Class D Notes, you will be required or deemed to represent, warrant and agree that (i) (1) you are not, and are not acting on behalf of, a Benefit Plan Investor and (2) if you are a governmental, church, non-U.S. or other plan, (x) you are not, and for so long as you hold such Notes or interest therein will not be, subject to any federal, state, local, non-U.S. or other law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or any interest therein) by virtue of its interest and thereby subject the Issuer or the Collateral Manager (or other persons responsible for the investment and operation of the Issuer's assets) to Other Plan Law ("*Similar Law*") and (y) your acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Other Plan Law and (ii) you will agree to certain transfer restrictions regarding your interest in such Notes.

With respect to the Regulation S Global Subordinated Notes, (i) (1) if you are a purchaser or transferee of Regulation S Global Subordinated Notes from the Issuer as part of the initial offering, you will be required to represent and warrant (a) whether or not you are a Benefit Plan Investor, (b) whether or not you are a Controlling Person and (c) (i) if you are a Benefit Plan Investor, your acquisition, holding and disposition of such Subordinated Notes will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or (ii) if you are a governmental, church, non-U.S. or other plan, (x) you are not, and for so long as you hold such Notes or interest therein will not be, subject to Similar Law and (y) your acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Other Plan Law and (2) if you are a purchaser or subsequent transferee, as applicable, of an interest in a Regulation S Global Subordinated Note from Persons other than from the Issuer, on each day from the date on which you acquires your interest in such Subordinated Notes through and including the date on which you dispose of your interest in such Subordinated Notes, you will be deemed to have represented and agreed that (a) you are not, and are not acting on behalf of, a Benefit Plan Investor or a Controlling Person and (b) if you are a governmental, church, non-U.S. or other plan, (x) you are not, and for so long as you hold such Notes or interest therein will not be, subject to Similar Law and (y) your acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Other Plan Law and (ii) you will be required or deemed to represent, warrant and agree to certain transfer restrictions regarding your interest in such Notes.

If you are a purchaser of Certificated Subordinated Notes at any time, you will be required to (i) represent and warrant in writing to the Trustee (1) whether or not, for so long as you hold such Notes or interest herein, you are, or are acting on behalf of, a Benefit Plan Investor, (2) whether or not, for so long as you hold such Notes or interest therein, you are a Controlling Person and (3) that (a) if you are, or are acting on behalf of, a Benefit Plan Investor, your acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code and (b) if you are a governmental, church, non-

U.S. or other plan, (x) you are not, and for so long as you hold such Notes or interest therein will not be, subject to Similar Law and (y) your acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Other Plan Law, and (ii) agree to certain transfer restrictions regarding your interest in such Notes.

No transfer of an interest in Class D Notes or Subordinated Notes will be permitted or recognized if it would cause the 25% Limitation described above to be exceeded with respect to the Class D Notes or the Subordinated Notes.

If any Person shall become the beneficial owner of a Note who has made or is deemed to have made a Benefit Plan Investor, Controlling Person or Other Plan Law representation that is subsequently shown to be false or misleading or whose beneficial ownership otherwise causes a violation of the 25% Limitation (any such Person a "*Non-Permitted ERISA Holder*"), the Issuer shall, promptly after discovery by the Issuer that such Person is a Non-Permitted ERISA Holder by the Issuer (or upon notice to the Issuer from the Trustee if it obtains actual knowledge or the Trustee if it makes the discovery), send notice to such Non-Permitted ERISA Holder demanding that such Non-Permitted ERISA Holder transfer its interest to a Person that is not a Non-Permitted ERISA Holder within 14 days after the date of such notice. If such Non-Permitted ERISA Holder fails to so transfer its interest in such Notes, the Issuer shall have the right, without further notice to the Non-Permitted ERISA Holder, to sell its interest in such Notes to a purchaser selected by the Issuer that is not a Non-Permitted ERISA Holder on such terms as the Issuer may choose. The Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the Notes, as applicable, and selling such Notes, as applicable, to the highest such bidder. The holder of each Note, as applicable, the Non-Permitted ERISA Holder and each other Person in the chain of title from the holder to the Non-Permitted ERISA Holder, by its acceptance of an interest in the Notes agrees to cooperate with the Issuer to effect such transfers. The proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to the Non-Permitted ERISA Holder. The terms and conditions of any sale under this sub-section shall be determined in the sole discretion of the Issuer, and none of the Issuer, the Co-Issuer, the Trustee or the Collateral Manager shall be liable to any Person having an interest in the Notes sold as a result of any such sale or the exercise of such discretion.

Further considerations

There can be no assurance that, despite the transfer restrictions relating to acquisitions by Benefit Plan Investors and Controlling Persons and the procedures to be employed by the Issuer to attempt to limit ownership by Benefit Plan Investors of the Class D Notes and the Subordinated Notes to less than 25%, Benefit Plan Investors will not in actuality own 25% or more of the outstanding Class D Notes or Subordinated Notes.

If for any reason the assets of the Issuer were deemed to be "plan assets" of a Plan, certain transactions that the Issuer might enter into, or may have entered into, in the ordinary course of its business might constitute non-exempt "prohibited transactions" under Section 406 of ERISA or Section 4975 of the Code and might have to be rescinded at significant cost to the Issuer. The Collateral Manager, on behalf of the Issuer, may be prevented from engaging in certain investments or other transactions or fee arrangements because they might be deemed to cause non-exempt prohibited transactions. Moreover, if the underlying assets of the Issuer were deemed to be assets constituting plan assets, (i) the assets of the Issuer could be subject to ERISA's reporting and disclosure requirements, (ii) a fiduciary causing a Benefit Plan Investor to make an investment in the equity of the Issuer could be deemed to have delegated its responsibility to manage the assets of the Benefit Plan Investor, (iii) various providers of fiduciary or other services to the Issuer, and any other parties with authority or control with respect to the Issuer, could be deemed to be Plan fiduciaries or otherwise Parties in Interest or Disqualified Persons by virtue of their provision of such services, and (iv) it is not clear that Section 404(b) of ERISA, which generally prohibits plan

fiduciaries from maintaining the indicia of ownership of assets of plans subject to Title I of ERISA outside the jurisdiction of the district courts of the United States, would be satisfied in all instances.

Any Plan fiduciary or other Person who proposes to use assets of any Plan to acquire any Notes should consult with its counsel regarding the applicability of the fiduciary responsibility and prohibited transaction provisions of ERISA and Section 4975 of the Code to such an investment, and to confirm that such investment will not constitute or result in a non-exempt prohibited transaction or any other violation of an applicable requirement of ERISA.

The sale of any Notes to a plan, or to a Person using assets of any plan to effect its acquisition of any Notes, is in no respect a representation by the Issuer, JPMorgan, the Trustee, the Collateral Administrator or the Collateral Manager that such an investment meets all relevant legal requirements with respect to investments by Plans generally or any particular Plan, or that such an investment is appropriate for Plans generally or any particular Plan.

ANY POTENTIAL INVESTOR CONSIDERING AN INVESTMENT IN THE OFFERED SECURITIES THAT IS, OR IS ACTING ON BEHALF OF, A PLAN IS STRONGLY URGED TO CONSULT ITS OWN LEGAL AND TAX ADVISORS REGARDING THE CONSEQUENCES OF SUCH AN INVESTMENT UNDER ERISA, THE CODE AND ANY SIMILAR LAWS AND ITS ABILITY TO MAKE THE REPRESENTATIONS DESCRIBED ABOVE.

Legal investment considerations

If your investment activities are subject to regulation by federal, state or local law or governmental authorities you should review the applicable laws and/or rules, policies and guidelines adopted from time to time by such authorities before purchasing any Subordinated Notes or Secured Notes. No representation is made as to the proper characterization of the Offered Securities for legal investment or other purposes or as to the ability of particular investors to purchase any Subordinated Notes or Secured Notes under applicable law or other legal investment restrictions. Accordingly, if your investment activities are subject to such laws and/or regulations, regulatory capital requirements or review by regulatory authorities you should consult your own legal advisors in determining whether and to what extent the Offered Securities constitute a legal investment or are subject to investment, capital or other restrictions.

None of the Issuer, the Co-Issuer, the Collateral Manager, JPMorgan, the Trustee or the Collateral Administrator make any representation as to the proper characterization of the Offered Securities for legal investment or other purposes, as to the ability of particular investors to purchase the Offered Securities for legal investment or other purposes or as to the ability of particular investors to purchase the Offered Securities under applicable investment restrictions. All institutions whose activities are subject to legal investment laws and regulations, regulatory capital requirements or review by regulatory authorities should consult their own legal advisors in determining whether and to what extent the Offered Securities are subject to investment, capital or other restrictions. Without limiting the generality of the foregoing, none of the Issuer, the Co-Issuer, the Collateral Manager, JPMorgan, the Trustee or the Collateral Administrator makes any representation as to the characterization of the Offered Securities as a U.S.-domestic or foreign (non-U.S.) investment under any state insurance code or related regulations, and they are not aware of any published precedent that addresses such characterization. Although they are not making any such representation, the Co-Issuers understand that the New York State Insurance Department, in response to a request for guidance, has been considering the characterization (as U.S.-domestic or foreign (non-U.S.)) of certain collateralized debt obligation securities co-issued by a non-U.S. issuer and a U.S. co-issuer. There can be no assurance as to the nature of any advice or other action that may result from such consideration. The uncertainties described above (and any unfavorable future determinations concerning legal investment or financial institution regulatory characteristics of the Offered Securities) may affect the liquidity of the Offered Securities.

Anti-money laundering and anti-terrorism requirements and disclosures

In order to comply with U.S. laws and regulations, including the USA PATRIOT Act, aimed at the prevention of money laundering and the prohibition of transactions with certain countries, organizations and individuals, the Issuer (or the Placement Agent on its behalf) may request from an investor or a prospective investor such information as it reasonably believes is necessary to verify the identity of such investor or prospective investor, and to determine whether such investor or prospective investor is permitted to be an investor in the Issuer or the Offered Securities pursuant to such laws and regulations. In the event of the delay or failure by any investor or prospective investor in the Offered Securities to deliver to the Issuer any such requested information, the Issuer (or the Placement Agent on its behalf) may (a) require such investor to immediately transfer any Note, or beneficial interest therein, held by such investor to an investor meeting the requirements of this Offering Circular and the Indenture, (b) refuse to accept the subscription of a prospective investor, or (c) take any other action required to comply with such laws and regulations. In addition, following the delivery of any such information, the Issuer (or the Placement Agent on its behalf) may take any of the actions identified in clauses (a)-(c) above. In certain circumstances, the Issuer, the Trustee or the Placement Agent may be required to provide information about investors to regulatory authorities and to take any further action as may be required by law. None of the Issuer, the Co-Issuer, the Trustee, the Collateral Administrator, the Collateral Manager or the Placement Agent will be liable for any loss or injury to an investor or prospective investor that may occur as a result of disclosing such information, refusing to accept the subscription of any potential investor, redeeming any investment in a Note or taking any other action required by law.

The Issuer and the Administrator are subject to anti-money laundering legislation in the Cayman Islands pursuant to the PCL. Pursuant to the PCL, the Cayman Islands government enacted The Money Laundering Regulations (as amended), which impose specific requirements with respect to the obligation to "know your client". Except in relation to certain categories of institutional investors, the Issuer will require a detailed verification of each investor's identity and the source of the payment used by such investor for purchasing the Notes in a manner similar to the obligations imposed under the laws of other major financial centers. In addition, if any Person who is resident in the Cayman Islands knows or has a suspicion that a payment to the Issuer (by way of investment or otherwise) contains the proceeds of criminal conduct, that Person must report such suspicion to the Cayman Islands authorities pursuant to the PCL. If the Issuer were determined by the Cayman Islands government to be in violation of the PCL or The Money Laundering Regulations (as amended), the Issuer could be subject to substantial criminal penalties. The Issuer may be subject to similar restrictions in other jurisdictions. Such a violation could materially adversely affect the timing and amount of payments by the Issuer to the holders of the Notes.

Plan of distribution

Subject to the terms and conditions contained in a placement agreement (the "*Placement Agreement*") to be entered into among the Co-Issuers and JPMorgan, as Placement Agent for the Offered Securities (the "*Placement Agent*"), JPMorgan will agree to use commercially reasonable efforts to place the Offered Securities on behalf of the Co-Issuers or the Issuer, as applicable. Any Offered Securities sold to the Collateral Manager or any of its Affiliates, employees or clients or certain other investors will be sold directly by the Issuer in privately negotiated transactions, and JPMorgan will not act as Placement Agent with respect to such sales.

The applicable Offered Securities will be offered by the Issuer or the Co-Issuers, as applicable, through the Placement Agent from time to time for sale to investors in negotiated transactions at varying prices to be determined in each case at the time of sale. The Placement Agreement will provide that the obligations of the Placement Agent to act as placement agent are subject to certain conditions.

In the Placement Agreement, each of the Issuer and the Co-Issuer will agree to indemnify the Placement Agent against certain liabilities under the Securities Act or to contribute to payments the Placement Agent may be required to make in respect thereof. In addition, the Issuer will pay certain fees to the Placement Agent and agree to reimburse the Placement Agent for certain of its expenses incurred in connection with the closing of the transactions contemplated hereby.

The offering of the Offered Securities has not been and will not be registered under the Securities Act and 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.

No action has been taken or is being contemplated by the Issuer that would permit a public offering of the Offered Securities or possession or distribution of this Offering Circular or any amendment thereof, or supplement thereto or any other offering material relating to the Offered 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 Offered Securities, or distribution of this Offering Circular or any other offering material relating to the Offered 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 Placement Agent. Because of the restrictions contained in the front of this Offering Circular, purchasers are advised to consult legal counsel prior to making any offer, resale, pledge or transfer of the Offered Securities.

In the Placement Agreement, the Placement Agent will agree that it or one or more of its Affiliates will place the Offered Securities on behalf of the Issuer or the Co-Issuers, as applicable, 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 both (A) (x) Qualified Institutional Buyers, (y) solely in the case of Offered Securities issued as Certificated Secured Notes or Certificated Subordinated Notes, Institutional Accredited Investors or (z) solely in the case of Offered Securities issued as Certificated Subordinated Notes, other Accredited Investors that are also Knowledgeable Employees with respect to the Issuer and (B) (x) Qualified Purchasers, (y) solely in the case of the Subordinated Notes, Knowledgeable Employees with respect to the Issuer or (z) entities owned exclusively by Qualified Purchasers or (solely in the case of the Subordinated Notes) by Knowledgeable Employees with respect to the Issuer. In the Placement Agreement, JPMorgan, as the Placement Agent, will also agree that it will send to each other dealer to which it sells Offered Securities pursuant to Regulation S during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Offered Securities in non-offshore transactions or to, or for the account or benefit of, U.S. persons. Until 40 days after completion of the distribution by the

Issuer, an offer or sale of Offered Securities, in a non-offshore transaction by a dealer (whether or not participating in the offering) may violate the registration requirements of the Securities Act if the offer or sale is made otherwise than pursuant to Rule 144A or a transaction exempt from the registration requirements under the Securities Act. Resales of the Offered Securities offered in reliance on Rule 144A or in a transaction exempt from the registration requirements under the Securities Act, as the case may be, are restricted as described under the "Transfer restrictions." Beneficial interests in Regulation S Global Secured Notes and Regulation S Global Subordinated Notes may not be held by a U.S. person (other than a distributor of the Notes) at any time, and resales of the Notes offered in offshore transactions to non-U.S. persons in reliance on Regulation S may be effected only in accordance with the transfer restrictions described herein. As used in this paragraph, the terms "United States" and "U.S." have the meanings given to them by Regulation S.

The Offered Securities are a new issue of securities for which there is currently no market. The Placement Agent is under no obligation to make a market in any Class of Offered 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 Offered 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 Offered Securities.

In connection with the offering of the Offered Securities, the Placement Agent may, as permitted by applicable law, overallot or effect transactions that stabilize or maintain the market price of the Offered Securities at a level which might not otherwise prevail in the open market. The stabilizing, if commenced, may be discontinued at any time.

The Placement Agent may be contacted at J.P. Morgan Securities LLC, 383 Madison Avenue, 3rd Floor, New York, NY 10179.

Because of the following restrictions, you are advised to consult legal counsel prior to making any offer, resale, or transfer of the Offered Securities.

JPMorgan will receive notice of any transfer of Offered Securities.

The Offered 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 an Offered Security, you will acknowledge and agree, among other things, that you understand that neither of the Co-Issuers 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 are "knowledgeable employees" with respect to the Issuer. In general terms, "*qualified purchaser*" is defined to mean, among other things, 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). In general terms, "*knowledgeable employees*" is defined to mean, among other things, executive officers, directors and certain investment professionals and employees of an issuer and its related investment manager.

Global Secured Notes and Regulation S Global Subordinated Notes

If you are either an initial purchaser or a transferee of Offered Securities represented by an interest in a Global Secured Note or a Regulation S Global Subordinated Note you will be deemed to have represented and agreed (or in the case of a Regulation S Global Subordinated Note purchased from the Issuer on the Closing Date, will represent and agree) as follows (except as may be expressly agreed in writing between you and the Issuer, if you are an initial purchaser):

(i) In connection with the purchase of such Offered Securities: (A) none of the Co-Issuers, the Collateral Manager, JPMorgan, the Trustee, the Collateral Administrator or any of their respective affiliates is acting as a fiduciary or financial or investment advisor for such beneficial owner; (B) such beneficial owner is not relying (for purposes of making any investment decision or otherwise) upon any advice, counsel or representations (whether written or oral) of the Co-Issuers, the Collateral Manager, the Trustee, the Collateral Administrator, JPMorgan or any of their respective affiliates other than any statements in the final Offering Circular for such Offered Securities, and such beneficial owner has read and understands such final Offering Circular; (C) such beneficial owner 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 Co-Issuers, the Collateral Manager, the Trustee, the Collateral Administrator, JPMorgan or any of their respective affiliates; (D) such beneficial owner is either (1) (in the case of a beneficial owner of an interest in a Rule 144A Global Secured Note) both (a) 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)(d) or (a)(1)(e) of Rule 144A under the Securities Act or a trust fund referred to in paragraph (a)(1)(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 (b) a "qualified purchaser" for purposes of Section 3(c)(7) of the Investment Company Act or an entity owned exclusively by "qualified purchasers" or (2) not a "U.S. person" as defined in Regulation S and is acquiring the Offered Securities in an offshore transaction (as defined in Regulation S) in reliance on the exemption from registration provided by Regulation S; (E) such beneficial owner is acquiring its interest in such Offered Securities for its own account; (F) such beneficial owner was not formed for the purpose of investing in such Offered Securities; (G) such beneficial owner understands that the Issuer may receive a list of participants holding interests in the Offered Securities from one or more book-entry depositories; (H) such beneficial owner will hold and transfer at least the minimum denomination of such Offered Securities; (I) (in the case of the Subordinated Notes) such beneficial owner is a sophisticated investor and is purchasing the Offered Securities with a full understanding of all of the terms, conditions and risks thereof, and is capable of and willing to assume those risks; (J) such beneficial owner will provide notice of the relevant transfer restrictions to subsequent transferees; and (K) (in the case of the Subordinated Notes) if it is not a U.S. person, it is not acquiring any Note as part of a plan to reduce, avoid or evade U.S. federal income tax; *provided* that any purchaser or transferee of Notes, which purchaser or transferee is any of (I) the Collateral Manager, (II) an Affiliate of the Collateral Manager, (III) a fund or account managed by the Collateral Manager (or any of its Affiliates) as to which the Collateral Manager (or such Affiliate) has discretionary voting authority, or (IV) any Knowledgeable Employee with respect to the Issuer that is an employee, partner, director, officer, shareholder or member of Marathon Asset Management, L.P. or any of its Affiliates, in each case shall not be required or deemed to make the representations set forth in clauses (A), (B) and (C) above with respect to the Collateral Manager.

(ii) (x) With respect to the Class A-1 Notes, Class A-2 Notes, Class B Notes and Class C Notes, (a) if it is, or is acting on behalf of, a Benefit Plan Investor, its acquisition, holding and disposition of such Notes does not and will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, and (b) if it is a governmental, church, non-U.S. or other plan which is subject to any Other Plan Law, its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any such Other Plan Law.

(y) With respect to the Class D Notes, (a) it is not, and is not acting on behalf of, a Benefit Plan Investor and (b) if it is a governmental, church, non-U.S. or other plan, (x) it is not, and for so long as it holds such Notes or interest therein will not be, subject to Similar Law and (y) its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Other Plan Law.

(z) With respect to the Regulation S Global Subordinated Notes, (1) each Person who purchases an interest in a Regulation S Global Subordinated Note from the Issuer as part of the initial offering will be required to represent and warrant (a) whether or not the purchaser is a Benefit Plan Investor, (b) whether or not the purchaser is a Controlling Person and (c) (i) if it is a Benefit Plan Investor, its acquisition, holding and disposition of such Subordinated Notes will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code or (ii) if it is a governmental, church, non-U.S. or other plan, (x) it is not, and for

so long as it holds such Notes or interest therein will not be, subject to Similar Law and (y) its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Other Plan Law and (2) each purchaser or subsequent transferee, as applicable, of an interest in a Regulation S Global Subordinated Note from Persons other than from the Issuer, on each day from the date on which such beneficial owner acquires its interest in such Subordinated Notes through and including the date on which such beneficial owner disposes of its interest in such Subordinated Notes, will be deemed to have represented and agreed that (a) it is not, and is not acting on behalf of, a Benefit Plan Investor or a Controlling Person and (b) if it is a governmental, church, non-U.S. or other plan, (x) it is not, and for so long as it holds such Notes or interest therein will not be, subject to Similar Law and (y) its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt violation of any Other Plan Law.

(iii) Such beneficial owner understands that such Offered 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 Offered Securities have not been and will not be registered under the Securities Act, and, if in the future such beneficial owner decides to offer, resell, pledge or otherwise transfer such Offered Securities, such Offered Securities may be offered, resold, pledged or otherwise transferred only in accordance with the provisions of the Indenture and the legend on such Offered Securities. Such beneficial owner 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 Offered Securities. Such beneficial owner understands that neither of the Co-Issuers has been registered 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.

(iv) Such beneficial owner is aware that, except as otherwise provided in the Indenture, any Offered Securities being sold to it in reliance on Regulation S will be represented by one or more Regulation S Global Secured Notes or Regulation S Global Subordinated Notes, as applicable, and that in each case beneficial interests therein may be held only through DTC for the respective accounts of Euroclear or Clearstream.

(v) Such beneficial owner will provide notice to each Person to whom it proposes to transfer any interest in the Offered Securities of the transfer restrictions and representations set forth in the Indenture.

(vi) Such beneficial owner agrees that it will not cause the filing of a petition in bankruptcy against the Issuer, the Co-Issuer or any ETB Subsidiary prior to the day which is one year (or, if longer, the applicable preference period then in effect) plus one day after payment in full of all Notes.

(vii) Such beneficial owner is not purchasing the Notes pursuant to an invitation made to the public in the Cayman Islands.

(viii) Such beneficial owner understands and agrees that the Notes are from time to time and at any time limited recourse obligations of the Issuer (and the Co-Issuer, as applicable) payable solely from the proceeds of the Assets available at such time and following realization of the Assets, and all application of the proceeds thereof in accordance with the Indenture, all obligations of and any remaining claims against the Issuer (and the Co-Issuer, as applicable) thereunder or in connection therewith shall be extinguished and shall not thereafter revive.

(ix) Such beneficial owner agrees to be subject to the Bankruptcy Subordination Agreement.

In addition, each Person who purchases an interest in a Regulation S Global Subordinated Note from the Issuer as part of the initial offering will be required to provide the Placement Agent with a representation letter containing representations substantially similar to those set forth in Annex A-2 hereto.

Certificated Secured Notes

If you are a purchaser or transferee of a Certificated Secured Note (including by way of a transfer of an interest in a Global Secured Note to you as a transferee acquiring a Certificated Secured Note), no such purchase or transfer will be recorded or otherwise recognized unless you have provided the Trustee with a certificate substantially in the form of Annex A-3 hereto or, in the case of certain purchasers of Certificated Secured Notes on the Closing Date, enter into a purchase agreement with the Issuer in a form that is acceptable to the Issuer and the Placement Agent and incorporates the representations set forth in Annex A-3.

Certificated Subordinated Notes

No purchase or transfer of a Certificated Subordinated Note (including a transfer of an interest in a Regulation S Global Subordinated Note to a transferee acquiring a Subordinated Note in certificated form) will be recorded or otherwise recognized unless the purchaser or transferee has provided the Issuer and the Trustee with certificates substantially in the form of Annex A-1 and Annex A-2 hereto. Purchasers of the Certificated Subordinated Notes on the Closing Date will be required to provide JPMorgan with a representation letter containing representations substantially similar to those set forth in Annex A-1 and Annex A-2 hereto.

Additional restrictions

No transfer of any Note will be effective, and no such transfer will be recognized, if it may result in 25% or more of the value of the Class D Notes or the Subordinated Notes being held by Benefit Plan Investors. For purposes of this determination, the value of Notes held by JPMorgan, the Trustee, the Collateral Manager and certain of their affiliates (other than those interests held by a Benefit Plan Investor) or a Person (other than a Benefit Plan Investor) who is a Controlling Person is disregarded. If you are a Benefit Plan Investor, you may not acquire Class D Notes or Regulation S Global Subordinated Notes (other than Regulation S Global Subordinated Notes purchased from the Issuer on the Closing Date) or any interest therein. See "Certain ERISA and Related Considerations."

Each purchaser and subsequent transferee of Regulation S Global Subordinated Notes will be required or deemed to represent that such purchaser or subsequent transferee, as applicable, is not an Affected Bank. If you are a purchaser or transferee of Certificated Subordinated Notes, you will be required to provide the Issuer and the Trustee written certification by the delivery of a certificate in the form of Annex A-2 hereto that you are not an Affected Bank (unless such acquisition is authorized by the Issuer in writing). If you purchase an interest in a Subordinated Note on the Closing Date, you will be required to provide the Issuer and JPMorgan with a representation letter containing representations substantially similar to those set forth in Annex A-2 indicating that you are not an Affected Bank. If any holder of the Subordinated Notes is (or is affiliated with) an Affected Bank, the Issuer, in its sole discretion, may treat (if necessary or helpful to reduce the likelihood that such ownership may cause withholding under Treasury Regulation Section 1.881-3) such holder as a Non-Permitted Holder and, thus, may cause the transfer of all or of a portion of the applicable Notes in the manner described herein (although for avoidance of doubt, the prior acquisition of such Notes will not be null and void *ab initio*). "*Affected Bank*" means a "bank" for purposes of Section 881 of the Code or an entity affiliated with such a bank that owns, directly or indirectly, more than 33-1/3% of the Aggregate Outstanding Amount of the Subordinated Notes

and is neither (x) a United States person nor (y) entitled to the benefits of an income tax treaty with the United States under which withholding taxes on interest payments made by obligors resident in the United States to such bank are reduced to 0%.

Each purchaser, beneficial owner and subsequent transferee agrees to (i) provide the Issuer or authorized agent acting on its behalf (and any applicable Intermediary) and the Trustee with the Holder FATCA Information and to take any other action reasonably necessary (in the determination of the Issuer, the Collateral Manager, the Trustee or their respective agents) to enable the Issuer or an Intermediary to comply with FATCA or analogous provisions of non-U.S. laws and (ii) permit the Issuer, and the Collateral Manager, any applicable Intermediary and Trustee (on behalf of the Issuer), if required to avoid FATCA withholding, fines or penalties to (x) share such information with the IRS and any other taxing authority, (y) compel or effect the sale of Notes held by any such Holder that fails to comply with the foregoing requirements or if such Holder's ownership would prevent the Issuer from qualifying as, or complying with any obligations or requirements imposed on, a "Participating FFI" within the meaning of the Code or any Treasury Regulations promulgated thereunder or a "deemed-compliant FFI" within the meaning of the Code or any Treasury Regulations promulgated thereunder, or otherwise prevents the Issuer from complying with FATCA and (z) make other amendments to the Indenture to enable the Issuer to comply with FATCA.

To the extent required by the Issuer, as determined by the Issuer or the Collateral Manager on behalf of the Issuer, the Issuer may, upon notice to the Trustee, impose additional transfer restrictions on the Subordinated Notes to comply with the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 and other similar laws or regulations, including, without limitation, requiring each transferee of a Subordinated Note, as applicable, to make representations to the Issuer in connection with such compliance.

Legends

The Secured Notes will bear a legend substantially to the following effect unless the Issuer determines otherwise in compliance with applicable law:

> THIS NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO A "QUALIFIED PURCHASER" (AS DEFINED FOR PURPOSES OF SECTION 3(C)(7) OF THE INVESTMENT COMPANY ACT) THAT IS EITHER (1) A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN RELIANCE ON THE EXEMPTION FROM SECURITIES ACT REGISTRATION PROVIDED BY SUCH RULE 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)(D) OR (A)(1)(E) OF RULE 144A OR A TRUST FUND REFERRED TO IN PARAGRAPH (A)(1)(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 OR (2) SOLELY IN THE CASE OF SECURED NOTES ISSUED AS CERTIFICATED SECURED NOTES, AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT) (AN "IAI") OR (B) TO A PERSON THAT IS NOT A "U.S. PERSON" (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) IN A TRANSACTION EXEMPT FROM REGISTRATION UNDER THE SECURITIES ACT, AND IN

EACH CASE IN COMPLIANCE WITH THE CERTIFICATION AND OTHER REQUIREMENTS SPECIFIED IN THE INDENTURE REFERRED TO HEREIN AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAW OF ANY APPLICABLE JURISDICTION.

[THE ISSUER HAS THE RIGHT, UNDER THE INDENTURE, TO COMPEL ANY BENEFICIAL OWNER OF A [CLASS A-1] [CLASS A-2] [CLASS B] [CLASS C] NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25% LIMITATION TO SELL ITS INTEREST IN SUCH NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.][2]

[THE ISSUER HAS THE RIGHT, UNDER THE INDENTURE, TO COMPEL ANY BENEFICIAL OWNER OF A CLASS D NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25% LIMITATION TO SELL ITS INTEREST IN SUCH NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.][3]

THE ISSUER HAS THE RIGHT, UNDER THE INDENTURE, TO COMPEL ANY BENEFICIAL OWNER OF AN INTEREST IN A NOTE THAT IS A U.S. PERSON AND IS NOT BOTH (A) A QUALIFIED PURCHASER OR A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY (OTHER THAN A TRUST) EACH SHAREHOLDER, PARTNER, MEMBER OR OTHER EQUITY OWNER OF WHICH IS A QUALIFIED PURCHASER AND (B) A QUALIFIED INSTITUTIONAL BUYER OR AN IAI TO SELL ITS INTEREST IN THE NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.

[EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE REQUIRED OR DEEMED TO REPRESENT AND WARRANT THAT (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTES WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE (ANY SUCH LAW OR REGULATION, AN "OTHER PLAN LAW"), ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTES WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY

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[2] Inserted into a Class A-1 Note, Class A-2 Note, Class B Note or Class C Note

[3] Inserted into a Class D Note

SUCH OTHER PLAN LAW. "BENEFIT PLAN INVESTOR" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF ERISA, (B) A PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY.][4]

[EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE REQUIRED OR DEEMED TO REPRESENT AND WARRANT THAT (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER AND THE COLLATERAL MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") ("SIMILAR LAW"), AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY APPLICABLE STATE, LOCAL, OTHER FEDERAL OR NON-U.S. LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("OTHER PLAN LAW"). "BENEFIT PLAN INVESTOR" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF ERISA, (B) A PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY.][5]

[ANY TRANSFER, PLEDGE OR OTHER USE OF THIS NOTE FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN, UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY ("DTC"), NEW YORK, NEW YORK, TO THE CO-ISSUERS OR THEIR AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT AND ANY

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[4] Inserted into a Class A-1 Note, Class A-2 Note, Class B Note or Class C Note

[5] Inserted into a Class D Note

NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR OF SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO.).

TRANSFERS OF THIS NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE.][6]

TRANSFERS OF THIS NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO HEREIN.

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

THE FAILURE TO PROVIDE THE ISSUER, THE TRUSTEE AND ANY PAYING AGENT WITH THE PROPERLY COMPLETED AND SIGNED TAX CERTIFICATIONS (GENERALLY, IN THE CASE OF U.S. FEDERAL INCOME TAX, AN INTERNAL REVENUE SERVICE FORM W-9 (OR APPLICABLE SUCCESSOR FORM) IN THE CASE OF A PERSON THAT IS A "UNITED STATES PERSON" WITHIN THE MEANING OF SECTION 7701(a)(30) OF THE CODE OR THE APPROPRIATE INTERNAL REVENUE SERVICE FORM W-8 (OR APPLICABLE SUCCESSOR FORM) IN THE CASE OF A PERSON THAT IS NOT A "UNITED STATES PERSON" WITHIN THE MEANING OF SECTION 7701(a)(30) OF THE CODE) OR THE FAILURE TO PROVIDE OR UPDATE ITS HOLDER FATCA INFORMATION OR TO TAKE ANY OTHER ACTION REASONABLY NECESSARY (IN THE DETERMINATION OF THE ISSUER, THE COLLATERAL MANAGER, THE TRUSTEE OR THEIR RESPECTIVE AGENTS) TO ENABLE THE ISSUER OR AN INTERMEDIARY TO COMPLY WITH FATCA MAY RESULT IN WITHHOLDING FROM PAYMENTS IN RESPECT OF SUCH NOTE, INCLUDING U.S. FEDERAL WITHHOLDING OR BACK-UP WITHHOLDING. "HOLDER FATCA INFORMATION" MEANS INFORMATION REQUESTED BY THE ISSUER OR AN INTERMEDIARY (OR AN AGENT THEREOF) TO BE PROVIDED BY THE HOLDERS OR BENEFICIAL OWNERS OF NOTES TO THE ISSUER OR AN INTERMEDIARY THAT IN THE REASONABLE DETERMINATION OF THE ISSUER OR AN INTERMEDIARY IS REQUIRED TO BE REQUESTED BY FATCA OR ANALOGOUS PROVISIONS OF NON-U.S. LAW (INCLUDING PURSUANT TO AN INTERGOVERNMENTAL AGREEMENT RELATED THERETO OR A VOLUNTARY AGREEMENT ENTERED INTO WITH A TAXING AUTHORITY) OR A RELATED RULE OR A PUBLISHED ADMINISTRATIVE INTERPRETATION. "FATCA" MEANS SECTIONS 1471 THROUGH 1474 OF THE CODE, ANY CURRENT OR FUTURE REGULATIONS OR OFFICIAL INTERPRETATIONS THEREOF, ANY AGREEMENT ENTERED INTO PURSUANT TO SECTION 1471(b) OF THE CODE, ANY APPLICABLE INTERGOVERNMENTAL AGREEMENT ENTERED INTO IN CONNECTION WITH THE IMPLEMENTATION OF

[6] Inserted in the case of Global Secured Notes only

SUCH SECTIONS OF THE CODE OR ANY LEGISLATION, RULES OR PRACTICES ADOPTED PURSUANT TO ANY INTERGOVERNMENTAL AGREEMENT.

EACH HOLDER AND BENEFICIAL OWNER OF THIS NOTE AGREES TO (I) PROVIDE THE ISSUER OR AUTHORIZED AGENT ACTING ON ITS BEHALF (AND ANY APPLICABLE INTERMEDIARY) AND THE TRUSTEE WITH THE HOLDER FATCA INFORMATION AND TO TAKE ANY OTHER ACTION REASONABLY NECESSARY (IN THE DETERMINATION OF THE ISSUER, THE COLLATERAL MANAGER, THE TRUSTEE OR THEIR RESPECTIVE AGENTS) TO ENABLE THE ISSUER OR AN INTERMEDIARY TO COMPLY WITH FATCA AND (II) PERMIT THE ISSUER, THE COLLATERAL MANAGER, ANY APPLICABLE INTERMEDIARY AND TRUSTEE (ON BEHALF OF THE ISSUER), IF REQUIRED TO AVOID FATCA WITHHOLDING, TO (X) SHARE SUCH INFORMATION WITH THE IRS AND ANY OTHER TAXING AUTHORITY, (Y) COMPEL OR EFFECT THE SALE OF NOTES HELD BY ANY SUCH HOLDER THAT FAILS TO COMPLY WITH THE FOREGOING REQUIREMENTS OR IF SUCH HOLDER'S OWNERSHIP WOULD PREVENT THE ISSUER FROM QUALIFYING AS, OR COMPLYING WITH ANY OBLIGATIONS OR REQUIREMENTS IMPOSED ON, A "PARTICIPATING FFI" WITHIN THE MEANING OF THE CODE OR ANY TREASURY REGULATIONS PROMULGATED THEREUNDER OR A "DEEMED-COMPLIANT FFI" WITHIN THE MEANING OF THE CODE OR ANY TREASURY REGULATIONS PROMULGATED THEREUNDER, OR OTHERWISE PREVENTS THE ISSUER FROM COMPLYING WITH FATCA AND (Z) MAKE OTHER AMENDMENTS TO THE INDENTURE TO ENABLE THE ISSUER TO COMPLY WITH FATCA.

EACH HOLDER AND EACH BENEFICIAL OWNER OF THIS NOTE, BY ACQUIRING THIS NOTE OR ITS INTEREST IN THIS NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO HAVE AGREED TO TREAT, AND SHALL TREAT, THIS NOTE AS DEBT OF THE ISSUER FOR U.S. FEDERAL INCOME TAX PURPOSES AND SHALL TAKE NO ACTION INCONSISTENT WITH SUCH TREATMENT UNLESS REQUIRED BY ANY RELEVANT TAXING AUTHORITY; PROVIDED THAT THIS SHALL NOT LIMIT A HOLDER FROM MAKING A PROTECTIVE QUALIFIED ELECTING FUND ELECTION OR FILING (AS A PROTECTIVE MATTER) UNITED STATES TAX INFORMATION RETURNS REQUIRED OF ONLY CERTAIN EQUITY OWNERS WITH RESPECT TO REPORTING REQUIREMENTS UNDER THE CODE.

Additionally, Class B Notes, Class C Notes and Class D Notes will bear a legend substantially to the following effect unless the Issuer determines otherwise in compliance with applicable law:

THIS NOTE HAS BEEN ISSUED WITH ORIGINAL ISSUE DISCOUNT ("OID") FOR UNITED STATES FEDERAL INCOME TAX PURPOSES. THE ISSUE PRICE, AMOUNT OF OID, ISSUE DATE AND YIELD TO MATURITY OF THIS NOTE MAY BE OBTAINED BY WRITING TO THE ISSUER.

The Subordinated Notes in the form of a Regulation S Global Subordinated Note will bear a legend substantially to the following effect unless the Issuer determines otherwise in compliance with applicable law:

THIS SUBORDINATED NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY (A) TO A PERSON THAT IS (1) (i) A "QUALIFIED PURCHASER", (ii) A "KNOWLEDGEABLE EMPLOYEE" WITH RESPECT TO THE ISSUER OR (iii) A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY (OTHER THAN A TRUST) EACH SHAREHOLDER, PARTNER, MEMBER OR OTHER EQUITY OWNER OF WHICH IS A QUALIFIED PURCHASER OR A KNOWLEDGEABLE EMPLOYEE WITH RESPECT TO THE ISSUER (IN EACH CASE, AS DEFINED FOR PURPOSES OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT) AND (2) (X) A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN RELIANCE ON THE EXEMPTION FROM SECURITIES ACT REGISTRATION PROVIDED BY SUCH RULE 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)(D) OR (A)(1)(E) OF RULE 144A OR A TRUST FUND REFERRED TO IN PARAGRAPH (A)(1)(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, (Y) AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) UNDER THE SECURITIES ACT) (AN "IAI") OR (Z) ANOTHER "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(A) UNDER THE SECURITIES ACT) THAT IS ALSO A KNOWLEDGEABLE EMPLOYEE WITH RESPECT TO THE ISSUER OR (B) TO A PERSON THAT IS NOT A "U.S. PERSON" (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) AND IS ACQUIRING THIS SUBORDINATED NOTE IN RELIANCE ON THE EXEMPTION FROM SECURITIES ACT REGISTRATION PROVIDED BY SUCH REGULATION, AND IN EACH CASE IN COMPLIANCE WITH THE CERTIFICATION AND OTHER REQUIREMENTS SPECIFIED IN THE INDENTURE REFERRED TO HEREIN AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAW OF ANY APPLICABLE JURISDICTION.

(1) EACH PERSON WHO PURCHASES AN INTEREST IN THIS NOTE FROM THE ISSUER AS PART OF THE INITIAL OFFERING WILL BE REQUIRED TO REPRESENT AND WARRANT IN WRITING TO THE TRUSTEE (A) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (B) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS A CONTROLLING PERSON AND (C) THAT (I) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") AND (II) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (X) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE

INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER AND THE COLLATERAL MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("SIMILAR LAW") AND (Y) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY APPLICABLE FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAW OR REGULATION THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE ("OTHER PLAN LAW") AND (2) EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, OF AN INTEREST IN THIS NOTE FROM PERSONS OTHER THAN FROM THE ISSUER, ON EACH DAY FROM THE DATE ON WHICH SUCH BENEFICIAL OWNER ACQUIRES ITS INTEREST IN SUCH SUBORDINATED NOTES THROUGH AND INCLUDING THE DATE ON WHICH SUCH BENEFICIAL OWNER DISPOSES OF ITS INTEREST IN SUCH SUBORDINATED NOTES, WILL BE DEEMED TO HAVE REPRESENTED AND AGREED THAT (A) IT IS NOT, AND IS NOT ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR OR A CONTROLLING PERSON AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (X) IT IS NOT, AND FOR SO LONG AS IT HOLDS SUCH NOTES OR INTEREST THEREIN WILL NOT BE, SUBJECT TO SIMILAR LAW AND (Y) ITS ACQUISITION, HOLDING AND DISPOSITION OF SUCH NOTES WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY OTHER PLAN LAW. "BENEFIT PLAN INVESTOR" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF ERISA, (B) A PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S INVESTMENT IN THE ENTITY. "CONTROLLING PERSON" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "AFFILIATE" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "CONTROL" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON.

NO TRANSFER OF A SUBORDINATED NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRUSTEE WILL NOT RECOGNIZE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25% OR MORE OF THE TOTAL VALUE OF THE SUBORDINATED NOTES TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS.

THE ISSUER HAS THE RIGHT, UNDER THE INDENTURE, TO COMPEL ANY BENEFICIAL OWNER OF A SUBORDINATED NOTE WHO HAS MADE OR

HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25% LIMITATION TO SELL ITS INTEREST IN THE SUBORDINATED NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.

THE ISSUER HAS THE RIGHT, UNDER THE INDENTURE, TO COMPEL ANY BENEFICIAL OWNER OF AN INTEREST IN A SUBORDINATED NOTE THAT IS A U.S. PERSON AND IS NOT (A) A QUALIFIED PURCHASER, A KNOWLEDGEABLE EMPLOYEE WITH RESPECT TO THE ISSUER OR A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY (OTHER THAN A TRUST) EACH SHAREHOLDER, PARTNER, MEMBER OR OTHER EQUITY OWNER OF WHICH IS EITHER A KNOWLEDGEABLE EMPLOYEE WITH RESPECT TO THE ISSUER OR A QUALIFIED PURCHASER AND (B) A QUALIFIED INSTITUTIONAL BUYER, AN INSTITUTIONAL ACCREDITED INVESTOR OR ANOTHER ACCREDITED INVESTOR THAT IS ALSO A KNOWLEDGEABLE EMPLOYEE WITH RESPECT TO THE ISSUER TO SELL ITS INTEREST IN THE SUBORDINATED NOTES, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.

ANY TRANSFER, PLEDGE OR OTHER USE OF THIS NOTE FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL SINCE THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN, UNLESS THIS NOTE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY ("DTC"), NEW YORK, NEW YORK, TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT AND ANY NOTE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR OF SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF DTC (AND ANY PAYMENT HEREON IS MADE TO CEDE & CO.).

TRANSFERS OF THIS NOTE SHALL BE LIMITED TO TRANSFERS IN WHOLE, BUT NOT IN PART, TO NOMINEES OF DTC OR TO A SUCCESSOR THEREOF OR SUCH SUCCESSOR'S NOMINEE.

TRANSFERS OF THIS NOTE SHALL BE LIMITED TO TRANSFERS MADE IN ACCORDANCE WITH THE RESTRICTIONS SET FORTH IN THE INDENTURE REFERRED TO HEREIN.

DISTRIBUTIONS OF PRINCIPAL PROCEEDS AND INTEREST PROCEEDS TO THE HOLDER OF THE SUBORDINATED NOTES REPRESENTED HEREBY ARE SUBORDINATED TO THE PAYMENT ON EACH PAYMENT DATE OF PRINCIPAL OF AND INTEREST ON THE SECURED NOTES AND THE PAYMENT OF CERTAIN OTHER AMOUNTS, TO THE EXTENT AND AS DESCRIBED IN THE INDENTURE.

THE FAILURE TO PROVIDE THE ISSUER, THE TRUSTEE AND ANY PAYING AGENT WITH THE PROPERLY COMPLETED AND SIGNED TAX CERTIFICATIONS (GENERALLY, IN THE CASE OF U.S. FEDERAL INCOME TAX, AN INTERNAL REVENUE SERVICE FORM W-9 (OR APPLICABLE SUCCESSOR FORM), OR THE FAILURE TO THE FAILURE TO PROVIDE OR UPDATE ITS HOLDER FATCA INFORMATION OR TO TAKE ANY OTHER ACTION REASONABLY NECESSARY (IN THE DETERMINATION OF THE

ISSUER, THE COLLATERAL MANAGER, THE TRUSTEE OR THEIR RESPECTIVE AGENTS) TO ENABLE THE ISSUER OR AN INTERMEDIARY TO COMPLY WITH FATCA MAY RESULT IN WITHHOLDING FROM PAYMENTS IN RESPECT OF SUCH NOTE, INCLUDING U.S. FEDERAL WITHHOLDING OR BACK-UP WITHHOLDING. "HOLDER FATCA INFORMATION" MEANS INFORMATION REQUESTED BY THE ISSUER OR AN INTERMEDIARY (OR AN AGENT THEREOF) TO BE PROVIDED BY THE HOLDERS OR BENEFICIAL OWNERS OF NOTES TO THE ISSUER OR AN INTERMEDIARY THAT IN THE REASONABLE DETERMINATION OF THE ISSUER OR AN INTERMEDIARY IS REQUIRED TO BE REQUESTED BY FATCA OR ANALOGOUS PROVISIONS OF NON-U.S. LAW (INCLUDING PURSUANT TO AN INTERGOVERNMENTAL AGREEMENT RELATED THERETO OR A VOLUNTARY AGREEMENT ENTERED INTO WITH A TAXING AUTHORITY) OR A RELATED RULE OR A PUBLISHED ADMINISTRATIVE INTERPRETATION. "FATCA" MEANS SECTIONS 1471 THROUGH 1474 OF THE CODE, ANY CURRENT OR FUTURE REGULATIONS OR OFFICIAL INTERPRETATIONS THEREOF, ANY AGREEMENT ENTERED INTO PURSUANT TO SECTION 1471(b) OF THE CODE, ANY APPLICABLE INTERGOVERNMENTAL AGREEMENT ENTERED INTO IN CONNECTION WITH THE IMPLEMENTATION OF SUCH SECTIONS OF THE CODE OR ANY LEGISLATION, RULES OR PRACTICES ADOPTED PURSUANT TO ANY INTERGOVERNMENTAL AGREEMENT.

EACH HOLDER AND BENEFICIAL OWNER OF THIS NOTE AGREES TO (I) PROVIDE THE ISSUER OR AUTHORIZED AGENT ACTING ON ITS BEHALF (AND ANY APPLICABLE INTERMEDIARY) AND THE TRUSTEE WITH THE HOLDER FATCA INFORMATION AND TO TAKE ANY OTHER ACTION REASONABLY NECESSARY (IN THE DETERMINATION OF THE ISSUER, THE COLLATERAL MANAGER, THE TRUSTEE OR THEIR RESPECTIVE AGENTS) TO ENABLE THE ISSUER OR AN INTERMEDIARY TO COMPLY WITH FATCA AND (II) PERMIT THE ISSUER, THE COLLATERAL MANAGER, ANY APPLICABLE INTERMEDIARY AND THE TRUSTEE (ON BEHALF OF THE ISSUER), IF REQUIRED TO AVOID FATCA WITHHOLDING, TO (X) SHARE SUCH INFORMATION WITH THE IRS AND ANY OTHER TAXING AUTHORITY, (Y) COMPEL OR EFFECT THE SALE OF NOTES HELD BY ANY SUCH HOLDER THAT FAILS TO COMPLY WITH THE FOREGOING REQUIREMENTS OR IF SUCH HOLDER'S OWNERSHIP WOULD PREVENT THE ISSUER FROM QUALIFYING AS, OR COMPLYING WITH ANY OBLIGATIONS OR REQUIREMENTS IMPOSED ON, A "PARTICIPATING FFI" WITHIN THE MEANING OF THE CODE OR ANY TREASURY REGULATIONS PROMULGATED THEREUNDER OR A "DEEMED-COMPLIANT FFI" WITHIN THE MEANING OF THE CODE OR ANY TREASURY REGULATIONS PROMULGATED THEREUNDER, OR OTHERWISE PREVENTS THE ISSUER FROM COMPLYING WITH FATCA AND (Z) MAKE OTHER AMENDMENTS TO THE INDENTURE TO ENABLE THE ISSUER TO COMPLY WITH FATCA.

EACH HOLDER AND BENEFICIAL OWNER OF THIS SUBORDINATED NOTE OR AN INTEREST IN THIS NOTE WILL MAKE A REPRESENTATION THAT IT IS NOT AN AFFECTED BANK UNLESS SUCH TRANSFER IS SPECIFICALLY AUTHORIZED BY THE ISSUER IN WRITING, OR BY ACQUIRING THIS NOTE OR AN INTEREST IN THIS NOTE WILL BE DEEMED TO MAKE, A REPRESENTATION TO THE EFFECT THAT IT IS NOT AN AFFECTED BANK. AN "AFFECTED BANK" IS A "BANK" FOR PURPOSES OF SECTION 881 OF THE CODE OR AN ENTITY AFFILIATED WITH SUCH A BANK THAT OWNS,

DIRECTLY OR INDIRECTLY, MORE THAN 33-1/3% OF THE AGGREGATE OUTSTANDING AMOUNT OF THE SUBORDINATED NOTES AND IS NEITHER (X) A UNITED STATES PERSON (WITHIN THE MEANING OF SECTION 7701(a)(30) OF THE CODE) NOR (Y) ENTITLED TO THE BENEFITS OF AN INCOME TAX TREATY WITH THE UNITED STATES UNDER WHICH WITHHOLDING TAXES ON INTEREST PAYMENTS MADE BY OBLIGORS RESIDENT IN THE UNITED STATES TO SUCH BANK ARE REDUCED TO 0%. EACH HOLDER AND EACH BENEFICIAL OWNER OF THIS SUBORDINATED NOTE, BY ACQUIRING THIS NOTE OR AN INTEREST IN THIS NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO HAVE AGREED THAT IF IT IS (OR IS AFFILIATED WITH) AN AFFECTED BANK, THE ISSUER, IN ITS SOLE DISCRETION, MAY CAUSE (IF NECESSARY OR HELPFUL TO REDUCE THE LIKELIHOOD THAT SUCH OWNERSHIP MAY CAUSE WITHHOLDING UNDER TREASURY REGULATION SECTION 1.881-3) THE TRANSFER OF ALL OR OF A PORTION OF THE APPLICABLE NOTES IN THE MANNER DESCRIBED HEREIN (ALTHOUGH FOR AVOIDANCE OF DOUBT, THE PRIOR ACQUISITION OF SUCH NOTES WILL NOT BE NULL AND VOID *AB INITIO*).

EACH HOLDER AND EACH BENEFICIAL OWNER OF THIS SUBORDINATED NOTE, BY ACQUIRING THIS NOTE OR AN INTEREST IN THIS NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO HAVE AGREED TO TREAT, AND SHALL TREAT, THIS SUBORDINATED NOTE AS EQUITY IN THE ISSUER FOR U.S. FEDERAL INCOME TAX PURPOSES AND SHALL TAKE NO ACTION INCONSISTENT WITH SUCH TREATMENT UNLESS REQUIRED BY ANY RELEVANT TAXING AUTHORITY.

The Subordinated Notes in the form of a Certificated Subordinated Note will bear a legend substantially to the following effect unless the Issuer determines otherwise in compliance with applicable law:

THIS SUBORDINATED NOTE HAS NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT") OR THE SECURITIES LAWS OF ANY STATE OF THE UNITED STATES, AND MAY BE REOFFERED, RESOLD, PLEDGED OR OTHERWISE TRANSFERRED ONLY TO (A) TO A PERSON THAT IS (1) (i) A "QUALIFIED PURCHASER", (ii) A "KNOWLEDGEABLE EMPLOYEE" WITH RESPECT TO THE ISSUER OR (iii) A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY (OTHER THAN A TRUST) EACH SHAREHOLDER, PARTNER, MEMBER OR OTHER EQUITY OWNER OF WHICH IS A QUALIFIED PURCHASER OR A KNOWLEDGEABLE EMPLOYEE WITH RESPECT TO THE ISSUER (IN EACH CASE, AS DEFINED FOR PURPOSES OF SECTION 3(c)(7) OF THE INVESTMENT COMPANY ACT) AND (2) (X) A "QUALIFIED INSTITUTIONAL BUYER" (AS DEFINED IN RULE 144A UNDER THE SECURITIES ACT) IN RELIANCE ON THE EXEMPTION FROM SECURITIES ACT REGISTRATION PROVIDED BY SUCH RULE 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)(D) OR (A)(1)(E) OF RULE 144A OR A TRUST FUND REFERRED TO IN PARAGRAPH (A)(1)(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, (Y) AN INSTITUTIONAL "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(A)(1), (2), (3) OR (7) UNDER THE

SECURITIES ACT) (AN "IAI") OR (Z) ANOTHER "ACCREDITED INVESTOR" (AS DEFINED IN RULE 501(A) UNDER THE SECURITIES ACT) THAT IS ALSO A KNOWLEDGEABLE EMPLOYEE WITH RESPECT TO THE ISSUER OR (B) TO A PERSON THAT IS NOT A "U.S. PERSON" (AS DEFINED IN REGULATION S UNDER THE SECURITIES ACT) AND IS ACQUIRING THIS SUBORDINATED NOTE IN RELIANCE ON THE EXEMPTION FROM SECURITIES ACT REGISTRATION PROVIDED BY SUCH REGULATION, AND IN EACH CASE IN COMPLIANCE WITH THE CERTIFICATION AND OTHER REQUIREMENTS SPECIFIED IN THE INDENTURE REFERRED TO HEREIN AND IN COMPLIANCE WITH ANY APPLICABLE SECURITIES LAW OF ANY APPLICABLE JURISDICTION.

EACH PURCHASER OR TRANSFEREE OF THIS NOTE WILL BE REQUIRED TO (I) REPRESENT AND WARRANT IN WRITING TO THE TRUSTEE (1) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, (2) WHETHER OR NOT, FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN, IT IS A CONTROLLING PERSON AND (3) THAT (A) IF IT IS, OR IS ACTING ON BEHALF OF, A BENEFIT PLAN INVESTOR, ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") OR SECTION 4975 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE") AND (B) IF IT IS A GOVERNMENTAL, CHURCH, NON-U.S. OR OTHER PLAN, (I) IT IS NOT, AND FOR SO LONG AS IT HOLDS THIS NOTE OR AN INTEREST HEREIN IT WILL NOT BE, SUBJECT TO ANY FEDERAL, STATE, LOCAL, NON-U.S. OR OTHER LAW OR REGULATION THAT COULD CAUSE THE UNDERLYING ASSETS OF THE ISSUER TO BE TREATED AS ASSETS OF THE INVESTOR IN ANY NOTE (OR INTEREST THEREIN) BY VIRTUE OF ITS INTEREST AND THEREBY SUBJECT THE ISSUER AND THE COLLATERAL MANAGER (OR OTHER PERSONS RESPONSIBLE FOR THE INVESTMENT AND OPERATION OF THE ISSUER'S ASSETS) TO LAWS OR REGULATIONS THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, AND (II) ITS ACQUISITION, HOLDING AND DISPOSITION OF THIS NOTE WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT VIOLATION OF ANY APPLICABLE FEDERAL, STATE, LOCAL, OR NON-U.S. OR OTHER LAW OR REGULATION THAT ARE SUBSTANTIALLY SIMILAR TO THE PROHIBITED TRANSACTION PROVISIONS OF SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE. EACH PURCHASER OR SUBSEQUENT TRANSFEREE, AS APPLICABLE, OF SUBORDINATED NOTES IN THE FORM OF A CERTIFICATED NOTE WILL BE REQUIRED TO COMPLETE A BENEFIT PLAN INVESTOR CERTIFICATE IDENTIFYING ITS STATUS AS A BENEFIT PLAN INVESTOR OR A CONTROLLING PERSON. "BENEFIT PLAN INVESTOR" MEANS A BENEFIT PLAN INVESTOR, AS DEFINED IN SECTION 3(42) OF ERISA, AND INCLUDES (A) AN EMPLOYEE BENEFIT PLAN (AS DEFINED IN SECTION 3(3) OF TITLE I OF ERISA) THAT IS SUBJECT TO THE FIDUCIARY RESPONSIBILITY PROVISIONS OF ERISA, (B) A PLAN THAT IS SUBJECT TO SECTION 4975 OF THE CODE OR (C) ANY ENTITY WHOSE UNDERLYING ASSETS INCLUDE "PLAN ASSETS" BY REASON OF ANY SUCH EMPLOYEE BENEFIT PLAN'S OR PLAN'S

INVESTMENT IN THE ENTITY. "CONTROLLING PERSON" MEANS A PERSON (OTHER THAN A BENEFIT PLAN INVESTOR) WHO HAS DISCRETIONARY AUTHORITY OR CONTROL WITH RESPECT TO THE ASSETS OF THE ISSUER OR ANY PERSON WHO PROVIDES INVESTMENT ADVICE FOR A FEE (DIRECT OR INDIRECT) WITH RESPECT TO SUCH ASSETS, OR ANY AFFILIATE OF ANY SUCH PERSON. AN "AFFILIATE" OF A PERSON INCLUDES ANY PERSON, DIRECTLY OR INDIRECTLY THROUGH ONE OR MORE INTERMEDIARIES, CONTROLLING, CONTROLLED BY OR UNDER COMMON CONTROL WITH THE PERSON. "CONTROL" WITH RESPECT TO A PERSON OTHER THAN AN INDIVIDUAL MEANS THE POWER TO EXERCISE A CONTROLLING INFLUENCE OVER THE MANAGEMENT OR POLICIES OF SUCH PERSON.

NO TRANSFER OF A SUBORDINATED NOTE OR ANY INTEREST THEREIN WILL BE PERMITTED, AND THE TRUSTEE WILL NOT RECOGNIZE ANY SUCH TRANSFER, IF IT WOULD CAUSE 25% OR MORE OF THE TOTAL VALUE OF THE SUBORDINATED NOTES TO BE HELD BY BENEFIT PLAN INVESTORS, DISREGARDING SUBORDINATED NOTES (OR INTERESTS THEREIN) HELD BY CONTROLLING PERSONS.

THE ISSUER HAS THE RIGHT, UNDER THE INDENTURE, TO COMPEL ANY BENEFICIAL OWNER OF A SUBORDINATED NOTE WHO HAS MADE OR HAS BEEN DEEMED TO MAKE A PROHIBITED TRANSACTION, BENEFIT PLAN INVESTOR, CONTROLLING PERSON, SIMILAR LAW OR OTHER PLAN LAW REPRESENTATION THAT IS SUBSEQUENTLY SHOWN TO BE FALSE OR MISLEADING OR WHOSE OWNERSHIP OTHERWISE CAUSES A VIOLATION OF THE 25% LIMITATION TO SELL ITS INTEREST IN THE SUBORDINATED NOTE, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.

THE ISSUER HAS THE RIGHT, UNDER THE INDENTURE, TO COMPEL ANY BENEFICIAL OWNER OF AN INTEREST IN A SUBORDINATED NOTE THAT IS A U.S. PERSON AND IS NOT (A) A QUALIFIED PURCHASER, A KNOWLEDGEABLE EMPLOYEE WITH RESPECT TO THE ISSUER OR A CORPORATION, PARTNERSHIP, LIMITED LIABILITY COMPANY OR OTHER ENTITY (OTHER THAN A TRUST) EACH SHAREHOLDER, PARTNER, MEMBER OR OTHER EQUITY OWNER OF WHICH IS EITHER A KNOWLEDGEABLE EMPLOYEE WITH RESPECT TO THE ISSUER OR A QUALIFIED PURCHASER AND (B) A QUALIFIED INSTITUTIONAL BUYER, AN INSTITUTIONAL ACCREDITED INVESTOR OR ANOTHER ACCREDITED INVESTOR THAT IS ALSO A KNOWLEDGEABLE EMPLOYEE WITH RESPECT TO THE ISSUER TO SELL ITS INTEREST IN THE SUBORDINATED NOTES, OR MAY SELL SUCH INTEREST ON BEHALF OF SUCH OWNER.

DISTRIBUTIONS OF PRINCIPAL PROCEEDS AND INTEREST PROCEEDS TO THE HOLDER OF THE SUBORDINATED NOTES REPRESENTED HEREBY ARE SUBORDINATED TO THE PAYMENT ON EACH PAYMENT DATE OF PRINCIPAL OF AND INTEREST ON THE SECURED NOTES AND THE PAYMENT OF CERTAIN OTHER AMOUNTS, TO THE EXTENT AND AS DESCRIBED IN THE INDENTURE.

THE FAILURE TO PROVIDE THE ISSUER, THE TRUSTEE AND ANY PAYING AGENT WITH THE PROPERLY COMPLETED AND SIGNED TAX

CERTIFICATIONS (GENERALLY, IN THE CASE OF U.S. FEDERAL INCOME TAX, AN INTERNAL REVENUE SERVICE FORM W-9 OR APPLICABLE 2-8 (OR APPLICABLE SUCCESSOR FORM), OR THE FAILURE TO THE FAILURE TO PROVIDE OR UPDATE ITS HOLDER FATCA INFORMATION OR TO TAKE ANY OTHER ACTION REASONABLY NECESSARY (IN THE DETERMINATION OF THE ISSUER, THE COLLATERAL MANAGER, THE TRUSTEE OR THEIR RESPECTIVE AGENTS) TO ENABLE THE ISSUER OR AN INTERMEDIARY TO COMPLY WITH FATCA MAY RESULT IN WITHHOLDING FROM PAYMENTS IN RESPECT OF SUCH NOTE, INCLUDING U.S. FEDERAL WITHHOLDING OR BACK-UP WITHHOLDING. "HOLDER FATCA INFORMATION" MEANS INFORMATION REQUESTED BY THE ISSUER OR AN INTERMEDIARY (OR AN AGENT THEREOF) TO BE PROVIDED BY THE HOLDERS OR BENEFICIAL OWNERS OF NOTES TO THE ISSUER OR AN INTERMEDIARY THAT IN THE REASONABLE DETERMINATION OF THE ISSUER OR AN INTERMEDIARY IS REQUIRED TO BE REQUESTED BY FATCA OR ANALOGOUS PROVISIONS OF NON-U.S. LAW (INCLUDING PURSUANT TO AN INTERGOVERNMENTAL AGREEMENT RELATED THERETO OR A VOLUNTARY AGREEMENT ENTERED INTO WITH A TAXING AUTHORITY) OR A RELATED RULE OR A PUBLISHED ADMINISTRATIVE INTERPRETATION. "FATCA" MEANS SECTIONS 1471 THROUGH 1474 OF THE CODE, ANY CURRENT OR FUTURE REGULATIONS OR OFFICIAL INTERPRETATIONS THEREOF, ANY AGREEMENT ENTERED INTO PURSUANT TO SECTION 1471(b) OF THE CODE, ANY APPLICABLE INTERGOVERNMENTAL AGREEMENT ENTERED INTO IN CONNECTION WITH THE IMPLEMENTATION OF SUCH SECTIONS OF THE CODE OR ANY LEGISLATION, RULES OR PRACTICES ADOPTED PURSUANT TO ANY INTERGOVERNMENTAL AGREEMENT.

EACH HOLDER AND BENEFICIAL OWNER OF THIS NOTE AGREES TO (I) PROVIDE THE ISSUER OR AUTHORIZED AGENT ACTING ON ITS BEHALF (AND ANY APPLICABLE INTERMEDIARY) AND THE TRUSTEE WITH THE HOLDER FATCA INFORMATION AND TO TAKE ANY OTHER ACTION REASONABLY NECESSARY (IN THE DETERMINATION OF THE ISSUER, THE COLLATERAL MANAGER, THE TRUSTEE OR THEIR RESPECTIVE AGENTS) TO ENABLE THE ISSUER OR AN INTERMEDIARY TO COMPLY WITH FATCA AND (II) PERMIT THE ISSUER, THE COLLATERAL MANAGER, ANY APPLICABLE INTERMEDIARY AND TRUSTEE (ON BEHALF OF THE ISSUER), IF REQUIRED TO AVOID FATCA WITHHOLDING, TO (X) SHARE SUCH INFORMATION WITH THE IRS AND ANY OTHER TAXING AUTHORITY, (Y) COMPEL OR EFFECT THE SALE OF NOTES HELD BY ANY SUCH HOLDER THAT FAILS TO COMPLY WITH THE FOREGOING REQUIREMENTS OR IF SUCH HOLDER'S OWNERSHIP WOULD PREVENT THE ISSUER FROM QUALIFYING AS, OR COMPLYING WITH ANY OBLIGATIONS OR REQUIREMENTS IMPOSED ON, A "PARTICIPATING FFI" WITHIN THE MEANING OF THE CODE OR ANY TREASURY REGULATIONS PROMULGATED THEREUNDER OR A "DEEMED-COMPLIANT FFI" WITHIN THE MEANING OF THE CODE OR ANY TREASURY REGULATIONS PROMULGATED THEREUNDER, OR OTHERWISE PREVENTS THE ISSUER FROM COMPLYING WITH FATCA AND (Z) MAKE OTHER AMENDMENTS TO THE INDENTURE TO ENABLE THE ISSUER TO COMPLY WITH FATCA.

EACH HOLDER AND BENEFICIAL OWNER OF THIS SUBORDINATED NOTE OR AN INTEREST IN THIS NOTE (A) WILL MAKE A REPRESENTATION THAT IT IS NOT AN AFFECTED BANK UNLESS SUCH TRANSFER IS SPECIFICALLY AUTHORIZED BY THE ISSUER IN WRITING AND (B) WILL AGREE NOT TO TRANSFER A SUBORDINATED NOTE TO AN AFFECTED BANK UNLESS SUCH TRANSFER IS SPECIFICALLY AUTHORIZED BY THE ISSUER IN WRITING. AN "AFFECTED BANK" IS A "BANK" FOR PURPOSES OF SECTION 881 OF THE CODE OR AN ENTITY AFFILIATED WITH SUCH A BANK THAT OWNS, DIRECTLY OR INDIRECTLY, MORE THAN 33-1/3% OF THE AGGREGATE OUTSTANDING AMOUNT OF THE SUBORDINATED NOTES AND IS NEITHER (X) A UNITED STATES PERSON (WITHIN THE MEANING OF SECTION 7701(a)(30) OF THE CODE) NOR (Y) ENTITLED TO THE BENEFITS OF AN INCOME TAX TREATY WITH THE UNITED STATES UNDER WHICH WITHHOLDING TAXES ON INTEREST PAYMENTS MADE BY OBLIGORS RESIDENT IN THE UNITED STATES TO SUCH BANK ARE REDUCED TO 0%. EACH HOLDER AND EACH BENEFICIAL OWNER OF THIS SUBORDINATED NOTE, BY ACQUIRING THIS NOTE OR AN INTEREST IN THIS NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO HAVE AGREED THAT IF IT IS (OR IS AFFILIATED WITH) AN AFFECTED BANK, THE ISSUER, IN ITS SOLE DISCRETION, MAY CAUSE (IF NECESSARY OR HELPFUL TO REDUCE THE LIKELIHOOD THAT SUCH OWNERSHIP MAY CAUSE WITHHOLDING UNDER TREASURY REGULATION SECTION 1.881-3) THE TRANSFER OF ALL OR OF A PORTION OF THE APPLICABLE NOTES IN THE MANNER DESCRIBED HEREIN (ALTHOUGH FOR AVOIDANCE OF DOUBT, THE PRIOR ACQUISITION OF SUCH NOTES WILL NOT BE NULL AND VOID *AB INITIO*).

EACH HOLDER AND EACH BENEFICIAL OWNER OF THIS SUBORDINATED NOTE, BY ACQUIRING THIS NOTE OR AN INTEREST IN THIS NOTE, AS THE CASE MAY BE, SHALL BE DEEMED TO HAVE AGREED TO TREAT, AND SHALL TREAT, THIS SUBORDINATED NOTE AS EQUITY IN THE ISSUER FOR U.S. FEDERAL INCOME TAX PURPOSES AND SHALL TAKE NO ACTION INCONSISTENT WITH SUCH TREATMENT UNLESS REQUIRED BY ANY RELEVANT TAXING AUTHORITY.

Additionally, the Subordinated Notes will bear a legend substantially to the following effect unless the Issuer determines otherwise in compliance with applicable law:

WITH RESPECT TO ANY PERIOD DURING WHICH ANY HOLDER IS TREATED AS A MEMBER OF THE ISSUER'S "EXPANDED AFFILIATED GROUP" (AS DEFINED IN SECTION 1.1471(E)(2) AND ANY TREASURY REGULATIONS PROMULGATED THEREUNDER), SUCH HOLDER WILL BE REQUIRED TO COVENANT THAT IT WILL (I) CAUSE ANY MEMBER OF SUCH EXPANDED AFFILIATED GROUP (ASSUMING THAT THE ISSUER AND ANY ETB SUBSIDIARY ARE "PARTICIPATING FFIS" WITHIN THE MEANING OF THE CODE OR ANY TREASURY REGULATIONS PROMULGATED THEREUNDER) THAT IS TREATED AS A "FOREIGN FINANCIAL INSTITUTION" WITHIN THE MEANING OF SECTION 1471(D)(4) OF THE CODE AND ANY TREASURY REGULATIONS PROMULGATED THEREUNDER TO BE EITHER A "PARTICIPATING FFI," A "DEEMED-COMPLIANT FFI" OR AN "EXEMPT BENEFICIAL OWNER" WITHIN THE MEANING OF THE CODE OR ANY

TREASURY REGULATIONS PROMULGATED THEREUNDER, AND (II) PROMPTLY NOTIFY THE ISSUER IN THE EVENT THAT ANY MEMBER OF SUCH EXPANDED AFFILIATED GROUP THAT IS TREATED AS A "FOREIGN FINANCIAL INSTITUTION" WITHIN THE MEANING OF SECTION 1471(D)(4) OF THE CODE AND ANY TREASURY REGULATIONS PROMULGATED THEREUNDER IS NOT EITHER A "PARTICIPATING FFI," A "DEEMED-COMPLIANT FFI" OR AN "EXEMPT BENEFICIAL OWNER" WITHIN THE MEANING OF THE CODE OR ANY TREASURY REGULATIONS PROMULGATED THEREUNDER, IN EACH CASE EXCEPT TO THE EXTENT THAT THE ISSUER OR ITS AGENTS HAVE PROVIDED SUCH HOLDER WITH AN EXPRESS WAIVER OF THIS PROVISION.

Non-Permitted Holder/Non-Permitted ERISA Holder

If (w) any U.S. person that is not a Qualified Institutional Buyer and a Qualified Purchaser (other than a U.S. person that is an Institutional Accredited Investor and is also a Qualified Purchaser (or a corporation, partnership, limited liability company or other entity (other than a trust), each shareholder, partner, member or other equity owner of which is a Qualified Purchaser) shall become the holder or beneficial owner of an interest in any Secured Note, (x) any U.S. person that is not a Qualified Institutional Buyer or an Institutional Accredited Investor and also a Qualified Purchaser, a Knowledgeable Employee with respect to the Issuer or a corporation, partnership, limited liability company or other entity (other than a trust) each shareholder, partner, member or other equity owner of which is either a Qualified Purchaser or a Knowledgeable Employee with respect to the Issuer or (y) any beneficial owner of Notes shall fail to provide or update its Holder FATCA Information or to take any other action reasonably necessary (in the determination of the Issuer, the Collateral Manager, the Trustee or their respective agents) to enable the Issuer or an Intermediary to comply with FATCA and the Issuer determines, in its reasonable discretion, that it is required under FATCA to close out such beneficial owner (any such Person a "*Non-Permitted Holder*"), the acquisition of Notes (other than under clause (y)) by such holder shall be null and void ab initio. The Issuer shall, promptly after discovery that such Person is a Non-Permitted Holder by the Issuer, the Co-Issuer or the Trustee (or upon notice to the Issuer from the Trustee if it obtains actual knowledge or by the Co-Issuer if it makes the discovery (who, in each case, agree to notify the Issuer of such discovery, if any)), send notice to such Non-Permitted Holder demanding that such Non-Permitted Holder transfer its interest to a Person that is not a Non-Permitted Holder within 30 days after the date of such notice. If such Non-Permitted Holder fails to so transfer its Offered Securities, the Issuer or the Collateral Manager acting for the Issuer shall have the right, without further notice to the Non-Permitted Holder, to sell such Offered Securities or interest in such Offered Securities to a purchaser selected by the Issuer that is not a Non-Permitted Holder on such terms as the Issuer may choose. The Issuer or the Collateral Manager acting on behalf of the Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the Offered Securities and selling such Offered Securities to the highest such bidder, *provided* that the Collateral Manager, its Affiliates and accounts, funds, clients or portfolios established and controlled by the Collateral Manager shall be entitled to bid in any such sale. However, the Issuer or the Collateral Manager may select a purchaser by any other means determined by it in its sole discretion. The holder of each Offered Security, as applicable, the Non-Permitted Holder and each other Person in the chain of title from the holder to the Non-Permitted Holder, by its acceptance of an interest in the Offered Securities agrees to cooperate with the Issuer and the Trustee to effect such transfers. The proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to the Non-Permitted Holder. In addition, if any holder of the Subordinated Notes is (or is affiliated with) an Affected Bank, the Issuer, in its sole discretion, may treat (if necessary or helpful to reduce the likelihood that such ownership may cause withholding under Treasury Regulation Section 1.881-3) such holder as a Non-Permitted Holder and, thus, may cause the transfer of all or of

a portion of the applicable Notes in the manner described herein (although for avoidance of doubt, the prior acquisition of such Notes will not be null and void *ab initio*). The terms and conditions of any sale shall be determined in the sole discretion of the Issuer, and none of the Issuer, the Co-Issuer, the Trustee or the Collateral Manager shall be liable to any Person having an interest in the Offered Securities sold as a result of any such sale or the exercise of such discretion.

If any holder of the Subordinated Notes is (or is affiliated with) an Affected Bank, the Issuer, in its sole discretion, may treat (if necessary or helpful to reduce the likelihood that such ownership may cause withholding under Treasury Regulation Section 1.881-3) such holder as a Non-Permitted Holder and, thus, may cause the transfer of all or of a portion of the applicable Notes in the manner provided for in the immediately preceding paragraph (although for avoidance of doubt, the prior acquisition of such Notes will not be null and void ab initio).

If any Person shall become the beneficial owner of a Note who has made or is deemed to have made a prohibited transaction, Benefit Plan Investor, Controlling Person, Similar Law or Other Plan Law representation that is subsequently shown to be false or misleading or whose beneficial ownership otherwise causes a violation of the 25% Limitation, the Issuer shall, promptly after discovery that such Person is a Non-Permitted ERISA Holder by the Issuer (or upon notice to the Issuer from the Trustee if it obtains actual knowledge or the Co-Issuer if it makes the discovery), send notice to such Non-Permitted ERISA Holder demanding that such Non-Permitted ERISA Holder transfer its interest to a Person that is not a Non-Permitted ERISA Holder within 14 days after the date of such notice. If such Non-Permitted ERISA Holder fails to so transfer its Notes, the Issuer shall have the right, without further notice to the Non-Permitted ERISA Holder, to sell such Non-Permitted ERISA Holder's interest in such Notes, as applicable, to a purchaser selected by the Issuer that is not a Non-Permitted ERISA Holder on such terms as the Issuer may choose. The Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the Notes and sell such Notes to the highest such bidder. The holder of each Note, the Non-Permitted ERISA Holder and each other Person in the chain of title from the holder to the Non-Permitted ERISA Holder, by its acceptance of an interest in the Notes, agrees to cooperate with the Issuer to effect such transfers. The proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to the Non-Permitted ERISA Holder. The terms and conditions of any sale under this sub-section shall be determined in the sole discretion of the Issuer, and the Issuer shall not be liable to any Person having an interest in the Notes sold as a result of any such sale or the exercise of such discretion.

Cayman Islands placement provisions

JPMorgan has agreed that it has not made and will not make any invitation to the public in the Cayman Islands to subscribe for the Offered Securities.

Listing and general information

1. Application has been made to the Irish Stock Exchange for the Offered Securities to be admitted to the Official List and trading on its regulated market. There can be no assurance that such listing will be maintained. It is expected that the total expenses related to admission to trading will be approximately €6,190.

2. For the life of the Offering Circular, copies of the Certificate of Incorporation and Memorandum and Articles of Association of the Issuer, the Certificate of Formation and Limited Liability Company Agreement of the Co-Issuer, the Indenture, the Collateral Management Agreement and the Collateral Administration Agreement will be available in electronic form for inspection at the principal office of the Issuer and the offices of the Trustee at 601 Travis Street, 16th Floor, Houston, Texas 77002, and copies thereof may be obtained upon request.

3. Copies of the Certificate of Incorporation and Memorandum and Articles of Association of the Issuer, the Certificate of Formation and Limited Liability Company Agreement of the Co-Issuer, the Administration Agreement, the Board Resolutions of the Issuer authorizing the issuance of the Offered Securities, the Board Resolutions of the Co-Issuer authorizing the issuance of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes, the Indenture, the Offering Circular, the Collateral Management Agreement, and the Collateral Administration Agreement will be available in electronic and physical form for inspection during the term of the Notes at the office of the Trustee.

4. Since incorporation or formation, as applicable, and as of the date hereof, neither the Issuer nor the Co-Issuer has commenced trading, established any accounts or declared any dividends, except for the transactions described herein.

5. Neither of the Co-Issuers is, or has since incorporation or formation been, involved in any legal, governmental proceedings or arbitration proceedings relating to claims in amounts which may have or had a significant effect on the Co-Issuers' financial position or profitability nor, so far as either Co-Issuer is aware, is any such legal, governmental proceedings or arbitration involving it pending or threatened.

6. The issuance by the Issuer of the Notes has been authorized by Board Resolutions of the Issuer on or about November 19, 2014 and the issuance by the Co-Issuer of the Class A-1 Notes, the Class A-2 Notes, the Class B Notes and the Class C Notes is expected to be authorized by Board Resolutions of the Co-Issuer to be executed on or about the Closing Date.

7. 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 State of 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 in 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.

8. As of the date hereof, the Rating Agencies are not established in the European Union and are not registered in accordance with Regulation (EC) No. 1060/2009. Walkers Listing and Support Services Ltd is acting solely in its capacity as listing agent for the Issuer in connection with the Notes and is not itself seeking admission of the Notes to trading on the regulated market of the Irish Stock Exchange.

9. The Offered Securities sold in offshore transactions in reliance on Regulation S under the Securities Act and represented by the Regulation S Global Secured Notes and the Regulation S Global Subordinated Notes have been accepted for clearance through Clearstream and Euroclear. The Notes sold to Persons that are Qualified Institutional Buyers and Qualified Purchasers pursuant to an exemption from the registration requirements of the Securities Act and represented by Rule 144A Global Secured Notes have been accepted for clearance through DTC. The CUSIP Numbers, International Securities Identification Numbers (ISIN) and Common Codes for the Secured Notes represented by Regulation S Global Secured Notes, Rule 144A Global Secured Notes and Certificated Secured Notes, as applicable, and Subordinated Notes represented by Regulation S Global Subordinated Notes and Certificated Subordinated Notes, as applicable, are as follows:

Rule 144A

	CUSIP	ISIN	Common Code
Class A-1 Notes	56577AAA0	US56577AAA07	111996750
Class A-2 Notes	56577AAC6	US56577AAC62	111995770
Class B Notes	56577AAE2	US56577AAE29	111995745
Class C Notes	56577AAG7	US56577AAG76	111995729
Class D Notes	56577CAA6	US56577CAA62	111996636

Regulation S

	CUSIP	ISIN	Common Code
Class A-1 Notes	G58061AA3	USG58061AA38	111995818
Class A-2 Notes	G58061AB1	USG58061AB11	111996725
Class B Notes	G58061AC9	USG58061AC93	111996652
Class C Notes	G58061AD7	USG58061AD76	111996695
Class D Notes	G5807HAA7	USG5807HAA70	111995672
Subordinated Notes	G5807HAB5	USG5807HAB53	111996601

Certificated Secured Notes

	CUSIP	ISIN
Class A-1 Notes	56577AAB8	US56577AAB89
Class A-2 Notes	56577AAD4	US56577AAD46
Class B Notes	56577AAF9	US56577AAF93
Class C Notes	56577AAH5	US56577AAH59
Class D Notes	56577CAB4	US56577CAB46

Certificated Subordinated Notes

	CUSIP	ISIN
Rule 144A	56577CAC2	US56577CAC29
Accredited Investors	56577CAD0	US56577CAD02

Legal matters

Certain legal matters with respect to the Notes will be passed upon for the Placement Agent and the Co-Issuers by Ashurst LLP. Certain legal matters with respect to the Notes will be passed upon for the Collateral Manager by Schulte Roth & Zabel LLP. Certain matters with respect to Cayman Islands law will be passed upon for the Issuer by Walkers.

"*Account*" means (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 Custodial Account, (vii) each Hedge Counterparty Collateral Account, (viii) the Excluded Collateral Obligation Reserve Account and (ix) the Reserve Account.

"*Accredited Investor*" has the meaning set forth in Rule 501(a) under the Securities Act.

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

(a) the aggregate outstanding 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) the lesser of the (i) S&P Collateral Value of all Defaulted Obligations and Deferring Obligations and (ii) Moody's Collateral Value of all Defaulted Obligations and Deferring Obligations; *provided* that the Adjusted Collateral Principal Amount will be zero for any Defaulted Obligation which the Issuer has owned for more than three years after its default date; *plus*

(d) the aggregate, for each Discount Obligation, of the purchase price, excluding accrued interest, expressed as a percentage of par and multiplied by the outstanding principal balance thereof, for such Discount Obligation; *minus*

(e) the Excess CCC/Caa Adjustment Amount;

provided, further, that, with respect to any Collateral Obligation that satisfies more than one of the definitions of Defaulted Obligation, Deferring Obligation, Discount Obligation or any asset that falls into the Excess CCC/Caa Adjustment Amount, such Collateral Obligation shall, for the purposes of this definition, be treated as belonging to the category of Collateral Obligations which results in the lowest Adjusted Collateral Principal Amount on any date of determination.

"*Adjusted Weighted Average Moody's Rating Factor*" means, as of any Measurement Date, 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, Moody's Rating or Moody's Derived Rating in connection with determining the Weighted Average Moody's Rating Factor for purposes of this definition, the last paragraph of the definition of each of "Moody's Default Probability Rating", "Moody's Rating" and "Moody's Derived Rating" shall be disregarded, and instead each applicable rating on credit watch by Moody's that is on (a) positive watch will be treated as having been upgraded by one rating subcategory, (b) negative watch will be treated as having been downgraded by two rating subcategories and (c) negative outlook will be treated as having been downgraded by one rating subcategory.

"*Administrative Expense Cap*" means an amount equal on any Payment Date (when taken together with any Administrative Expenses paid during the period since the preceding Payment Date or in the case of the first Payment Date, the period since the Closing Date), to the sum of (a) 0.0375% *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.$225,000 *per annum* (prorated for the related Interest Accrual Period on the basis of a 360-day year consisting of twelve 30-day months); *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) under "Overview of Terms—Application of Interest Proceeds", clause (A) under "Overview of Terms—Application of Principal Proceeds" and clause (A) of the Special Priority of Payments described under "Overview of Terms—Priority of Payments—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*" include 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 in accordance with the Priority of Payments) 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 all of its capacities, 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 Co-Issuers and any ETB Subsidiary for fees and expenses and any relevant taxing authority for taxes of any ETB Subsidiary and any governmental fees (including annual fees) and registered office fees payable by any ETB Subsidiary;

(ii) on a pro rata basis, (x) the Rating Agencies for fees and expenses (including any annual fee, amendment fees and surveillance fees) in connection with any rating of the Secured Notes (and in the case of Moody's, the Class A-1 Notes only) or in connection with the rating of (or provision of credit estimates in respect of) any Collateral Obligations and (y) any person in respect of any fees or expenses incurred as a result of compliance with Rule 17g-5 of the Exchange Act;

(iii) the Collateral Manager under the Indenture and the Collateral Management Agreement to the extent permitted pursuant to the Collateral Management Agreement but excluding the Collateral Management Fee;

(iv) the Administrator pursuant to the Administration Agreement;

(v) the independent manager of the Co-Issuer for fees and expenses;

(vi) any person in respect of any governmental fee, charge or tax (including any tax or other amount payable pursuant to, or incurred as a result of compliance with, FATCA);

(vii) fees or expenses (excluding indemnities) incurred in connection with the notes issued by the Repack Issuer under an indenture dated as of the date hereof (such indenture, the "*Repack Indenture*") to the extent not paid pursuant to the Repack Indenture; and

(viii) 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 the payment of 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 Offered 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 any Notes on any stock

exchange or trading system and any fees, taxes and expenses incurred in connection with the establishment and maintenance of any ETB Subsidiary,

and *fourth*, on a *pro rata* basis, indemnities payable to any Person pursuant to any Transaction Document; *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 pursuant to the Indenture and (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 Notes) shall not constitute Administrative Expenses.

"*Affiliate*" means, with respect to a Person, (a) any other Person who, directly or indirectly, is in control of, or controlled by, or is under common control with, such Person or (b) any other Person who is a director, officer, employee 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; *provided* that unless expressly provided herein to the contrary, funds or accounts managed by the Collateral Manager or Affiliates of the Collateral Manager shall be excluded from the definition hereof. 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 Person 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, no entity shall be deemed 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.

"*Aggregate Outstanding Amount*" means with respect to any of the Notes as of any date, the aggregate unpaid principal amount of such Notes Outstanding (including any Deferred Interest previously added to the principal amount of any of the Deferrable Notes that remains unpaid except to the extent otherwise expressly provided in the Indenture).

"*Anniversary Date*" means the three calendar month anniversary of the Closing Date.

"*Applicable Advance Rate*" means, for each Collateral Obligation and for the applicable number of Business Days between the certification date for a sale or participation as described in "Description of the Offered Securities—Optional Redemption—Redemption Procedures" and the expected date of such sale or participation, the percentage specified below:

	Same Day	1-2 Days	3-5 Days	6-15 Days
Senior Secured Loans with a Market Value of:				
90% or more	100%	93%	92%	88%
below 90%	100%	80%	73%	60%
Other Collateral Obligations with a Moody's Rating of at least "B3" and a Market Value of 90% or more	100%	89%	85%	75%
All other Collateral Obligations	100%	75%	65%	45%

"*Approved Index List*" means 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 Moody's and satisfaction of the S&P Rating Condition in respect of such amendment and a copy of any such amended Approved Index List to the Collateral Administrator.

"*Asset-backed Commercial Paper*" means 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.

"*Assigned Moody's Rating*" means the publicly available rating or the estimated rating expressly assigned to a debt obligation (or facility) by Moody's that addresses the full amount of the principal and interest promised.

"*Bankruptcy Law*" means the federal Bankruptcy Code, Title 11 of the United States Code, as amended from time to time, and any successor statute or any other applicable federal or state bankruptcy law or similar law, including, without limitation, Part V of the Companies Law (as amended) of the Cayman Islands, as amended from time to time, and any bankruptcy, insolvency, winding up, reorganization or similar law enacted under the laws of the Cayman Islands or any other applicable jurisdiction.

"*Board Resolution*" means with respect to the Issuer, a resolution of the board of directors of the Issuer and, with respect to the Co-Issuer, a resolution of the managers of the Co-Issuer.

"*Bond*" means a debt security (other than a loan) issued by a corporation, limited liability company, partnership or trust.

"*Bridge Loan*" means any loan or other obligation 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 and (y) by its terms, is required to be repaid within one year of the incurrence thereof with proceeds from additional borrowings or other refinancings (it being understood that any such loan or debt security that has a nominal maturity date of one year or less from the incurrence thereof but has a term-out or other provision whereby (automatically or at the sole option of the Obligor thereof) the maturity of the indebtedness thereunder may be extended to a later date is not a Bridge Loan).

"*Business Day*" means 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*" means a Collateral Obligation (other than a Defaulted Obligation, a Deferring Obligation or a Current Pay Obligation) with a Moody's Rating of "Caa1" or lower.

"*Calculation Agent*" means the calculation agent appointed by the Issuer, initially the Collateral Administrator, for purposes of determining LIBOR for each Interest Accrual Period.

"*CCC Collateral Obligation*" means a Collateral Obligation (other than a Defaulted Obligation or a Deferring Obligation) with an S&P Rating of "CCC+" or lower.

"*CCC/Caa Collateral Obligations*" means the CCC Collateral Obligations and/or the Caa Collateral Obligations, as the context requires.

"*CCC/Caa Excess*" means the amount equal to the greater of (i) the excess of the 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 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 principal balance of such Collateral Obligations as of such Determination Date) shall be deemed to constitute such CCC/Caa Excess; *provided*, *further*, that, if the greater of clause (i) or (ii) above does not result in the largest Excess CCC/Caa Adjustment Amount, then the lesser of clause (i) or (ii) shall be applicable for purposes of this definition.

"*CFR*" means, with respect to an Obligor of a Collateral Obligation, if such Obligor has a corporate family rating by Moody's, then such corporate family rating; provided, if such Obligor does not have a corporate family rating by Moody's but any entity in the Obligor's corporate family does have a corporate family rating, then the CFR is such corporate family rating.

"*Class*" means, in the case of (i) the Secured Notes, all of the Secured Notes having the same Interest Rate, Stated Maturity and designation and (ii) the Subordinated Notes, all of the Subordinated Notes.

"*Class A Coverage Tests*" means the Overcollateralization Ratio Test and the Interest Coverage Test, each as applied with respect to the Class A Notes.

"*Class A Notes*" means the Class A-1 Notes and the Class A-2 Notes, collectively.

"*Class A-1 Notes*" means the Class A-1 Senior Secured Floating Rate Notes issued pursuant to the Indenture.

"*Class A-2 Notes*" means the Class A-2 Senior Secured Floating Rate Notes issued pursuant to the Indenture.

"*Class B Coverage Tests*" means the Overcollateralization Ratio Test and the Interest Coverage Test, each as applied with respect to the Class B Notes.

"*Class B Notes*" means the Class B Senior Secured Deferrable Floating Rate Notes issued pursuant to the Indenture.

"*Class Break-even Default Rate*" means, with respect to the Highest Ranking Class then rated by S&P, the maximum percentage of defaults, at any time, that the Current Portfolio or the Proposed Portfolio, as applicable, can sustain, determined through application of the S&P CDO Monitor chosen by the Collateral Manager in accordance with the definition of "S&P CDO Monitor" that is applicable to the portfolio of Collateral Obligations, which, after giving effect to S&P's assumptions on recoveries, defaults and timing and to the Priority of Payments, will result in sufficient funds remaining for the payment of such Class of Notes in full. After the Effective Date, S&P will provide the Collateral Manager with the Class Break-even Default Rates for each S&P CDO Monitor based upon the Weighted Average Floating Spread, the Weighted Average S&P Recovery Rate and the S&P Maximum Weighted Average Life to be associated with such S&P CDO Monitor as selected by the Collateral Manager (with a copy to the Collateral Administrator) from Section 2 of Annex C or any other Weighted Average Floating Spread, Weighted Average S&P Recovery Rate and S&P Maximum Weighted Average Life selected by the Collateral Manager from time to time.

"*Class C Coverage Tests*" means the Overcollateralization Ratio Test and the Interest Coverage Test, each as applied with respect to the Class C Notes.

"*Class C Notes*" means the Class C Senior Secured Deferrable Floating Rate Notes issued pursuant to the Indenture.

"*Class D Coverage Tests*" means the Overcollateralization Ratio Test and the Interest Coverage Test, each as applied with respect to the Class D Notes.

"*Class D Notes*" means the Class D Secured Deferrable Floating Rate Notes issued pursuant to the Indenture.

"*Class Default Differential*" means, with respect to the Highest Ranking Class of Secured Notes at any time, the rate calculated by subtracting the Class Scenario Default Rate at such time for such Class of Notes from the Class Break-even Default Rate for such Class of Notes at such time.

"*Class Scenario Default Rate*" means, with respect to the Highest Ranking Class then rated by S&P, an estimate of the cumulative default rate for the Current Portfolio or the Proposed Portfolio, as applicable, consistent with S&P's initial rating of such Class of Notes, determined by application by the Collateral Manager of the S&P CDO Monitor at such time.

"*Closing Date*" means November 20, 2014.

"*Code*" means the United States Internal Revenue Code of 1986, as amended and the Treasury regulations promulgated thereunder.

"*Co-Issuers*" means the Issuer together with the Co-Issuer.

"*Collateral Administration Agreement*" means an agreement dated as of the Closing Date, among the Issuer, the Collateral Manager and the Collateral Administrator, as amended from time to time in accordance with the terms hereof and thereof.

"*Collateral Administrator* " means The Bank of New York Mellon Trust Company, National Association, in its capacity as collateral administrator under the Collateral Administration Agreement, and any successor thereto.

"*Collateral Interest Amount*" means, 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 and Deferring Obligations, but including Interest Proceeds actually received from Defaulted Obligations and Deferring Obligations), 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*" means an agreement dated as of the Closing Date, 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 the terms hereof and thereof.

"*Collateral Manager*" means Marathon Asset Management, L.P., a Delaware limited partnership, until a successor Person shall have become the Collateral Manager pursuant to the provisions of the Collateral Management Agreement, and thereafter "Collateral Manager" shall mean such successor Person.

"*Collateral Principal Amount*" means, as of any date of determination, the sum of (a) the aggregate outstanding principal balance of the Collateral Obligations (other than Defaulted Obligations) and (b) without duplication, the amounts on deposit in any Account (including Eligible Investments therein but excluding amounts on deposit in the Revolver Funding Account to the extent of the unfunded funding obligations under all Revolving Collateral Obligations and Delayed Drawdown Collateral Obligations included in the Assets on such date) representing Principal Proceeds.

"*Collection Period*" means, (i) with respect to the first Payment Date, the period commencing on the Closing Date and ending at the close of business on the sixth 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 latest Stated Maturity of any Class of Notes, on the day of such Stated Maturity, (b) in the case of the final Collection Period preceding an Optional Redemption or Tax Redemption in whole of the Notes, on the Redemption Date and (c) in any other case, at the close of business on the sixth Business Day prior to such Payment Date.

"*Controlling Class*" means 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; and then the Subordinated Notes.

"*Cov-Lite Loan*" means a Collateral Obligation that is an interest in a Senior Secured Loan, the Underlying Instruments for which (i) do not contain any financial covenants or (ii) require the underlying Obligor to comply with an Incurrence Covenant, but do not require the underlying Obligor to comply with any Maintenance Covenant.

"*Credit Improved Criteria*" means, the criteria that will be met with respect to any Collateral Obligation:

(i) if such Collateral Obligation is a loan, the Sale Proceeds (excluding Sale Proceeds that constitute Interest Proceeds) of such loan would be at least 101% of its purchase price;

(ii) if such Collateral Obligation is a loan, the price of such loan has changed during the period from the date on which it was acquired by the Issuer to the proposed sale date by a percentage either at least 0.25% more positive or 0.25% less negative, as the case may be, than the percentage change in the average price of any index specified on the Approved Index List over the same period;

(iii) if such Collateral Obligation is a loan, the spread over the applicable reference rate for such Collateral Obligation has been decreased in accordance with the Underlying Instruments with respect to such Collateral Obligation since the date of acquisition by (a) 0.25% or more (in the case of a loan with a spread (prior to such decrease) less than or equal to 2.00%), (b) 0.375% or more (in the case of a loan with a spread (prior to such decrease) greater than 2.00% but less than or equal to 4.00%) or (c) 0.50% or more (in the case of a loan with a spread (prior to such decrease) greater than 4.00%) due, in each case, to an improvement in the related borrower's financial ratios or financial results;

(iv) if with respect to Fixed Rate Obligations, there has been a decrease in the difference between its yield compared to the yield on the relevant United States Treasury security of more than 7.5% since the date of purchase; or

(v) if 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*" means any Collateral Obligation (a) that in the Collateral Manager's reasonable commercial judgment, has significantly improved in credit quality after it was acquired by the Issuer or (b) with respect to which one or more Credit Improved Criteria is satisfied; *provided*, that during a Restricted Trading Period, 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 sub-category or has been placed and remains on a credit watch with positive implication by Moody's or S&P since it was acquired by the Issuer, (ii) one or more of the Credit Improved Criteria are satisfied with respect to such Collateral Obligation or (iii) at the request of the Collateral Manager, a Majority of the Controlling Class agrees to treat such Collateral Obligation as a Credit Improved Obligation.

"*Credit Risk Criteria*" means, the criteria that will be met with respect to any Collateral Obligation:

(i) if such Collateral Obligation is a loan, the price of such loan has changed during the period from the date on which it was acquired by the Issuer to the proposed sale date by a percentage either at least 0.25% more negative, or at least 0.25% less positive, as the case may be, than the percentage change in the average price of any index specified on the Approved Index List;

(ii) if such Collateral Obligation is a loan, the Market Value of such Collateral Obligation has decreased by at least 1.00% of the price paid by the Issuer for such Collateral Obligation;

(iii) if such Collateral Obligation is a loan, the spread over the applicable reference rate for such Collateral Obligation has been increased in accordance with the Underlying Instruments with respect to such Collateral Obligation since the date of acquisition by (a) 0.25% or more (in the case of a loan with a spread (prior to such increase) less than or equal to 2.00%), (b) 0.375% or more (in the case of a loan with a spread (prior to such increase) greater than 2.00% but less than or equal to 4.00%) or (c) 0.50% or more (in the case of a loan with a spread (prior to such increase) greater than 4.00%) due, in each case, to a deterioration in the related borrower's financial ratios or financial results;

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

(v) if with respect to Fixed Rate Obligations, an increase since the date of purchase of more than 7.5% in the difference between the yield on such Collateral Obligation and the yield on the relevant United States Treasury security.

"*Credit Risk Obligation*" means any Collateral Obligation (a) that, in the Collateral Manager's reasonable commercial judgment, has a significant risk of declining in credit quality or price or (b) with respect to which one or more Credit Risk Criteria is satisfied; *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, (i) such Collateral Obligation has been downgraded by any Rating Agency at least one rating sub-category or has been placed and remains on a credit watch with negative implication by Moody's or S&P since it was acquired by the Issuer, (ii) one or more of the Credit Risk Criteria are satisfied with respect to such Collateral Obligation or (iii) at the request of the Collateral Manager, a Majority of the Controlling Class agrees to treat such Collateral Obligation as a Credit Risk Obligation.

"*Current Pay Obligation*" means any Collateral Obligation (other than a DIP Collateral Obligation or a Collateral Obligation that has a Moody's Rating of "Caa3" or below or the Moody's rating of which has been withdrawn) that is a Defaulted Obligation but as to which no payments are due and payable that are unpaid 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 (a) the issuer or Obligor of such Collateral Obligation will continue to make scheduled payments of interest thereon and will pay the principal thereof by maturity or as otherwise contractually due, (b) if the 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 payments due thereunder have been paid

in cash when due, (c) the Collateral Obligation has a Market Value of at least 80% of its par value and (d) if the Class A-1 Notes are then rated by Moody's (A) the Collateral Obligation has a Moody's Rating of at least "Caa1" and a Market Value of at least 80% of its par value or (B) the Collateral Obligation has a Moody's Rating of "Caa2" and its Market Value is at least 85% of its par value (Market Value being determined, solely for the purposes of clauses (c) and (d), without taking into consideration clause (iii) of the definition of the term "Market Value"); *provided* that for purposes of this definition, with respect to a Collateral Obligation already owned by the Issuer whose Moody's Rating is withdrawn, the Moody's Rating shall be the last outstanding Moody's Rating before the withdrawal.

"*Current Portfolio*" means, at any time, the portfolio of Collateral Obligations, cash and Eligible Investments, representing Principal Proceeds (determined in accordance with certain assumptions included in the Indenture), then held by the Issuer.

"*Defaulted Obligation*" means 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 and the Collateral Administrator 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 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 and the Collateral Administrator 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; *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 or such issuer has filed for protection under Chapter 11 of the United States Bankruptcy Code;

(d) such Collateral Obligation has an S&P Rating of "SD" or "CC" or lower or had such rating before such rating was withdrawn or the Obligor on such Collateral Obligation has a "probability of default" rating assigned by Moody's of "D" or "LD";

(e) such Collateral Obligation is subordinate or pari passu in right of payment as to the payment of principal and/or interest to another debt obligation of the same issuer which has an S&P Rating of "SD" or "CC" or lower or had such rating before such rating was withdrawn or the Obligor on such Collateral Obligation has a "probability of default" rating assigned by Moody's of "D" or "LD"; *provided* that both the Collateral Obligation and such other debt obligation are full recourse obligations of the applicable issuer or secured by the same collateral;

(f) a default with respect to which the Collateral Manager has received notice or an officer of the Collateral Manager has actual 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;

(g) the Collateral Manager has in its reasonable commercial judgment otherwise declared such debt obligation to be a "Defaulted Obligation";

(h) 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; or

(i) 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 an S&P Rating of "SD" or "CC" or lower or had such rating before such rating was withdrawn;

provided that (x) a Collateral Obligation shall not constitute a Defaulted Obligation if such Collateral Obligation (or, in the case of a Participation Interest, the underlying Senior Secured Loan) is a Current Pay Obligation (*provided* that the aggregate outstanding 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 if such Collateral Obligation (or, in the case of a Participation Interest, the underlying Senior Secured Loan) is a DIP Collateral Obligation (other than a DIP Collateral Obligation that has an S&P Rating of "SD" or "CC" or lower).

Until notified by the Collateral Manager or until an authorized officer of the Trustee or the Collateral Administrator obtains actual knowledge that a Collateral Obligation has become a Defaulted Obligation, neither the Trustee nor the Collateral Administrator shall be deemed to have any notice or knowledge that a Collateral Obligation has become a Defaulted Obligation.

"*Deferrable Obligation*" means a Collateral Obligation (including any Permitted Deferrable Obligation) that by its terms permits the deferral or capitalization of payment of all of the accrued, unpaid interest.

"*Deferred Interest*" means, with respect to the Class B Notes, the Class C Notes and the Class D Notes, so long as any more senior Classes of Notes are Outstanding, any payment of interest due on the Class B Notes, the Class C Notes or the Class D Notes, respectively, which is not available to be paid in accordance with the Priority of Payments on any Payment Date.

"*Deferring Obligation*" means 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*" means any 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; *provided* that (x) a Collateral Obligation will not constitute a Delayed Drawdown Collateral Obligation if, pursuant to its Underlying Instruments, the interest rate spread payable on amounts borrowed under such Collateral Obligation is payable with respect

to the entire commitment amount thereof no later than 90 days following the date of issuance of such Delayed Drawdown Collateral Obligation (regardless of whether the entire commitment amount has been borrowed on or prior to such date) and (y) with respect to any Collateral Obligation that does not constitute a Delayed Drawdown Collateral Obligation solely because of the application of clause (x) of this proviso, funds in an amount equal to the undrawn portion of such obligation shall be deposited in the Revolver Funding Account upon purchase of such Collateral Obligation as if such Collateral Obligation was a Delayed Drawdown Collateral Obligation.

"*Determination Date*" means the last day of each Collection Period.

"*DIP Collateral Obligation*" means a loan that has a public or private facility rating from Moody's (including a credit estimate) 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*" means any Collateral Obligation forming part of the Assets which was purchased (as determined without averaging prices of purchases on different dates) (a) in the case of a Senior Secured Loan, for less than (i) 85.0% of its principal balance, if such Collateral Obligation has a Moody's Rating lower than "B3" at the time of purchase or (ii) 80.0% of its principal balance, if such Collateral Obligation has a Moody's Rating of "B3" or higher at the time of purchase or (b) in the case of any other obligation, for less than (i) 75.0% of its principal balance if its Moody's Rating is "B3" or higher at the time of purchase or (ii) 80.0% of its principal balance if its Moody's Rating is below "B3" at the time of purchase; *provided* that, in each case:

(w) such Collateral Obligation shall 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;

(x) any Collateral Obligation that would otherwise be considered a Discount Obligation, but that is purchased with the proceeds of the sale of a Collateral Obligation that was not a Discount Obligation at the time of its purchase, will not be considered a Discount Obligation so long as such purchased Collateral Obligation (A) is purchased at a price (expressed as a percentage of the par amount of such Collateral Obligation) equal to or greater than the sale price of the sold Collateral Obligation, (B) is purchased at a purchase price (expressed as a percentage of the par amount of such Collateral Obligation) not less than 50.0% of the principal balance thereof, (C) has a Moody's Rating equal to or greater than the Moody's Rating(s) of the sold Collateral Obligations and (D) is purchased within 10 Business Days of the sale of the sold Collateral Obligation;

(y) clause (x) above in this proviso shall not apply to any such Collateral Obligation at any time on or after the acquisition by the Issuer of such Collateral Obligation if, as determined at the time of such acquisition, such application would result in more than 5.0% of the Collateral Principal Amount consisting of Collateral Obligations to which such clause (x) applies; *provided* that if such obligation would no longer be considered a Discount Obligation as a result of clause (w) above, such obligation shall no longer be included in the calculation of this clause (y); and

(z) clause (x) above in this proviso shall not apply to any such Collateral Obligation (or portion thereof) to the extent the cumulative aggregate principal amount of Collateral Obligations acquired since the Closing Date to which clause (x) applies is greater than 10.0% of the Target Initial Par Amount.

"*Domicile*" or "*Domiciled*" means, with respect to an issuer of, or Obligor with respect to, a Collateral Obligation: (a) except as provided in clause (b) below, 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*" means The Depository Trust Company, its nominees and their respective successors.

"*Effective Date*" means the earlier to occur of (i) February 20, 2015 and (ii) 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.

"*Eligible Investment Required Ratings*" are (a) if such obligation or security (i) 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, (ii) has only a long-term credit rating from Moody's, such rating is "Aaa" (not on credit watch for possible downgrade) and (iii) has only a short-term credit rating from Moody's, such rating is "P-1" (not on credit watch for possible downgrade) and (b) "A-1" or higher (or, in the absence of a short-term credit rating, "A+" or higher) from S&P.

"*Eligible Investments*" means (a) cash or (b) any United States dollar investment that, at the time it is delivered to the Trustee (directly or through an intermediary or bailee), (x) matures 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 (*provided* that if an Eligible Investment is issued by The Bank of New York Mellon Trust Company, National Association or its Affiliates, such Eligible Investment may mature on the relevant Payment Date), (y) is a "cash equivalent" for purposes of the Volcker Rule and (z) is one or more of the following obligations or securities:

(i) 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 the obligations of which are expressly backed by the full faith and credit of the United States of America; *provided* that such obligations have the Eligible Investment Required Ratings;

(ii) demand and time deposits in, certificates of deposit 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 of New York Mellon Trust Company, National Association) 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;

(iii) commercial paper or other short-term obligations (other than Asset-backed Commercial Paper) with the Eligible Investment Required Ratings and that either bear interest or are sold at a discount from the face amount thereof and have a maturity of not more than 183 days from their date of issuance; and

(iv) money market funds domiciled in the United States registered under the Investment Company Act or registered money market funds domiciled outside of the United

States, in each case, that have, at all times, credit ratings of "Aaa-mf" by Moody's and "AAAm" by S&P, respectively;

provided that (1) 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 or securities, other than those referred to in clause (vii) above, as mature (or are putable at par to the issuer thereof) no later than the Business Day prior to the next Payment Date unless such Eligible Investments are issued by The Bank of New York Mellon Trust Company, National Association or any Affiliate thereof in its capacity as a banking institution, in which event such Eligible Investments may mature on such Payment Date; and (2) none of the foregoing obligations or securities shall constitute Eligible Investments if (a) such obligation or security has an "f", "r", "p", "pi", "q", "t" or "sf" subscript assigned by S&P, (b) all, or substantially all, of the remaining amounts payable thereunder consist of interest and not principal payments, (c) payments with respect to such obligations or securities 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, (d) such obligation or security is secured by real property, (e) such obligation or security is purchased at a price greater than 100% of the principal or face amount thereof, (f) such obligation or security is subject of a tender offer, voluntary redemption, exchange offer, conversion or other similar action, (g) in the Collateral Manager's judgment, such obligation or security is subject to material non-credit related risks, (h) such obligation is a Structured Finance Obligation or (i) such obligation or security 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 of New York Mellon Trust Company, National Association or for which The Bank of New York Mellon Trust Company, National Association or the Trustee or an Affiliate of The Bank of New York Mellon Trust Company, National Association or the Trustee provides services and receives compensation.

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

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

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

(a) the aggregate outstanding principal balance of all Collateral Obligations included in the CCC/Caa Excess; over

(b) the sum of the Market Values of all Collateral Obligations included in the CCC/Caa Excess.

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

"*Excluded Collateral Obligation*" means any Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation on which withholding tax is not currently being imposed; provided that no such Delayed Drawdown Collateral Obligation or Revolving Collateral Obligation will constitute an Excluded Collateral Obligation if the Issuer (or the Collateral Manager on its behalf) and the Trustee have received an opinion of counsel to the effect that payments with respect to such Collateral Obligation should not or will not be subject to withholding tax (U.S. or non-U.S.).

"*Excluded Notes*" means any Notes held or beneficially owned by Marathon Asset Management, L.P., any Affiliate of Marathon Asset Management, L.P. or any Knowledgeable Employee with respect to the Issuer that is an employee, partner, director, officer, shareholder or member of Marathon Asset Management, L.P. or any of its Affiliates, as such Excluded Notes are identified in writing to the Trustee.

"*Excluded Notes Percentage*" means the percentage (determined by the Collateral Manager) derived from (i) the average Aggregate Outstanding Amount of all Excluded Notes (calculated as of the last day of the current Collection Period and as of the last day of the immediately preceding Collection Period) divided by (ii) the average Aggregate Outstanding Amount of the Notes (calculated as of the last day of the current Collection Period and as of the last day of the immediately preceding Collection Period). For the avoidance of doubt, from and after the date on which Marathon Asset Management, L.P. (or any of its Affiliates) no longer acts as Collateral Manager, the Excluded Notes Percentage shall be zero.

"*FATCA*" means Sections 1471 through 1474 of the Code, any current or future regulations or official interpretations thereof, any agreement entered into pursuant to Section 1471(b) of the Code, any intergovernmental agreements entered into in connection with the implementation of such sections of the Code or any legislation, rules or practices adopted pursuant to any intergovernmental agreement.

"*Fee Basis Amount*" means, as of any date of determination, the product of (i) the sum of (a) the average Collateral Principal Amount (calculated as of the last day of the current Collection Period and as of the last day of the immediately preceding Collection Period), (b) the average aggregate outstanding principal balance of all Defaulted Obligations (calculated as of the last day of the current Collection Period and as of the last day of the immediately preceding Collection Period) and (c) all Principal Financed Accrued Interest and (ii) 1 minus the Excluded Notes Percentage (calculated as of the last day of the current Collection Period and as of the last day of the immediately preceding Collection Period); *provided* that for purposes of calculating the Administrative Expense Cap, the Excluded Notes Percentage shall be deemed to be zero.

"*First-Lien Last-Out Loan*": A Loan that, prior to a default with respect such loan, is entitled to receive payments pari passu with Senior Secured Loans of the same Obligor, but following a default becomes fully subordinated to Senior Secured Loans of the same Obligor and is not entitled to any payments until such Senior Secured Loans are paid in full.

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

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

"*Global Rating Agency Condition*" means, with respect to any action taken or to be taken by or on behalf of the Issuer, satisfaction of both the Moody's Rating Condition and the S&P Rating Condition.

"*Group I Country*" means The Netherlands, Australia, New Zealand and the United Kingdom (or such other countries as may be specified in publicly available published criteria from Moody's).

"*Group II Country*" means Germany, Sweden and Switzerland (or such other countries as may be specified in publicly available published criteria from Moody's).

"*Group III Country*" means Austria, Belgium, Denmark, Finland, France, Iceland, Liechtenstein, Luxembourg and Norway (or such other countries as may be specified in publicly available published criteria from Moody's).

"*Hedge Agreement*" means any interest rate swap, floor and/or cap agreements, including without limitation one or more interest rate basis swap agreements, between the Issuer and any Hedge Counterparty, as amended from time to time, and any replacement agreement entered into in accordance with the Indenture that in each case both (x) directly relates to the Collateral Obligations or the Notes and (y) reduces the interest rate risk related to the Collateral Obligations or the Notes.

"*Hedge Counterparty*" means any one or more institutions entering into or guaranteeing a Hedge Agreement with the Issuer that satisfies the Required Hedge Counterparty Rating that has entered into a Hedge Agreement with the Issuer, including any permitted assignee or successor under the Hedge Agreements.

"*Highest Ranking Class*" means, as of any date of determination, the Class of Secured Notes that has no Priority Class.

"*Holder*" means, with respect to any Note the Person whose name appears on the Issuer's note register as the registered holder of such Note.

"*Holder FATCA Information*" means information requested by the Issuer or an Intermediary (or an agent thereof) to be provided by the holders or beneficial owners of the Offered Securities to the Issuer or an Intermediary that in the reasonable determination of the Issuer or an Intermediary is required to be requested by FATCA or analogous provisions of non-U.S. law (including an intergovernmental agreement related thereto or a voluntary agreement entered into pursuant to Section 1471(b) thereof) or a related rule or published administrative interpretation.

"*Incurrence Covenant*" means 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*" means the indenture to be dated November 20, 2014 among the Co-Issuers and the Trustee, as may be amended, modified or supplemented from time to time.

"*Independent*" means, 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 or Person performing similar functions. "Independent" when used with respect to any accountant 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. For purposes of this definition, no manager or director of any Person will fail to be Independent solely because such Person acts as an independent manager or independent director thereof or of any such Person's affiliate. With respect to the Issuer, the Collateral Manager or Affiliates of the Collateral Manager, funds or accounts managed by the Collateral Manager or Affiliates of the Collateral Manager shall not be Independent of the Issuer, the Collateral Manager or Affiliates of the Collateral Manager.

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, the Collateral Manager and their Affiliates.

"*Institutional Accredited Investor*" means an Accredited Investor under clauses (1), (2), (3) or (7) of Rule 501(a) under the Securities Act.

"*Interest Accrual Period*" means (i) with respect to the initial Payment Date (or, in the case of a Class that is subject to Refinancing or Re-Pricing, the first Payment Date following the Refinancing or Re-Pricing, respectively), the period from and including the Closing Date (or, in the case of (x) a Refinancing, the date of issuance of the replacement notes and (y) a Re-Pricing, the Re-Pricing 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 until the principal of the Secured Notes is paid or made available for payment.

"*Interest Determination Date*" means the second London Banking Day preceding the first day of each Interest Accrual Period.

"*Interest Proceeds*" means, with respect to any Collection Period or Determination Date, without duplication, the sum of:

(i) all payments of interest 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, ticking 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 Collection Account from the Expense Reserve Account in the sole discretion of the Collateral Manager or the Reserve Account that are designated as Interest Proceeds, in each case pursuant to the Indenture in respect of the related Determination Date;

(vi) any funds transferred from the interest subaccount or the principal subaccount of the Ramp-Up Account to the Interest Collection Subaccount of the Collection Account pursuant to the Indenture;

(vii) any amounts deposited in the Interest Collection Subaccount from the Excluded Collateral Obligation Reserve Account pursuant to the Indenture;

(viii) any Current Deferred Collateral Management Fees that are designated as Interest Proceeds in the sole discretion of the Collateral Manager; and

(ix) any payment received with respect to any Hedge Agreement other than (a) an upfront payment received upon entering into such Hedge Agreement or (b) a payment received as a result of the termination of any Hedge Agreement (net of any amounts due and payable by the Issuer to the related Hedge Counterparty in

connection with such termination) to the extent not used by the Issuer to enter into a new or replacement Hedge Agreement;

provided that (i) 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, (ii) the portion of any prepayment of a Collateral Obligation that is above the par amount of such Collateral Obligation will constitute Principal Proceeds (and not Interest Proceeds) and (iii) except as set forth under "Security for the Secured Notes—The Excluded Collateral Obligation Reserve Account," amounts on deposit in the Excluded Collateral Obligation Reserve Account will not be treated as Interest Proceeds.

"*Internal Rate of Return*" means, with respect to each Payment Date and the Subordinated Notes issued on the Closing Date, the annualized internal rate of return (computed using the "XIRR" function in Microsoft® Excel or an equivalent function in another software package and based on the assumption that (x) the Subordinated Notes issued on the Closing Date will have a purchase price of par and (y) any additional Notes that are Subordinated Notes will be counted at their purchase price at the time of their issuance) on the outstanding investment in the Subordinated Notes as of the current Payment Date, after giving effect to all payments made or to be made on such Payment Date.

"*Investment Advisers Act*" means the Investment Advisers Act of 1940, as amended.

"*Investment Company Act*" means the United States Investment Company Act of 1940, as amended.

"*JPMorgan*" means J.P. Morgan Securities LLC.

"*Junior Class*" means, respect to a particular Class of Notes, each Class of Notes that is subordinated to such Class, as indicated in "Overview of Terms—Principal Terms of the Offered Securities."

"*Knowledgeable Employee*" has the meaning set forth in Rule 3c-5(a)(4) promulgated under the Investment Company Act.

"*LC Commitment Amount*" means, with respect to any Letter of Credit, 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*" means 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) if 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)(a) 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, (b) the collateral posted by the Issuer is held by, or the Issuer's deposit is made in, a depository institution meeting the requirement set forth in "Security for the Secured Notes—Account Requirements" and (c) the collateral posted by the Issuer is invested in Eligible Investments.

"*LIBOR*" with respect to the Secured Notes, for any Interest Accrual Period will equal (a) the rate appearing on the Reuters Screen for deposits with a term of three months 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 a period approximately equal to such Interest Accrual Period and an amount approximately equal to the amount of the Aggregate Outstanding Amount of the Secured Notes. 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). If fewer than two quotations are provided as requested, LIBOR with respect to such Interest Accrual 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 Interest Accrual Period and an amount approximately equal to the amount of the Secured 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.

Notwithstanding anything in the immediately preceding paragraph to the contrary, LIBOR for the first Interest Accrual Period will be determined by (x) calculating LIBOR with respect to each Notional Accrual Period on the applicable Notional Determination Date and using the applicable Notional Designated Maturity (such calculation to be made in the same manner set forth in the immediately preceding paragraph above (i.e., determined by reference to the Reuters Screen or, if unavailable, by following the procedure set forth in the immediately preceding paragraph above)) and (y)(1) multiplying the rate determined for each Notional Accrual Period by the number of days in such Notional Accrual Period, (2) summing the amounts set forth in clause (y)(1) above and (3) dividing the amount set forth in clause (y)(2) above by the total number of days in the initial Interest Accrual Period.

"*LIBOR Floor Obligation*" means, as of any date of determination, a Floating Rate Obligation (a) the interest in respect of which is paid based on a London interbank offered rate and (b) that provides that such London interbank offered rate is (in effect) calculated as the greater of (i) a specified "floor" rate per annum and (ii) the London interbank offered rate for the applicable interest period for such Collateral Obligation.

"*Loan*" means 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.

"*London Banking Day*" means a day on which commercial banks are open for business (including dealings in foreign exchange and foreign currency deposits) in London, England.

"*Maintenance Covenant*" means a covenant by any borrower to comply with one or more financial covenants during each reporting period, whether or not such borrower has taken any specified action.

"*Majority*" means, with respect to any Class or Classes of Offered Securities, the holders of more than 50% of the Aggregate Outstanding Amount of the Offered Securities of such Class or Classes.

"*Margin Stock*" means "Margin Stock" as defined under Regulation U issued by the Federal Reserve Board, including any debt security which is by its terms convertible into "Margin Stock".

"*Market Value*" means, 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, LoanX Inc., Markit Group Limited or any other nationally recognized loan pricing service selected by the Collateral Manager with notice to Moody's (only for so long as any Class A-1 Notes remain Outstanding) and notified to S&P in writing; or

(ii) if a price described in clause (i) is not available,

(A) the average of the bid prices determined by three broker-dealers 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, such bid, *provided* that the aggregate outstanding principal balance of Collateral Obligations held by the Issuer at any one time with Market Values determined pursuant to this clause (ii)(C) may not exceed 5% of the Collateral Principal Amount; or

(iii) if a price or such bid described in clause (i) or (ii) is not available, then the Market Value of an asset will be the lower of (x) the higher of (A) such asset's S&P Recovery Rate and (B) 70% of the notional amount of such asset and (y) 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) for more than 30 days; 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) or (ii) above.

"*Measurement Date*" means (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 prepared under the Indenture is calculated, (iv) with five Business Days' prior written notice, any Business Day requested by either Rating Agency then rating any Class of Outstanding Notes and (v) the Effective Date.

"*Memorandum and Articles of Association*" means the Issuer's Memorandum and Articles of Association, as they may be amended, revised or restated from time to time.

"*Minimum Denominations*" means (x) in respect of the Secured Notes, U.S.$250,000 and integral multiples of U.S.$1.00 in excess thereof and (y) in respect of the Subordinated Notes, U.S.$200,000 and integral multiples of U.S.$1.00 in excess thereof.

"*Moody's*" means Moody's Investors Service, Inc and any successor thereto.

"*Moody's Collateral Value*" means, 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*" are, 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 (at or below)	Aggregate Percentage Limit	Individual Percentage Limit
Aaa	20%	20%
Aa1	20%	10%
Aa2	20%	10%
Aa3	15%	10%
A1	10%	5%
A2* and P-1 (both)	5%	5%
A2	0%	0%

* and not on watch for possible downgrade.

"*Moody's Default Probability Rating*" has the meaning specified in Annex B hereto.

"*Moody's Derived Rating*" has the meaning specified in Annex B hereto.

"*Moody's Rating*" has the meaning specified in Annex B hereto.

"*Moody's Rating Condition*" means, with respect to any action taken or to be taken by or on behalf of the Issuer, a condition that is satisfied if Moody's has, upon request of the Collateral Manager or the Issuer, confirmed in writing (including by means of electronic message, facsimile transmission, press release, posting to its internet website, or other means then considered industry standard) to the Issuer, the Trustee, the Collateral Administrator and the Collateral Manager that no immediate withdrawal or reduction with respect to its then-current rating by Moody's of the Class A-1 Notes will occur as a result of such action; *provided*, that (i) satisfaction of the Moody's Rating Condition will not be required if no Class A-1 Notes are then Outstanding and (ii) if Moody's makes a public announcement or informs the Issuer, the Collateral Manager or the Trustee in writing that (a) it believes that satisfaction of the Moody's Rating Condition is not required with respect to an action or (b) its practice is not to give such confirmations, satisfaction of the Moody's Rating Condition will not be required with respect to the application action.

"*Moody's Rating Factor*" means, for each Collateral Obligation, the number set forth in the table below opposite the Moody's Default Probability Rating (as described in Annex B) 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

Moody's Default Probability Rating	Moody's Rating Factor	Moody's Default Probability Rating	Moody's Rating Factor
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 expressly guaranteed by the United States government or any agency or instrumentality thereof is assigned a Moody's Rating Factor corresponding to the then-current Moody's long-term debt rating of the United States of America.

"*Moody's Recovery Amount*" means, 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.

"*Non-Emerging Market Obligor*" means an Obligor that is Domiciled in (x) any country that has a country ceiling for foreign currency bonds of at least "Aa2" by Moody's and a foreign currency issuer credit rating of at least "AA" by S&P or (y) without duplication, the United States.

"*Note Interest Amount*" means, with respect to any Class of Secured Notes and any Payment Date, the amount of interest for the related Interest Accrual Period payable in respect of each U.S.$100,000 Outstanding principal amount of such Class of Secured Notes.

"*Notes*" means the Secured Notes and the Subordinated Notes.

"*Notional Accrual Period*" means each of (i) the period from and including the Closing Date to but excluding the Anniversary Date and (ii) the period from and including the Anniversary Date to but excluding the first Payment Date.

"*Notional Designated Maturity*" means, with respect to all Notional Accrual Periods, three months.

"*Notional Determination Date*" means the second London Banking Day preceding the first day of each Notional Accrual Period.

"*Obligor*" means the obligor or guarantor under a loan, as the case may be.

"*Offer*" means a tender offer, voluntary redemption, exchange offer, conversion or other similar action.

"*Offered Securities*" means the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes, the Class D Notes and the Subordinated Notes.

"*Outstanding*" means with respect to the Notes or the Notes of any specified Class, as of any date of determination, all of the Notes or all of the Notes of such Class, as the case may be, theretofore authenticated and delivered under the Indenture, except: (i) Notes theretofore canceled by the registrar or delivered to the registrar for cancellation in accordance with the terms of the Indenture or registered in the register on the date the Trustee provides notice to the Holders of the Notes in accordance with the Indenture that the Indenture has been discharged; (ii) Notes 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 Notes pursuant to the Indenture; *provided* that if such Notes 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) Notes in exchange for or in lieu of which other Notes have been authenticated and delivered pursuant to the Indenture, unless proof satisfactory to the Trustee is presented that any such Notes are held by a "protected purchaser" (within the meaning of Section 8-303 of the Uniform Commercial Code as in effect in the State of New York); and (iv) Notes alleged to have been mutilated, destroyed, lost or stolen for which replacement Notes have been issued as provided in the Indenture; *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, (a) Notes owned by the Issuer, the Co-Issuer or (only in the case of a vote on (x) the removal (and, in the case of the removal of the Collateral Manager for "cause," the nomination of and consent to any successor collateral manager) of the Collateral Manager or (y) the waiver of any event constituting "cause" as a basis for removal of the Collateral Manager) the Collateral Manager, an Affiliate thereof or any funds or accounts managed by the Collateral Manager or one of its Affiliates as to which the Collateral Manager or one of its Affiliates has discretionary voting authority shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Notes that a trust officer of the Trustee actually knows to be so owned shall be so disregarded, (b) only in the case of a Manager Selection or Removal Action, Disregarded Notes shall be disregarded and deemed not to be Outstanding (for the avoidance of doubt, only Notes that a trust officer of the Trustee actually knows to be owned by the Person that submitted the applicable Notice of Waiver shall be so disregarded) and (c) Notes so owned that have been pledged in good faith shall be regarded as Outstanding if the pledgee establishes to the reasonable satisfaction of the Trustee the pledgee's right so to act with respect to such Notes and that the pledgee is not one of the Persons specified above. The Trustee shall notify the Issuer, the Collateral Manager and the holders of Notes promptly following such time as the Trustee has received Notices of Waiver (that have not been withdrawn) from Holders representing 100% of the Aggregate Outstanding Amount of any Class of Notes.

"*Owner*" means, with respect to any Person, any direct or indirect shareholder, member, partner or other equity or beneficial owner thereof.

"*Pari Passu Class*" means with respect to any specified Class of Notes, each Class of Notes that ranks *pari passu* to such Class, as indicated in "Overview of Terms—Principal Terms of the Offered Securities."

"*Partial Redemption Date*" means any Payment Date on which a Refinancing in part by Class occurs.

"*Participation Interest*" means a participation interest in a loan that, at the time of acquisition or the Issuer's commitment to acquire the same, is represented by a contractual obligation of a Selling Institution that has at the time of such acquisition or the Issuer's commitment to acquire the same at least a short-term rating of "A-1" (or if no short-term rating exists, a long-term rating of "A+") by S&P.

"*Paying Agent*" means each of any paying agent appointed under the Indenture.

"*Payment Date*" means each of the 28th 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 on the Payment Date in April 2015, except that (x) "Payment Date" shall include each date fixed by the Trustee on which payments are made in connection with an Enforcement Event and (y) the final Payment Date (subject to any earlier redemption or payment of the Notes) shall be the Stated Maturity (or, if such day is not a Business Day, the next succeeding Business Day).

"*Permitted Deferrable Obligation*" means any Deferrable Obligation the Underlying Instrument of which carries a current cash pay interest rate of not less than (a) in the case of a Floating Rate Obligation, LIBOR plus 1.00% per annum or (b) in the case of a Fixed Rate Obligation, the zero-coupon swap rate in a fixed/floating interest rate swap with a term equal to five years.

"*Permitted Offer*" means an Offer (i) pursuant to the terms of which the offeror offers to acquire a debt obligation (including a Collateral Obligation) in exchange for consideration consisting of (x) cash in an amount equal to or greater than the full face amount of the debt obligation being exchanged *plus* any accrued and unpaid interest or (y) other debt obligations that (a) rank pari passu or senior to the debt obligations being exchanged which have a face amount equal to or greater than the full face amount of the debt obligation being exchanged, (b) are eligible to be Collateral Obligations and (c) satisfy the Investment Criteria *plus* any accrued and unpaid interest in cash and (ii) as to which the Collateral Manager has determined in its reasonable commercial judgment that the offeror has sufficient access to financing to consummate the Offer.

"*Permitted Use*" means, with respect to any amount on deposit in the Reserve Account, any of the following uses: (i) the transfer of the applicable portion of such amount to the Interest Collection Subaccount for application as Interest Proceeds; and (ii) the transfer of the applicable portion of such amount to pay any costs or expenses associated with a Refinancing or a Re-Pricing.

"*Person*" means an individual, corporation (including a business trust), partnership, limited liability company, joint venture, association, joint stock company, statutory trust, trust (including any beneficiary thereof), unincorporated association or government or any agency or political subdivision thereof.

"*Placement Agreement*" means the agreement to be entered into among the Co-Issuers and JPMorgan, as placement agent for the Secured Notes, as amended from time to time.

"*Plan Asset Regulations* " means the U.S. Department of Labor's regulations set forth at 29 C.F.R. Section 2510.3-101 as modified by Section 3(42) of ERISA.

"*Post-Reinvestment Collateral Obligation*" means, after the end of the Reinvestment Period, (i) a Collateral Obligation which has prepaid, whether by tender, redemption prior to the stated maturity thereof, exchange or other prepayment or (ii) any Credit Risk Obligation which is sold by the Issuer.

"*Post-Reinvestment Principal Proceeds*" means Principal Proceeds received from Post-Reinvestment Collateral Obligations.

"*Principal Financed Accrued Interest*" means, with respect to (i) any Collateral Obligation owned or purchased by the Issuer on the Closing Date, an amount equal to the unpaid interest on such Collateral Obligation that accrued prior to the Closing Date that is owing to the Issuer and remains unpaid as of the Closing Date and (ii) any Collateral Obligation purchased after the Closing Date, the amount of Principal Proceeds, if any, applied towards the purchase of accrued interest on such Collateral Obligation.

"*Principal Proceeds*" means, 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 and any other amounts that have been designated as Principal Proceeds pursuant to the terms of the Indenture.

"*Priority Category*" means, with respect to any Collateral Obligation, the applicable category listed in the table under the heading "Priority Category" in clause 1(b) of Annex C.

"*Priority Class*" means, with respect to any specified Class of Notes, each Class of Notes that ranks senior to such Class, as indicated in "Overview of Terms—Principal Terms of the Offered Securities."

"*Priority of Payments*" means the priorities specified under "Overview of Terms—Priority of Payments," (including, without limitation, the Special Priority of Payments).

"*Priority Termination Event*" has the meaning specified in the relevant Hedge Agreement, which may include, without limitation, the occurrence of (i) the Issuer's failure to make required payments or deliveries pursuant to a Hedge Agreement with respect to which the Issuer is the sole Defaulting Party (as defined in the relevant Hedge Agreement), (ii) the occurrence of certain events of bankruptcy, dissolution or insolvency with respect to the Issuer with respect to which the Issuer is the sole Defaulting Party (as defined in the relevant Hedge Agreement), (iii) the liquidation of the Assets due to an Event of Default under the Indenture or (iv) a change in law after the Closing Date which makes it unlawful for the Issuer to perform its obligations under a Hedge Agreement.

"*Proposed Portfolio*" means the portfolio of Collateral Obligations and Eligible Investments resulting from the proposed purchase, sale, maturity or other disposition of a Collateral Obligation or a proposed reinvestment in an additional Collateral Obligation, as the case may be.

"*Qualified Broker/Dealer*" means any of Bank of America/Merrill Lynch; The Bank of Montreal; The Bank of New York Mellon, N.A.; Barclays Bank plc; BNP Paribas; Broadpoint Securities; Citadel Securities LLC; Credit Agricole CIB; Citibank, N.A.; Credit Agricole S.A.; Canadian Imperial Bank of Commerce; Commerzbank; Credit Suisse; Deutsche Bank AG; Dresdner Bank AG; GE Capital; Goldman Sachs & Co.; HSBC Bank; Imperial Capital LLC; ING Financial Partners, Inc.; Jefferies & Co.; J.P. Morgan Securities LLC; KeyBank; KKR Capital Markets LLC; Lazard; Lloyds TSB Bank; Merrill Lynch, Pierce, Fenner & Smith Incorporated; Morgan Stanley & Co.; Natixis; Northern Trust Company; Oppenheimer & Co. Inc.; Royal Bank of Canada; The Royal Bank of Scotland plc; Scotia Capital; Societe Generale; SunTrust Bank; The Toronto-Dominion Bank; UBS AG; U.S. Bank, National Association; and Wells Fargo Bank, National Association.

"*Qualified Institutional Buyer*" has the meaning set forth in Rule 144A.

"*Qualified Purchaser*" has the meaning specified in Section 2(a)(51) of the Investment Company Act and Rule 2a51-2 or 2a51-3 under the Investment Company Act.

"*Rating Agency*" means each of Moody's and S&P, or, with respect to Assets generally, if at any time Moody's or S&P 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). If at any time a Rating Agency is replaced pursuant to the preceding sentence, references to rating categories of such Rating Agency in the Indenture shall be deemed instead to be references to the equivalent categories (as determined by the Collateral Manager) of such other rating agency as of the most recent date on which such other rating agency and the replaced Rating Agency published ratings for the type of obligation in respect of which such alternative rating agency is used; *provided* that, if any S&P Rating is determined by reference to a rating by Moody's, such change shall be subject to satisfaction of the S&P Rating Condition.

"*Recalcitrant Holder*" means (i) a holder or beneficial owner of debt or equity in the Issuer that fails to provide the Holder FATCA Information or (ii) a foreign financial institution as defined under FATCA that does not comply (or is not deemed to comply or not excused from complying) with FATCA.

"*Record Date*" means, with respect to (i) the Certificated Notes, the date 15 days prior to the applicable Payment Date and (ii) the Global Secured Notes and the Regulation S Global Subordinated Notes, the date one Business Day prior to the applicable Payment Date.

"*Redemption Date*" means (i) with respect to the Secured Notes, any Payment Date and (ii) with respect to the Subordinated Notes, any Business Day, in each case specified for a redemption of Notes pursuant to the Indenture.

"*Redemption Price*" means, (a) for each Secured Note to be redeemed (x) 100% of the Aggregate Outstanding Amount of such Secured Note, *plus* (y) accrued and unpaid interest thereon (including interest on any accrued and unpaid Deferred Interest, in the case of the Deferrable Notes) to the Redemption Date and (b) for each Subordinated Note, its proportional share (based on the outstanding principal amount of such Subordinated Notes) of the amount of the proceeds of the Assets remaining after giving effect to the Optional Redemption or Tax Redemption of the Secured Notes in whole or after all of the Secured Notes have been repaid in full and payment in full of (and/or creation of a reserve for) all expenses (including all Collateral Management Fees and Administrative Expenses) of the Co-Issuers; *provided* that, in connection with any Tax Redemption, Holders of 100% of the Aggregate Outstanding Amount of any Class of Secured Notes by notifying the Trustee in writing prior to the Redemption Date may elect to receive less than 100% of the Redemption Price that would otherwise be payable to the Holders of such Class of Secured Notes.

"*Refinancing Proceeds*" means the cash proceeds from a Refinancing.

"*Registered*" means, in registered form for U.S. federal income tax purposes and issued after July 18, 1984, *provided* that a certificate of interest in a grantor trust shall not be treated as Registered unless each of the obligations or securities held by the trust was issued after that date.

"*Registered Investment Adviser*" means a Person duly registered as an investment adviser in accordance with and pursuant to Section 203 of the Investment Advisers Act of 1940, as amended.

"*Regulation S*" has the meaning set forth in Regulation S under the Securities Act.

"*Reinvestment Period*" means the period from and including the Closing Date to and including the earliest of (i) the Payment Date in October 2018, (ii) the occurrence and continuation of an Enforcement Event and (iii) the Special Redemption Date relating to the occurrence of a Reinvestment Special Redemption; *provided* that in the case of clause (iii), the Collateral Manager notifies the Issuer, the Trustee (who shall notify the holders of Notes) and the Collateral Administrator thereof in writing at least five Business Days prior to such date.

"*Reinvestment Target Par Balance*" means, 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 *plus* (ii) the aggregate amount of Principal Proceeds from the issuance of any additional notes under and in accordance with the Indenture utilized to purchase additional Collateral Obligations (after giving effect to such issuance of any additional notes); *provided* that the amount of such increase shall not be less than the Aggregate Outstanding Amount of such additional notes *plus* (iii) the aggregate outstanding amount of Deferred Interest accrued through such date with respect to the Deferrable Notes.

"*Repack Issuer*" means CLO Repackaging 2014-3 Ltd.

"*Repack Swap Agreement*" means the ISDA Agreement, dated as of October 30, 2014, between the Repack Issuer and the Repack Swap Counterparty, together with the schedule and credit support annex thereto, each dated as of October 30, 2014, and the currency swap confirmation thereunder, dated November 20, 2014.

"*Repack Swap Counterparty*" means J.P. Morgan Securities plc.

"*Repack Swap Event*" means an event that shall occur on any Redemption Date if (i) such Redemption Date relates to a Refinancing of the Class A-1 Notes and (ii) any holder or beneficial owner of notes issued by the Repack Issuer is acquiring, directly or indirectly, or has arranged for

other persons to acquire, replacement notes or obligations issued in such Refinancing of the Class A-1 Notes.

"*Repack Swap Termination Amount*" means, as of any Redemption Date relating to a Refinancing and solely if a Repack Swap Event has occurred, an amount equal to the greater of (i) zero and (ii) an amount in Japanese Yen determined in good faith with notice to the Issuer and in a commercially reasonable manner by the Repack Swap Counterparty (and converted into U.S. Dollars at the then-current spot rate of exchange published by the Bank on such date of determination), equal to the "Repack Swap Termination Cost" that would be determined in respect of the Repack Swap Agreement as payable by the Repack Issuer to the Repack Swap Counterparty, for the Repack Swap Counterparty to early unwind the Repack Swap Agreement on such Redemption Date (with a final exchange of notional and accrued interest thereunder), by reference to the costs that would be incurred by the Repack Swap Counterparty as a result of such early unwind; *provided* that in no event shall the Repack Swap Termination Amount exceed 2.0% of the Aggregate Outstanding Amount of Class A-1 Notes held by the Repack Issuer on such date of determination. For the avoidance of doubt, if no Repack Swap Event has occurred, the Repack Swap Termination Amount shall be zero. If requested, the Repack Swap Counterparty shall provide a statement showing in reasonable detail its calculations of the Repack Swap Termination Cost (but for the avoidance of doubt the Repack Swap Counterparty shall have no obligation to disclose any of its proprietary information).

"*Required Hedge Counterparty Rating*" means, with respect to any Hedge Counterparty, the ratings required by the criteria of each Rating Agency then rating a Class of Secured Notes in effect at the time of execution of the related Hedge Agreement.

"*Responsible Officer*" means any officer, authorized person or employee of the Collateral Manager set forth on the list provided by the Collateral Manager to the Issuer and the Trustee, as such list may be amended from time to time.

"*Restricted Trading Period*" means each day during which (A) (1) (a) the Moody's rating of the Class A-1 Notes is one or more sub-categories below its initial rating on the Closing Date or (b) except in the case of a withdrawal due to a repayment in full of the Class A-1 Notes, the Moody's rating of the Class A-1 Notes has been withdrawn and not reinstated or (2) (a) the S&P rating of any of the Class A-1 Notes is one or more subcategories below its initial rating on the Closing Date or the S&P rating of any other Class of Secured Notes is two or more subcategories below its initial rating on the Closing Date or (b) except in the case of a withdrawal due to a repayment in full of a Class of Secured Notes, the S&P rating of any Class of Secured Notes has been withdrawn and not reinstated and (B) after giving effect to any sale of the relevant Collateral Obligations, the aggregate outstanding principal balance of the Collateral Obligations (excluding the Collateral Obligation being sold) and Eligible Investments constituting Principal Proceeds (including, without duplication, the anticipated net proceeds of such sale) will be less than the Reinvestment Target Par Balance; *provided* that such period will not be a Restricted Trading Period (x) (so long as the Moody's rating or the S&P rating of the applicable Class of Secured Notes has not been further downgraded, withdrawn or put on watch) upon the direction of the Holders of at least a Majority of the Controlling Class or (y) if the ratings on any Class of Secured Notes are withdrawn because such Class of Secured Notes has been paid in full.

"*Reuters Screen*" means 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*" means any Collateral Obligation (other than a Delayed Drawdown Collateral Obligation) that is a loan (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 and investments) 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*" has the meaning set forth under the Securities Act.

"*S&P*" means Standard & Poor's Ratings Services, a Standard & Poor's Financial Services LLC business, and any successor or successors thereto.

"*S&P CDO Monitor*" means, each dynamic, analytical computer model developed by S&P used to calculate the default frequency in terms of the amount of debt assumed to default as a percentage of the original principal amount of the Collateral Obligations consistent with a specified benchmark rating level based upon certain assumptions (including the applicable Weighted Average S&P Recovery Rate) and S&P's proprietary corporate default studies available from www.structuredfinanceinterface.com (or such successor location notified to the Issuer, the Collateral Manager and the Collateral Administrator by S&P), as may be amended by S&P from time to time upon notice to the Issuer, the Collateral Administrator and the Trustee. Each S&P CDO Monitor shall be chosen by the Collateral Manager and associated with either (x) a Weighted Average S&P Recovery Rate, a Weighted Average Floating Spread and a S&P Maximum Weighted Average Life from Section 2 of Annex C or (y) a Weighted Average S&P Recovery Rate, a Weighted Average Floating Spread and a S&P Maximum Weighted Average Life confirmed by S&P; *provided* that as of any Measurement Date (i) the Weighted Average S&P Recovery Rate for the Highest Ranking Class equals or exceeds the Weighted Average S&P Recovery Rate for such Class chosen by the Collateral Manager, (ii) the Weighted Average Floating Spread equals or exceeds the Weighted Average Floating Spread chosen by the Collateral Manager, (iii) if the Collateral Obligations are not currently in compliance with the Weighted Average Floating Spread then applicable to the Collateral Obligations and would not be in compliance with any other Weighted Average Floating Spread, the Weighted Average Floating Spread to apply to the Collateral Obligations shall be the lowest Weighted Average Floating Spread in Section 2 of Annex C, (iv) solely for the purposes of selecting a S&P CDO Monitor, the Weighted Average Floating Spread shall be determined using an Aggregate Excess Funded Spread deemed to be zero and (v) the Weighted Average Life of the Current Portfolio is equal to or less than the sum of (x) the S&P Maximum Weighted Average Life chosen by the Collateral Manager and (y) the product of (1) the number of quarters remaining until the end of the Reinvestment Period (it being understood that the first Interest Accrual Period counts as two quarters, and otherwise that a quarter is three months and a quarter is deemed to expire once a Payment Date has passed) and (2) 0.25; *provided, further*, if the Weighted Average Life of the Current Portfolio is not less than or equal to the sum of the number calculated in subclause (iii) above, the S&P Maximum Weighted Average Life shall be the highest S&P Maximum Weighted Average Life that causes compliance with the S&P CDO Monitor Test (or, if the highest S&P Maximum Weighted Average Life does not cause compliance with the S&P CDO Monitor Test, the lowest S&P Maximum Weighted Average Life).

"*S&P Collateral Value*" means, with respect to any Defaulted Obligation or Deferring Obligation, the lesser of (i) the S&P Recovery Amount of such Defaulted Obligation or Deferring Obligation, respectively, as of the relevant date of determination and (ii) the Market Value of such Defaulted Obligation or Deferring Obligation, respectively, as of the relevant date of determination.

"*S&P Maximum Weighted Average Life*" has the meaning specified in Annex C hereto.

"*S&P Rating*" has the meaning specified in Annex C hereto.

"*S&P Rating Condition*" means, with respect to any action taken or to be taken by or on behalf of the Issuer, a condition that is satisfied if S&P has, upon request of the Collateral Manager or the Issuer, confirmed in writing (including by means of electronic message, facsimile transmission, press release, posting to its internet website, or other means then implemented by S&P), or has waived the review of such action by such means, to the Issuer, the Trustee, the Collateral Administrator and the Collateral Manager that no immediate withdrawal or reduction with respect to its then-current rating by S&P of any Class of Secured Notes will occur as a result of such action; *provided*, that (i) the S&P Rating Condition will be deemed to be satisfied if no Class of Secured Notes then Outstanding is rated by S&P or (ii) if S&P makes a public announcement or informs the Issuer, the Collateral Manager or the Trustee in writing that (a) it believes that satisfaction of the S&P Rating Condition is not required with respect to an action or (b) its practice is not to give such confirmations, satisfaction of the S&P Rating Condition will not be required with respect to such action.

"*S&P Recovery Amount*" means with respect to any Collateral Obligation, an amount equal to:

(a) the applicable S&P Recovery Rate; *multiplied by*

(b) the outstanding principal balance of such Collateral Obligation.

"*S&P Recovery Rate*" means, with respect to a Collateral Obligation, the recovery rate set forth in Section 1 of Annex C using the initial rating of the Highest Ranking Class Outstanding at the time of determination.

"*S&P Recovery Rating*" means, with respect to a Collateral Obligation for which an S&P Recovery Rate is being determined, the "Recovery Rating" assigned by S&P to such Collateral Obligation based upon the tables set forth in Annex C hereto.

"*Sale Proceeds*" are all proceeds (excluding accrued interest, if any) received with respect to Assets as a result of sales of such Assets in accordance with the restrictions described in "Security for the Secured Notes—Sales of Collateral Obligations; Additional Collateral Obligations and Investment Criteria," and the termination of any Hedge Agreement, in each case 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 and net of any amounts due and payable by the Issuer to the related Hedge Counterparty in connection with any such termination. Sale Proceeds will include Principal Financed Accrued Interest received in respect of such sale.

"*Second Lien Loan*" means any First-Lien Last-Out Loan or any assignment of or Participation Interest in or other interest in a Loan that (i) is not (and that by its terms is not permitted to become) subordinate in right of payment to any other obligation of the Obligor of the loan other than a Senior Secured Loan with respect to the liquidation of such Obligor or the collateral for such loan (subject to customary exceptions for permitted liens), (ii) 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 loan (subject to customary exceptions for permitted liens), 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, which security interest or lien is not subordinate to the security interest or lien securing any other debt for borrowed money other than a Senior Secured Loan on such specified collateral and (iii) is not secured solely or primarily by common stock or other equity interests.

"*Secured Notes*" means the Class A-1 Notes, the Class A-2 Notes, the Class B Notes, the Class C Notes and the Class D Notes.

"*Secured Parties*" means collectively the holders of the Secured Notes, the Collateral Manager, each Hedge Counterparty, the Administrator, The Bank of New York Mellon Trust Company, National Association, in each of its capacities under the Transactions Documents, including as Collateral Administrator, and the Trustee.

"*Securities Account Control Agreement*" means the Securities Account Control Agreement dated as of the Closing Date among the Issuer, the Trustee and The Bank of New York Mellon Trust Company, National Association, as custodian.

"*Securities Act*" means the United States Securities Act of 1933, as amended.

"*Selling Institution*" means the entity obligated to make payments to the Issuer under the terms of a Participation Interest.

"*Senior Secured Loan*" means 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 (subject to customary exceptions for permitted liens); (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 (subject to customary exceptions for permitted liens); (c) the value of the collateral securing the Loan at the time of purchase 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).

"*Small Obligor Loan*" means any loan issued (a) as a part of a loan facility with an original loan size (including any first and second lien tranches of such facility) of less than U.S.$150,000,000, (b) by an issuer whose total indebtedness is less than U.S.$300,000,000 and (c) by an issuer whose enterprise value (as reasonably determined by the Collateral Manager) is less than U.S.$500,000,000.

"*Special Redemption Date*" means, (i) with respect to an Effective Date Special Redemption, the first Payment Date (and all subsequent Payment Dates) following the Collection Period in which a notice is given pursuant to the Indenture and (ii) with respect to a Reinvestment Special Redemption, the Payment Date specified by the Collateral Manager in accordance the Indenture.

"*Sponsor*" means, in relation to the Issuer, its Sponsor under the Risk Retention Rules.

"*Stated Maturity*" means the Payment Date in October 2025.

"*Step-Down Obligation*" means an obligation or security which by the terms of the related Underlying Instruments provides for a decrease in the per annum interest rate on such obligation or security (other than by reason of any change in the applicable index or benchmark rate used to determine such interest rate) or in the spread over the applicable index or benchmark rate, solely as a function of the passage of time; *provided* that an obligation or security providing for payment of a constant rate of interest at all times after the date of acquisition by the Issuer shall not constitute a Step-Down Obligation.

"*Step-Up Obligation*" means an obligation or security which by the terms of the related Underlying Instruments provides for an increase in the per annum interest rate on such obligation

or security, 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-Up Obligation.

"*Structured Finance Obligation*" means any obligation issued by a special purpose vehicle and 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.

"*Subordinated Notes*" means the Subordinated Notes issued pursuant to the Indenture.

"*Supermajority*" means, with respect to any Class of Notes, the holders of at least 66-2/3% of the Aggregate Outstanding Amount of the Notes of such Class.

"*Synthetic Security*" means 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*" equals U.S.$450,000,000.

"*Target Initial Par Condition*" means a condition satisfied as of the Effective Date if the aggregate outstanding principal balance of Collateral Obligations (i) that are held by the Issuer and (ii) of which the Issuer has committed to purchase on such date, together with the amount of 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 by the Issuer on the Effective Date), 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 the lower of (i) its Moody's Collateral Value and (ii) its S&P Collateral Value.

"*Tax*" means any tax, levy, impost, duty, charge or assessment of any nature (including interest, penalties and additions thereto) imposed by any governmental taxing authority.

"*Tax Event*" means an event that occurs if a change in or the adoption of any U.S. or foreign tax statute or treaty, or any change in or the issuance of any regulation (whether final, temporary or proposed), rule, ruling, practice, procedure or judicial decision or interpretation of the foregoing after the Closing Date results in (i)(x) any Obligor under any Collateral Obligation being 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 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 (y) the total amount of such deductions or withholdings on the Assets results in a payment by, or charge or tax burden to, the Issuer that results or will result in the withholding of 5% or more of scheduled distributions for any Collection Period, (ii) any jurisdiction imposing net income, profits or similar Tax on the Issuer in an aggregate amount in any Collection Period in excess of U.S.$100,000 or (iii) a Hedge Counterparty is or will be required to deduct or withhold from any payment under a Hedge Agreement for or on account of any tax for whatever reason and such Hedge Counterparty 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 (after payment of all taxes, whether assessed against such Hedge Counterparty or the Issuer) will equal the full amount that the Issuer would have received had no such taxes been imposed, and the aggregate amount of such a tax or taxes imposed on the Issuer or withheld from payments to the Issuer and with respect to which the Issuer receives less than the full amount that the Issuer would have received had no such deduction occurred, or "gross up

payments" required to be made by the Issuer (x) is in excess of $1,000,000 during the Collection Period in which such event occurs or (y) the aggregate of all such amounts imposed, or "gross up payment" requirements required to be made by the Issuer, during any 12-month period is, in excess of $1,000,000. Withholding taxes imposed under FATCA shall be disregarded in applying the definition of Tax Event, except that a Tax Event will also occur if (i) FATCA compliance costs exceed $250,000 and (ii) any such withholding taxes are imposed (or are reasonably expected by the Issuer or the Collateral Manager acting on its behalf to be imposed) in an aggregate amount in excess of $500,000.

Until notified by the Collateral Manager or until an authorized officer of the Trustee obtains actual knowledge of the occurrence of a Tax Event, the Trustee shall not be deemed to have any notice or knowledge of the occurrence of such Tax Event.

"*Tax Jurisdiction*" means the Bahamas, Bermuda, the British Virgin Islands, the Cayman Islands or the Channel Islands and any other tax advantaged jurisdiction as may be notified to the Collateral Manager from time to time.

"*Third Party Credit Exposure*" means, as of any date of determination, the outstanding principal balance of each Collateral Obligation that consists of a Participation Interest.

"*Third Party Credit Exposure Limits*" means limits that shall be satisfied if the Third Party Credit Exposure with counterparties having the ratings below from S&P do not exceed the percentage of the Collateral Principal Amount specified below:

S&P's credit rating of Selling Institution	Aggregate Percentage Limit	Individual Percentage Limit
AAA	20%	20%
AA+	10%	10%
AA	10%	10%
AA-	10%	10%
A+	5%	5%
A	5%	5%
below A	0%	0%

provided that a Selling Institution having an S&P credit rating of "A" must also have a short-term S&P rating of "A-1" otherwise its Aggregate Percentage Limit and Individual Percentage Limit shall be 0%.

"*Transaction Documents*" means the Indenture, the Collateral Management Agreement, the Collateral Administration Agreement, the Securities Account Control Agreement, the Placement Agreement and the Administration Agreement.

"*Transaction Party*": Each of the Issuer, the Co-Issuer, the Placement Agent, the Trustee, the Collateral Administrator, the Administrator and the Collateral Manager.

"*Transfer Agent*" means the Person or Persons, which may be the Issuer, authorized by the Issuer to exchange or register the transfer of Notes.

"*Trustee*" means The Bank of New York Mellon Trust Company, National Association and any successor thereto.

"*Underlying Instrument*" means the indenture or other 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.

"*United States person*" has the meaning set forth in Section 7701(a)(30) of the Code

"*Unsecured Loan*" means an unsecured Loan obligation of any corporation, partnership or trust.

"*U.S. Holder*" means a Holder that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation, partnership or other business entity organized in or under the laws of the United States or its political subdivisions, (iii) a trust subject to the control of one or more United States persons and the primary supervision of a U.S. court or (iv) an estate the income of which is subject to U.S. federal income taxation regardless of its source.

"*Zero Coupon Bond*" means 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 Circular and the page number where each definition appears.

Annex A-1

FORM OF PURCHASER REPRESENTATION LETTER FOR CERTIFICATED SUBORDINATED NOTES

[DATE]

The Bank of New York Mellon Trust Company, National Association, as Trustee
601 Travis Street, 16th floor
Houston, Texas 77002
Facsimile: (713) 483-6001
Attention: Global Corporate Trust – Marathon CLO VII Ltd.

Re: Marathon CLO VII Ltd. (the "*Issuer*"); Subordinated Notes

Reference is hereby made to the Indenture, dated as of November 20, 2014, among the Issuer, Marathon CLO VII LLC, as Co-Issuer and The Bank of New York Mellon Trust Company, National Association, as Trustee (the "*Indenture*"). Capitalized terms not defined in this Certificate shall have the meanings ascribed to them in the final Offering Circular of the Issuer or the Indenture.

This letter relates to U.S.$_____ Aggregate Outstanding Amount of Subordinated Notes (the "*Subordinated Notes*") in the form of one or more certificated Subordinated Notes to effect the transfer of the Subordinated Notes to _____ (the "*Transferee*").

The Transferee hereby represents, warrants and covenants for the benefit of the Issuer and its counsel that it is:

(a) (PLEASE CHECK ONLY ONE)

_____ a "qualified institutional buyer" as defined in Rule 144A under the United States Securities Act of 1933, as amended (the "*Securities Act*"), who is also a Qualified Purchaser or an entity owned exclusively by Qualified Purchasers and is acquiring the Subordinated Notes in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder;

_____ a "qualified institutional buyer" as defined in Rule 144A under the Securities Act who is also a Knowledgeable Employee with respect to the Issuer or an entity owned exclusively by Knowledgeable Employees with respect to the Issuer and is acquiring the Subordinated Notes in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder;

_____ an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act who is also a Qualified Purchaser or an entity owned exclusively by Qualified Purchasers;

_____ an "accredited investor" as defined in Rule 501(a) under the Securities Act who is also a Knowledgeable Employee with respect to the Issuer or an entity owned exclusively by Knowledgeable Employees with respect to the Issuer; or

_____ a person that is not a "U.S. person" as defined in Regulation S under the Securities Act, and is acquiring the Subordinated Notes in an offshore transaction (as defined in Regulation S) in reliance on the exemption from Securities Act registration provided by Regulation S; and

(b) acquiring the Subordinated Notes for its own account (and not for the account of any other Person) in a minimum denomination of U.S.$200,000 and in integral multiples of U.S.$1.00 in excess thereof.

UK/Cayman Islands Intergovernmental Agreement:

1. (a) The Purchaser _____ (is) _____(is not) (***please check one***) resident in the United Kingdom for tax purposes.*

(b) If the Purchaser is an individual that is resident in the United Kingdom for tax purposes, is the Purchaser a Specified United Kingdom Person?**
(please check one) Yes____ No____

If yes, please provide the following:

Date of Birth: _____

United Kingdom National Insurance Number: _____

(c) If the Purchaser is an entity that is resident in the United Kingdom for tax purposes, is the Purchaser a Specified United Kingdom Person?
(please check one) Yes____ No____

2. (a) If the Purchaser is an entity that is not resident in the United Kingdom for tax purposes, is the Purchaser a Passive Non-Financial Foreign Entity ("Passive NFFE")?***

(please check one) Yes____ No____

* For informational purposes only, the Purchaser is treated as resident in the United Kingdom for tax purposes if the Purchaser is (i) resident solely in the United Kingdom (under the domestic laws of the United Kingdom) or (ii) resident both in the United Kingdom and another jurisdiction (under the respective domestic laws of the United Kingdom and such other jurisdiction). An entity, such as a partnership, limited liability partnership or similar arrangement, is treated as resident in the United Kingdom if the control and management of the business of the entity takes place in the United Kingdom.

** For purposes of this item, the term "Specified United Kingdom Person" means a person or entity that is resident in the United Kingdom for tax purposes (including a person who is resident both in the United Kingdom and in any other jurisdiction under the respective domestic laws of the United Kingdom and such other jurisdiction), other than:

(i) a corporation the stock of which is regularly traded on one or more established securities markets;
(ii) any corporation that is a Related Entity of a corporation described in clause (i);
(iii) a Depository Institution;
(iv) a broker or dealer in securities, commodities or derivative financial instruments (including notional principal contracts, futures, forwards and options) that is registered as such under the laws of the United Kingdom;
(v) a United Kingdom Governmental Organisation, being any political subdivision of the UK government or any wholly owned agency or instrumentality of any one or more of the foregoing;
(vi) the United Kingdom Central Bank (the Bank of England and any of its wholly owned subsidiaries);
(vii) a United Kingdom office of an International Organisation (examples of which include the International Monetary Fund, the World Bank, the International Bank for Reconstruction and Development and the European Community);
(viii) a pension scheme or other arrangement registered with HMRC under Part 4 of the Finance Act 2004 or the United Kingdom Pension Protection Fund.

An entity is a Related Entity of another entity if either entity controls the other entity or both entities are under common control. For this purpose, control includes direct or indirect ownership of more than 50% of the vote or value in an entity.

*** For purposes of this item, the term "Passive NFFE" means any NFFE that is not an Active NFFE. An NFFE is any Non-United Kingdom resident entity that is not a Financial Institution. A Financial Institution is a Custodial Institution, a Depository Institution, an Investment Entity or a Specified Insurance Company, each as defined for the purposes of the U.S. Foreign Account Tax Compliance Act.

An Active NFFE is any NFFE that meets any of the following criteria:

(i) less than 50% of the NFFE's gross income for the preceding calendar year or other appropriate reporting period is passive income and less than 50% of the assets held by the NFFE during the preceding calendar year or other appropriate reporting period are assets that produce or are held for the production of passive income;
(ii) the stock of the NFFE is regularly traded on an established securities market or the NFFE is a Related Entity of an entity the stock of which is traded on an established securities market;
(iii) the NFFE is a government, a political subdivision of such government or a public body performing a function of such government or a political subdivision thereof, or an entity wholly owned by one or more of the foregoing;
(iv) substantially all of the activities of the NFFE consist of holding (in whole or in part) the outstanding stock of, or providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a Financial Institution, except that an NFFE shall not qualify for this status if the NFFE functions (or holds itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes;
(v) the NFFE is not yet operating a business and has no prior operating business, but is investing capital into assets with the intent to operate a business other than that of a Financial Institution; provided, that the NFFE shall not qualify for this exception after the date that is 24 months after the date of the initial organization of the NFFE;
(vi) the NFFE was not a Financial Institution in the past five years, and is in the process of liquidating its assets or is reorganizing with the intent to commence operations in a business other than that of a Financial Institution; or
(vii) the NFFE primarily engages in financing and hedging transactions with or for Related Entities that are not Financial Institutions, and does not provide financing or hedging services to any entity that is not a Related Entity, provided that the group of any such Related Entity is primarily engaged in a business other than that of a Financial Institution.

(b) If the Purchaser is a Passive NFFE, is any person who is a Controlling Person**** in respect of the Purchaser resident in the United Kingdom for tax purposes?

(please check one) Yes____ No____

(c) If the Purchaser answered "Yes" to item 2(b), please provide the following information with respect to each such United Kingdom tax resident Controlling Person:

(Attach additional pages if necessary.)

Name: _____

Address: _____

Date of Birth: _____

United Kingdom National Insurance Number: _____

**** For purposes of this item, the term "Controlling Persons" means the natural persons who exercise control over an entity. In the case of a trust, such term means the settlor, the trustees, the protector (if any), the beneficiaries or class of beneficiaries, and any other natural person exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions. In the case of a company and similar legal persons, such term also means any persons owning 25% or more of the company (or legal person). The term "Controlling Persons" shall be interpreted in a manner consistent with the Recommendations of the Financial Action Task Force.

The Transferee further represents, warrants and agrees as follows:

1. It understands that the Subordinated Notes 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 the Subordinated Notes, such Subordinated Notes may be offered, resold, pledged or otherwise transferred only in accordance with the provisions of the Indenture and the legends on such Subordinated Notes, including the requirement for written certifications. In particular, it understands that the Subordinated Notes may be transferred only to a person that is either (a) a "qualified purchaser" (as defined in the Investment Company Act of 1940, as amended (the "*Investment Company Act*")), (b) a "*Knowledgeable Employee*," as defined in Rule 3c-5 promulgated under the Investment Company Act with respect to the Issuer, (c) a corporation, partnership, limited liability company or other entity (other than a trust) each shareholder, partner, member or other equity owner of which either is a Qualified Purchaser or is a Knowledgeable Employee with respect to the Issuer and in the case of (a), (b) and (c) above that is either (i) a "qualified institutional buyer" as defined in Rule 144A under the Securities Act who purchases such Subordinated Notes in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder, (ii) an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act or (iii) another "accredited investor" as defined in Rule 501(a) under the Securities Act that is also a Knowledgeable Employee with respect to the Issuer or (d) a person that is not a "U.S. person" as defined in Regulation S under the Securities Act, and is acquiring the Subordinated Notes in an offshore transaction (as defined in Regulation S thereunder) in reliance on the exemption from registration provided by Regulation S thereunder. It acknowledges that no representation is made as to the availability of any exemption under the Securities Act or any state securities laws for resale of the Subordinated Notes.

2. In connection with its purchase of the Subordinated Notes: (i) none of the Co-Issuers, JPMorgan, the Collateral Manager, the Trustee, the Collateral Administrator or any of their respective affiliates is acting as a fiduciary or financial or investment adviser for it; (ii) it is not relying (for purposes of making any investment decision or otherwise) upon any written or oral advice, counsel or representations of the Co-Issuers, JPMorgan, the Collateral Manager, the Trustee, the Collateral Administrator or any of their respective affiliates; (iii) it has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers 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 advisers as it has deemed necessary and not upon any view expressed by the Co-Issuers, JPMorgan, the Collateral Manager, the Trustee, the Collateral Administrator or any of their respective affiliates; (iv) it will hold and transfer at least the minimum denomination of such Subordinated Notes; (v) it was not formed for the purpose of investing in the Subordinated Notes; and (vi) it is a sophisticated investor and is purchasing the Subordinated Notes with a full understanding of all of the terms, conditions and risks thereof, and it is capable of assuming and willing to assume those risks; *provided* that any purchaser or transferee of Notes, which purchaser or transferee is any of (I) the Collateral Manager, (II) an Affiliate of the Collateral Manager, (III) a fund or account managed by the Collateral Manager (or any of its Affiliates) as to which the Collateral Manager (or such Affiliate) has discretionary voting authority, or (IV) any Knowledgeable Employee with respect to the Issuer that is an employee, partner, director, officer, shareholder or member of Marathon Asset Management, L.P. or any of its Affiliates, in each case shall not be required or deemed to make the representations set forth in clauses (i), (ii) and (iii) above with respect to the Collateral Manager.

3. (i) (x) It is (A) a "qualified purchaser" for purposes of Section 3(c)(7) of the Investment Company Act, (B) a "Knowledgeable Employee" with respect to the Issuer for purposes of Rule 3c-5 of the Investment Company Act, or (C) a corporation, partnership, limited liability company or other

entity (other than a trust) each shareholder, partner, member or other equity owner of which either is a Qualified Purchaser or is a Knowledgeable Employee with respect to the Issuer and in the case of (A), (B) and (C) above that is either (D) a "qualified institutional buyer" as defined in Rule 144A under the Securities Act who purchases such Subordinated Notes in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder, (E) an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act or (F) another "accredited investor" as defined in Rule 501(a) under the Securities Act that is also a Knowledgeable Employee or (y) it is not a "U.S. person" as defined in Regulation S under the Securities Act and is acquiring the Subordinated Notes in an offshore transaction (as defined in Regulation S thereunder) in reliance on the exemption from registration provided by Regulation S thereunder, (ii) it is acquiring the Subordinated Notes as principal solely for its own account for investment and not with a view to the resale, distribution or other disposition thereof in violation of the Securities Act; (iii) it is not a (A) partnership, (B) common trust fund, or (C) special trust, pension, profit sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants may designate the particular investments to be made; (iv) it agrees that it shall not hold any Subordinated Notes for the benefit of any other Person, that it shall at all times be the sole beneficial owner thereof for purposes of the Investment Company Act and all other purposes and that it shall not sell participation interests in the Subordinated Notes or enter into any other arrangement pursuant to which any other Person shall be entitled to a beneficial interest in the distributions on the Subordinated Notes; (v) it is acquiring its interest in the Subordinated Notes for its own account; and (vi) it will hold and transfer at least the minimum denomination of the Subordinated Notes and provide notice of the relevant transfer restrictions to subsequent transferees.

4. It acknowledges and agrees that all of the assurances given by it in certifications required by the Indenture as to its status under the Employee Retirement Income Security Act of 1974, as amended ("*ERISA*"), as to its status as a Controlling Person (as defined below) and as to its status as an Affected Bank are correct and are for the benefit of the Issuer, the Trustee, JPMorgan and the Collateral Manager. It agrees and acknowledges that none of Issuer or the Trustee will recognize any transfer of the Subordinated Notes if such transfer may result in 25% or more of the value of the Subordinated Notes being held by Benefit Plan Investors, as defined in Section 3(42) of ERISA. For purposes of making the 25% determination, the value of any equity interests held by a Person (other than a Benefit Plan Investor) who has discretionary authority or control with respect to the assets of the entity or any Person who provides investment advice for a fee (direct or indirect) with respect to such assets, or any affiliate of any such Person (each, a "Controlling Person"), is disregarded. An "affiliate" of a Person includes any Person, directly or indirectly through one or more intermediaries, controlling, controlled by or under common control with the Person, and "control" with respect to a Person other than an individual means the power to exercise a controlling influence over the management or policies of such Person. It further agrees and acknowledges that the Issuer has the right, under the Indenture, to compel any beneficial owner of a Subordinated Note who has made or has been deemed to make a prohibited transaction, Benefit Plan Investor, Controlling Person, Similar Law or Other Plan Law representation that is subsequently shown to be false or misleading or whose ownership otherwise causes a violation of the 25% Limitation to sell its interest in the Subordinated Note, or may sell such interest on behalf of such owner. It acknowledges and agrees that unless it receives written permission from the Issuer, neither it nor any affiliate is an Affected Bank. It acknowledges and agrees that if the Issuer determines that such holder (or its affiliate) is an Affected Bank the Issuer, in its sole discretion, may treat (if necessary or helpful to reduce the likelihood that such ownership may cause withholding under Treasury Regulation Section 1.881-3) such holder as a Non-Permitted Holder and, thus, may cause the transfer of all or of a portion of the applicable Subordinated Notes. An Affected Bank is a "bank" for purposes of Section 881 of the Code or an entity affiliated with such a bank that owns, directly or indirectly, more than 33-1/3% of the Aggregate Outstanding Amount of the Subordinated Notes and is neither (x) a United States person nor (y) entitled to the benefits of an income tax

treaty with the United States under which withholding taxes on interest payments made by obligors resident in the United States to such bank are reduced to 0%.

5. It will treat its Subordinated Notes as equity in the Issuer for United States federal income tax purposes unless otherwise required by any relevant taxing authority.

6. It is (x) a "United States person" within the meaning of Section 7701(a)(30) of the Code, and a properly completed and signed Internal Revenue Service Form W-9 (or applicable successor form) is attached hereto or (y) is not a "United States person" within the meaning of Section 7701(a)(30) of the Code, and the appropriate properly completed and signed Internal Revenue Service Form W-8 (or other appropriate form) is attached hereto. It understands and acknowledges that failure to provide the Issuer or the Trustee with the applicable tax certifications or the failure to provide or update its Holder FATCA Information or to take any other action reasonably necessary (in the determination of the Issuer, the Collateral Manager, the Trustee or their respective agents) to enable the Issuer or an Intermediary to comply with FATCA may result in withholding or back-up withholding from payments to it in respect of the Subordinated Notes.

7. With respect to any period during which it is treated as a member of the Issuer's "expanded affiliated group" (as defined in Section 1.1471(e)(2) and any Treasury Regulations promulgated thereunder), it will be required to covenant that it will (i) cause any member of such expanded affiliated group (assuming that the Issuer and any ETB Subsidiary are "participating FFIs" within the meaning of the Code or any Treasury Regulations promulgated thereunder) that is treated as a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Code and any Treasury Regulations promulgated thereunder to be either a "participating FFI," a "deemed-compliant FFI" or an "exempt beneficial owner" within the meaning of the Code or any Treasury Regulations promulgated thereunder, and (ii) promptly notify the Issuer in the event that any member of such expanded affiliated group that is treated as a "foreign financial institution" within the meaning of Section 1471(d)(4) of the Code and any Treasury Regulations promulgated thereunder is not either a "participating FFI," a "deemed-compliant FFI" or an "exempt beneficial owner" within the meaning of the Code or any Treasury Regulations promulgated thereunder, in each case except to the extent that the Issuer or its agents have provided it with an express waiver of this provision.

8. It agrees to (i) provide the Issuer or authorized agent acting on its behalf (and any applicable Intermediary) and the Trustee with the Holder FATCA Information and to take any other action reasonably necessary (in the determination of the Issuer, the Collateral Manager, the Trustee or their respective agents) to enable the Issuer or an Intermediary to comply with FATCA and (ii) permit the Issuer, the Collateral Manager, any applicable Intermediary and Trustee (on behalf of the Issuer), if required to avoid FATCA withholding, to (x) share such information with the IRS, (y) compel or effect the sale of Notes held by any such Holder that fails to comply with the foregoing requirements or if such Holder's ownership would prevent the Issuer from qualifying as, or complying with any obligations or requirements imposed on, a "Participating FFI" within the meaning of the Code or any Treasury Regulations promulgated thereunder or a "deemed-compliant FFI" within the meaning of the Code or any Treasury Regulations promulgated thereunder, or otherwise prevents the Issuer from complying with FATCA and (z) make other amendments to the Indenture to enable the Issuer to comply with FATCA.

9. It agrees not to seek to commence in respect of the Issuer, the Co-Issuer or any ETB Subsidiary, or cause the Issuer, the Co-Issuer or any ETB Subsidiary to commence, a bankruptcy, reorganization, arrangement, insolvency, winding up, moratorium or liquidation proceeding, or other proceedings under Cayman Islands, U.S. federal or state bankruptcy or similar laws, before a year and a day has elapsed since the payment in full to the holders of the Notes issued pursuant to the Indenture or, if longer, the applicable preference period (plus one day) then in effect.

10. To the extent required by the Issuer, as determined by the Issuer or the Collateral Manager on behalf of the Issuer, the Issuer may, upon notice to the Trustee, impose additional transfer restrictions on the Subordinated Notes to comply with the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "*USA Patriot Act*") and other similar laws or regulations, including, without limitation, requiring each transferee of a Subordinated Note to make representations to the Issuer in connection with such compliance.

11. It agrees to be subject to the Bankruptcy Subordination Agreement.

12. It is not purchasing the Notes pursuant to an invitation made to the public in the Cayman Islands.

13. It understands and agrees that the Notes are from time to time and at any time limited recourse obligations of the Issuer (and the Co-Issuer, as applicable) payable solely from the proceeds of the Assets available at such time and following realization of the Assets, and all application of the proceeds thereof in accordance with the Indenture, all obligations of and any remaining claims against the Issuer (and the Co-Issuer, as applicable) thereunder or in connection therewith shall be extinguished and shall not thereafter revive.

14. It understands that the Issuer is subject to anti-money laundering legislation in the Cayman Islands. Accordingly, if the Notes are issued in the form of Certificated Notes, the Issuer may, except in relation to certain categories of institutional investors, require a detailed verification of a Transferee's identity and the source of the payment used by such Transferee for purchasing the Notes. The laws of other major financial centres may impose similar obligations upon the Issuer.

15. It understands that the Co-Issuers, the Trustee, the Collateral Manager and JPMorgan and their respective counsel will rely upon the accuracy and truth of the foregoing representations, and it hereby consents to such reliance.

Name of Purchaser:
Dated:

_____
By:
Name:
Title:

Outstanding principal amount of Subordinated Notes: U.S.$_____

Taxpayer identification number:

Address for notices:	Wire transfer information for payments:
	Bank:
	Address:
	Bank ABA#:
	Account #:
Telephone:	FAO:
Facsimile:	Attention:
Attention:	

Denominations of certificates (if more than one):
Registered name:

cc: Marathon CLO VII Ltd.
c/o Intertrust SPV (Cayman) Limited
190 Elgin Avenue
George Town
Grand Cayman, KY1-9005
Cayman Islands

Marathon CLO VII LLC
c/o Puglisi & Associates
850 Library Avenue, Suite 204
Newark, Delaware 19711

FORM OF SUBORDINATED NOTE ERISA AND AFFECTED BANK CERTIFICATE

The purpose of this Benefit Plan Investor Certificate (this "*Certificate*") is, among other things, to (i) endeavor to ensure that less than 25% of the value of the Subordinated Notes issued by Marathon CLO VII Ltd. (the "*Issuer*") is held by (a) an employee benefit plan that is subject to the fiduciary responsibility provisions of Title I of the Employee Retirement Income Security Act of 1974, as amended ("*ERISA*"), (b) a plan that is subject to Section 4975 of the Internal Revenue Code of 1986 (the "*Code*") or (c) any entity whose underlying assets include "plan assets" by reason of any such employee benefit plan's or plan's investment in the entity (collectively, "*Benefit Plan Investors*"), (ii) endeavor to ensure that no Affected Bank, directly or in conjunction with its affiliates, owns more than 33-1/3% of the outstanding Subordinated Notes, (iii) obtain from you certain representations and agreements and (iv) provide you with certain related information with respect to your acquisition, holding or disposition of the Subordinated Notes. **By signing this Certificate, you agree to be bound by its terms.**

Please be aware that the information contained in this Certificate is not intended to constitute advice and the examples given below are not intended to be, and are not, comprehensive. You should contact your own counsel if you have any questions in completing this Certificate. Capitalized terms not defined in this Certificate shall have the meanings ascribed to them in the Indenture.

Please review the information in this Certificate and check the box(es) that are applicable to you.

If a box is not checked, you are agreeing that the applicable Section does not, and will not, apply to you.

1. ☐ Employee Benefit Plans Subject to ERISA or the Code. We, or the entity on whose behalf we are acting, are an "employee benefit plan" within the meaning of Section 3(3) of ERISA that is subject to the fiduciary responsibility provisions of Title I of ERISA or a "plan" within the meaning of Section 4975(e)(1) of the Code that is subject to Section 4975 of the Code.

   Examples: (i) tax qualified retirement plans such as pension, profit sharing and section 401(k) plans, (ii) welfare benefit plans such as accident, life and medical plans, (iii) individual retirement accounts or "IRAs" and "Keogh" plans and (iv) certain tax-qualified educational and savings trusts.

2. ☐ Entity Holding Plan Assets. We, or the entity on whose behalf we are acting, are an entity or fund whose underlying assets include "plan assets" by reason of a Benefit Plan Investor's investment in such entity.

   Examples: (i) an insurance company separate account, (ii) a bank collective trust fund and (iii) a hedge fund or other private investment vehicle where 25% or more of the value of any class of its equity is held by Benefit Plan Investors.

If you check Box 2, please indicate the maximum percentage of the entity or fund that will constitute "plan assets" for purposes of Title I of ERISA or Section 4975 of the Code: _____%.

An entity or fund that cannot provide the foregoing percentage hereby acknowledges that for purposes of determining whether Benefit Plan Investors own less than 25% of the value of the Subordinated Notes issued by the Issuer, 100% of the assets of the entity or fund will be treated as "plan assets."

ERISA and the regulations promulgated thereunder are technical. Accordingly, if you have any question regarding whether you may be an entity described in this Section 2, you should consult with your counsel.

3. ☐ **Insurance Company General Account**. We, or the entity on whose behalf we are acting, are an insurance company purchasing the Subordinated Notes with funds from our or their general account (*i.e.*, the insurance company's corporate investment portfolio), whose assets, in whole or in part, constitute "plan assets" under Section 401(a) of ERISA for purposes of 29 C.F.R. Section 2510.3-101 as modified by Section 3(42) of ERISA (the "*Plan Asset Regulations*").

   If you check Box 3, please indicate the maximum percentage of the insurance company general account that will constitute "plan assets" under Section 401(a) of ERISA for purposes of conducting the 25% test under the Plan Asset Regulations: ____%. IF YOU DO NOT INCLUDE ANY PERCENTAGE IN THE BLANK SPACE, YOU WILL BE COUNTED AS IF YOU FILLED IN 100% IN THE BLANK SPACE.

4. ☐ **None of Sections (1) Through (3) Above Apply**. We, or the entity on whose behalf we are acting, are a person that does not fall into any of the categories described in Sections (1) through (3) above. If, after the date hereof, any of the categories described in Sections (1) through (3) above would apply, we will promptly notify the Issuer and the Trustee of such change.

5. **No Prohibited Transaction**. If we checked any of the boxes in Sections (1) through (3) above, we represent, warrant and agree that our acquisition, holding and disposition of the Subordinated Notes do not and will not constitute or give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

6. **Not Subject to Similar Law and No Violation of Other Plan Law**. If we are a governmental, church, non-U.S. or other plan, we represent, warrant and agree that (a) we are not subject to any federal, state, local, non-U.S. or other law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or interest therein) by virtue of its interest and thereby subject the Issuer and the Collateral Manager (or other persons responsible for the investment and operation of the Issuer's assets) to laws or regulations that are substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code, and (b) our acquisition, holding and disposition of the Subordinated Notes do not and will not constitute or give rise to a non-exempt violation of any law or regulation that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code.

7. ☐ **Controlling Person**. We are, or we are acting on behalf of any of: (i) the Trustee, (ii) the Collateral Manager, (iii) any person that has discretionary authority or control with respect to the assets of the Issuer, (iv) any person who provides investment advice for a fee (direct or indirect) with respect to such assets or (v) any "affiliate" of any of the above persons. "Affiliate" shall have the meaning set forth in the Plan Asset Regulations. Any of the persons described in the first sentence of this Section 7 is referred to in this Certificate as a "Controlling Person."

   Note: We understand that, for purposes of determining whether Benefit Plan Investors hold less than 25% of the value of the Subordinated Notes, the value of any Subordinated Notes held by Controlling Persons (other than Benefit Plan Investors) are required to be disregarded.

Compelled Disposition. We acknowledge and agree that:

(i) if any representation that we made hereunder is subsequently shown to be false or misleading or our beneficial ownership otherwise causes a violation of the 25% Limitation, the Issuer shall, promptly after such discovery (or upon notice from the Trustee if the Trustee makes the discovery (who, in each case, agree to notify the Issuer of such discovery, if any)), send notice to us demanding that we transfer our interest to a person that is not a Non-Permitted ERISA Holder within 14 days after the date of such notice;

(ii) if we fail to transfer our Subordinated Notes, the Issuer shall have the right, without further notice to us, to sell our Subordinated Notes or our interest in the Subordinated Notes, to a purchaser selected by the Issuer that is not a Non-Permitted ERISA Holder on such terms as the Issuer may choose;

(iii) the Issuer may select the purchaser by soliciting one or more bids from one or more brokers or other market professionals that regularly deal in securities similar to the Subordinated Notes and selling such securities to the highest such bidder. However, the Issuer may select a purchaser by any other means determined by it in its sole discretion;

(iv) by our acceptance of an interest in the Subordinated Notes, we agree to cooperate with the Issuer to effect such transfers;

(v) the proceeds of such sale, net of any commissions, expenses and taxes due in connection with such sale shall be remitted to us; and

(vi) the terms and conditions of any sale under this sub-section shall be determined in the sole discretion of the Issuer, and the Issuer shall not be liable to us as a result of any such sale or the exercise of such discretion.

Required Notification and Agreement. We hereby agree that we (a) will inform the Trustee of any proposed transfer by us of all or a specified portion of the Subordinated Notes and (b) will not initiate any such transfer after we have been informed by the Issuer or the Transfer Agent in writing that such transfer would cause the 25% Limitation to be exceeded. We hereby agree and acknowledge that after the Trustee effects any permitted transfer of Subordinated Notes owned by us to a Benefit Plan Investor or a Controlling Person or receives notice of any such permitted change of status, the Trustee shall include such Subordinated Notes in future calculations of the 25% Limitation made pursuant hereto unless subsequently notified that such Subordinated Notes (or such portion), as applicable, would no longer be deemed to be held by Benefit Plan Investors or Controlling Persons.

8. **Affected Bank**. We represent that neither we are nor any affiliate is an Affected Bank unless such acquisition is authorized by the Issuer in writing. In addition, we understand and agree that if we are (or are affiliated with) an Affected Bank, the Issuer, in its sole discretion, may cause (if necessary or helpful to reduce the likelihood that such ownership may cause withholding under Treasury Regulation Section 1.881-3) the transfer of all or of a portion of the Subordinated Notes in the manner described the Indenture (although for avoidance of doubt, the prior acquisition of such Subordinated Notes will not be null and void *ab initio*). "*Affected Bank*" means a "bank" for purposes of Section 881 of the Code or an entity affiliated with such a bank that owns, directly or indirectly, more than 33 1/3% of the Aggregate Outstanding Amount of the Subordinated Notes and is neither (x) a United States person nor (y) entitled to the benefits of an income tax treaty with the United States under which withholding taxes on interest payments made by obligors resident in the United States to such bank are reduced to 0%.

9. **Continuing Representation; Reliance**. We acknowledge and agree that the representations contained in this Certificate shall be deemed made on each day from the date we make such

representations through and including the date on which we dispose of our interests in the Subordinated Notes. We understand and agree that the information supplied in this Certificate will be used and relied upon by the Issuer and the Trustee to determine that (i) Benefit Plan Investors own or hold less than 25% of the value of the Subordinated Notes upon any subsequent transfer of the Subordinated Notes in accordance with the Indenture and (ii) no Affected Bank, directly or in conjunction with its affiliates, owns or holds the Subordinated Notes at any time.

10. Further Acknowledgement and Agreement. We acknowledge and agree that (i) all of the assurances contained in this Certificate are for the benefit of the Issuer, the Trustee, JPMorgan and the Collateral Manager as third party beneficiaries hereof, (ii) copies of this Certificate and any information contained herein may be provided to the Issuer, the Trustee, JPMorgan, the Collateral Manager, affiliates of any of the foregoing parties and to each of the foregoing parties' respective counsel for purposes of making the determinations described above and (iii) any acquisition or transfer of the Subordinated Notes by us that is not in accordance with the provisions of this Certificate shall be null and void from the beginning, and of no legal effect.

11. Future Transfer Requirements.

    Transferee Letter and its Delivery. We acknowledge and agree that we may not transfer any Certificated Subordinated Notes to any person unless the Trustee has received a certificate substantially in the form of this Certificate and may not transfer any Subordinated Note to a transferee taking an interest in a Regulation S Global Note that is a Benefit Plan Investor or a Controlling Person. Any attempt to transfer in violation of this section will be null and void from the beginning, and of no legal effect.

Note: Unless you are notified otherwise, the name and address of the Trustee is as follows:

The Bank of New York Mellon Trust Company, National Association, as Trustee
601 Travis Street, 16th floor
Houston, Texas 77002
Facsimile: (713) 483-6001
Attention: Global Corporate Trust – Marathon CLO VII Ltd.

IN WITNESS WHEREOF, the undersigned has duly executed and delivered this Certificate.

_____ [Insert Purchaser's Name]

By:
Name:
Title:
Dated:
This Certificate relates to U.S.$_____ of Subordinated Notes

FORM OF PURCHASER REPRESENTATION LETTER FOR CERTIFICATED SECURED NOTES

[DATE]

The Bank of New York Mellon Trust Company, National Association, as Trustee
601 Travis Street, 16th floor
Houston, Texas 77002
Facsimile: (713) 483-6001
Attention: Global Corporate Trust – Marathon CLO VII Ltd.

Re: Marathon CLO VII Ltd. (the "*Issuer*") and Marathon CLO VII LLC (the "*Co-Issuer*", and together with the Issuer, the "*Co-Issuers*"); Class [A-1] [A-2] [B] [C] [D] Notes

Reference is hereby made to the Indenture, dated as of November 20, 2014, among the Issuer, the Co-Issuer and The Bank of New York Mellon Trust Company, National Association, as Trustee (the "*Indenture*"). **Capitalized terms not defined in this Certificate shall have the meanings ascribed to them in the final Offering Circular of the Issuer or the Indenture.**

This letter relates to U.S.$_____ Aggregate Outstanding Amount of Class [A-1] [A-2] [B] [C] [D] Notes (the "*Notes*"), in the form of one or more Certificated Secured Notes to effect the transfer of the Notes to _____ (the "*Transferee*").

In connection with such request, and in respect of such Notes, the Transferee does hereby certify that the Notes are being transferred (i) in accordance with the transfer restrictions set forth in the Indenture and (ii) pursuant to an exemption from registration under the United States Securities Act of 1933, as amended (the "*Securities Act*") and in accordance with any applicable securities laws of any state of the United States or any other jurisdiction.

In addition, the Transferee hereby represents, warrants and covenants for the benefit of the Co-Issuers and its counsel that it is:

(a) (i) an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act who is also a Qualified Purchaser or (ii) a Qualified Institutional Buyer who is also a Qualified Purchaser; and

(b) acquiring the Secured Notes for its own account (and not for the account of any other Person) in a minimum denomination of U.S.$250,000 and in integral multiples of U.S.$1.00 in excess thereof.

UK/Cayman Islands Intergovernmental Agreement:

1. (a) The Purchaser _____ (is) _____(is not) (***please check one***) resident in the United Kingdom for tax purposes. *

   (b) If the Purchaser is an individual that is resident in the United Kingdom for tax purposes, is the Purchaser a Specified United Kingdom Person?**

   (please check one) Yes____ No____

* For informational purposes only, the Purchaser is treated as resident in the United Kingdom for tax purposes if the Purchaser is (i) resident solely in the United Kingdom (under the domestic laws of the United Kingdom) or (ii) resident both in the United Kingdom and another jurisdiction (under the respective domestic laws of the United Kingdom and such other jurisdiction). An entity, such as a partnership, limited liability partnership or similar arrangement, is treated as resident in the United Kingdom if the control and management of the business of the entity takes place in the United Kingdom.

** For purposes of this item, the term "Specified United Kingdom Person" means a person or entity that is resident in the United Kingdom for tax purposes (including a person who is resident both in the United Kingdom and in any other jurisdiction under the respective domestic laws of the United Kingdom and such other jurisdiction), other than:

(i) a corporation the stock of which is regularly traded on one or more established securities markets;
(ii) any corporation that is a Related Entity of a corporation described in clause (i);
(iii) a Depository Institution;
(iv) a broker or dealer in securities, commodities or derivative financial instruments (including notional principal contracts, futures, forwards and options) that is registered as such under the laws of the United Kingdom;
(v) a United Kingdom Governmental Organisation, being any political subdivision of the UK government or any wholly owned agency or instrumentality of any one or more of the foregoing;
(vi) the United Kingdom Central Bank (the Bank of England and any of its wholly owned subsidiaries);
(vii) a United Kingdom office of an International Organisation (examples of which include the International Monetary Fund, the World Bank, the International Bank for Reconstruction and Development and the European Community);
(viii) a pension scheme or other arrangement registered with HMRC under Part 4 of the Finance Act 2004 or the United Kingdom Pension Protection Fund.

An entity is a Related Entity of another entity if either entity controls the other entity or both entities are under common control. For this purpose, control includes direct or indirect ownership of more than 50% of the vote or value in an entity.

If yes, please provide the following:

Date of Birth: _____

United Kingdom National Insurance Number: _____

(c) If the Purchaser is an entity that is resident in the United Kingdom for tax purposes, is the Purchaser a Specified United Kingdom Person? ***(please check one)*** Yes____ No____

2. (a) If the Purchaser is an entity that is not resident in the United Kingdom for tax purposes, is the Purchaser a Passive Non-Financial Foreign Entity ("Passive NFFE")?***

(please check one) Yes____ No____

(b) If the Purchaser is a Passive NFFE, is any person who is a Controlling Person**** in respect of the Purchaser resident in the United Kingdom for tax purposes?

(please check one) Yes____ No____

(c) If the Purchaser answered "Yes" to item 2(b), please provide the following information with respect to each such United Kingdom tax resident Controlling Person:

(Attach additional pages if necessary.)

Name: _____

Address: _____

Date of Birth: _____

United Kingdom National Insurance Number: _____

*** For purposes of this item, the term "Passive NFFE" means any NFFE that is not an Active NFFE. An NFFE is any Non-United Kingdom resident entity that is not a Financial Institution. A Financial Institution is a Custodial Institution, a Depository Institution, an Investment Entity or a Specified Insurance Company, each as defined for the purposes of the U.S. Foreign Account Tax Compliance Act.

An Active NFFE is any NFFE that meets any of the following criteria:

(i) less than 50% of the NFFE's gross income for the preceding calendar year or other appropriate reporting period is passive income and less than 50% of the assets held by the NFFE during the preceding calendar year or other appropriate reporting period are assets that produce or are held for the production of passive income;

(ii) the stock of the NFFE is regularly traded on an established securities market or the NFFE is a Related Entity of an entity the stock of which is traded on an established securities market;

(iii) the NFFE is a government, a political subdivision of such government or a public body performing a function of such government or a political subdivision thereof, or an entity wholly owned by one or more of the foregoing;

(iv) substantially all of the activities of the NFFE consist of holding (in whole or in part) the outstanding stock of, or providing financing and services to, one or more subsidiaries that engage in trades or businesses other than the business of a Financial Institution, except that an NFFE shall not qualify for this status if the NFFE functions (or holds itself out) as an investment fund, such as a private equity fund, venture capital fund, leveraged buyout fund or any investment vehicle whose purpose is to acquire or fund companies and then hold interests in those companies as capital assets for investment purposes;

(v) the NFFE is not yet operating a business and has no prior operating business, but is investing capital into assets with the intent to operate a business other than that of a Financial Institution; provided, that the NFFE shall not qualify for this exception after the date that is 24 months after the date of the initial organization of the NFFE;

(vi) the NFFE was not a Financial Institution in the past five years, and is in the process of liquidating its assets or is reorganizing with the intent to commence operations in a business other than that of a Financial Institution; or

(vii) the NFFE primarily engages in financing and hedging transactions with or for Related Entities that are not Financial Institutions, and does not provide financing or hedging services to any entity that is not a Related Entity, provided that the group of any such Related Entity is primarily engaged in a business other than that of a Financial Institution.

**** For purposes of this item, the term "Controlling Persons" means the natural persons who exercise control over an entity. In the case of a trust, such term means the settlor, the trustees, the protector (if any), the beneficiaries or class of beneficiaries, and any other natural person exercising ultimate effective control over the trust, and in the case of a legal arrangement other than a trust, such term means persons in equivalent or similar positions. In the case of a company and similar legal persons, such term also means any persons owning 25% or more of the company (or legal person). The term "Controlling Persons" shall be interpreted in a manner consistent with the Recommendations of the Financial Action Task Force.

The Transferee further represents, warrants and agrees as follows:

1. It understands that the Notes 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 the Notes, such Notes may be offered, resold, pledged or otherwise transferred only in accordance with the provisions of the Indenture and the legends on such Notes, including the requirement for written certifications. In particular, it understands that the Notes may be transferred only to a person that is either (a) a "qualified purchaser" (as defined in the Investment Company Act of 1940, as amended (the "*Investment Company Act*")) or a corporation, partnership, limited liability company or other entity (other than a trust), each shareholder, partner, member or other equity owner of which is a "qualified purchaser" that in each case is either (i) a "qualified institutional buyer" as defined in Rule 144A under the Securities Act who purchases such Notes in reliance on the exemption from Securities Act registration provided by Rule 144A thereunder or (ii) solely in the case of Notes that are issued in the form of Certificated Secured Notes, an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act or (b) a person that is not a "U.S. person" as defined in Regulation S under the Securities Act, and is acquiring the Notes in an offshore transaction (as defined in Regulation S thereunder) in reliance on the exemption from registration provided by Regulation S thereunder. It acknowledges that no representation is made as to the availability of any exemption under the Securities Act or any state securities laws for resale of the Notes.

2. In connection with its purchase of the Notes: (i) none of the Co-Issuers, JPMorgan, the Collateral Manager, the Trustee, the Collateral Administrator or any of their respective affiliates is acting as a fiduciary or financial or investment adviser for it; (ii) it is not relying (for purposes of making any investment decision or otherwise) upon any written or oral advice, counsel or representations of the Co-Issuers, JPMorgan, the Collateral Manager, the Trustee, the Collateral Administrator or any of their respective affiliates other than any statements in the final Offering Circular for such Notes; (iii) it has read and understands the final Offering Circular for such Notes (including, without limitation, the descriptions therein of the structure of the transaction in which the Notes are being issued and the risks to purchasers of the Notes); (iv) it has consulted with its own legal, regulatory, tax, business, investment, financial and accounting advisers 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 advisers as it has deemed necessary and not upon any view expressed by the Co-Issuers, JPMorgan, the Collateral Manager, the Trustee, the Collateral Administrator or any of their respective affiliates; (v) it will hold and transfer at least the minimum denomination of such Notes; (vi) it was not formed for the purpose of investing in the Notes; and (vii) it is a sophisticated investor and is purchasing the Notes with a full understanding of all of the terms, conditions and risks thereof, and it is capable of assuming and willing to assume those risks.

3. (i) It is an institutional "accredited investor" as defined in Rule 501(a)(1), (2), (3) or (7) under the Securities Act or a Qualified Institutional Buyer and also (x) a "qualified purchaser" for purposes of Section 3(c)(7) of the Investment Company Act or (y) a corporation, partnership, limited liability company or other entity (other than a trust), each shareholder, partner, member or other equity owner of which is either a "qualified purchaser"; (ii) it is acquiring the Notes as principal solely for its own account for investment and not with a view to the resale, distribution or other disposition thereof in violation of the Securities Act; (iii) it is not a (A) partnership, (B) common trust fund, or (C) special trust, pension, profit sharing or other retirement trust fund or plan in which the partners, beneficiaries or participants may designate the particular investments to be made; (iv) it agrees that it shall not hold any Notes for the benefit of any other person, that it shall at all times be the sole beneficial owner thereof for purposes of the Investment Company Act and all other purposes and that it shall not sell participation interests in the Notes or enter into any other arrangement pursuant to which any other person shall be entitled to a beneficial interest in the distributions on the Notes; (v) it is acquiring its interest in the Notes for its own account; and (vi) it will hold and transfer at least the minimum denomination of the Notes and provide notice of the relevant transfer restrictions to subsequent transferees.

4. [It represents, warrants and agrees that (a) if it is, or is acting on behalf of, a Benefit Plan Investor, as defined in Section 3(42) of the Employee Retirement Income Security Act of 1974, as amended ("*ERISA*"), its acquisition, holding and disposition of such Notes will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Internal Revenue Code of 1986, as amended (the "*Code*"), and (b) if it is a governmental, church, non-U.S. or other

plan, its acquisition, holding and disposition of such Notes do not and will not constitute or give rise to a non-exempt violation of any law or regulation that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code. It further agrees and acknowledges that the Issuer has the right under the Indenture to compel any Non-Permitted ERISA Holder to sell its interest in the Notes or may sell such interest on behalf of such Non-Permitted ERISA Holder.][1]

[It represents, warrants and agrees that (a) it is not, and is not acting on behalf of, a Benefit Plan Investor, as defined in Section 3(42) of the Employee Retirement Income Security Act of 1974, as amended ("*ERISA*"), and (b) if it is a governmental, church, non-U.S. or other plan, (i) it is not subject to any federal, state, local, non-U.S. or other law or regulation that could cause the underlying assets of the Issuer to be treated as assets of the investor in any Note (or interest therein) by virtue of its interest and thereby subject the Issuer and the Collateral Manager (or other persons responsible for the investment and operation of the Issuer's assets) to laws or regulations that are substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code, and (ii) its acquisition, holding and disposition of the Notes do not and will not constitute or give rise to a non-exempt violation of any law or regulation that is substantially similar to the prohibited transaction provisions of Section 406 of ERISA or Section 4975 of the Code. It further agrees and acknowledges that the Issuer has the right under the Indenture to compel any Non-Permitted ERISA Holder to sell its interest in the Notes or may sell such interest on behalf of such Non-Permitted ERISA Holder.][2]

5. It will treat its Notes as debt of the Issuer for United States federal income tax purposes unless otherwise required by any relevant taxing authority.

6. It is _____ (check if applicable) a "United States person" within the meaning of Section 7701(a)(30) of the Code, and a properly completed and signed Internal Revenue Service Form W-9 (or applicable successor form) is attached hereto; or _____ (check if applicable) not a "United States person" within the meaning of Section 7701(a)(30) of the Code, and a properly completed and signed applicable Internal Revenue Service Form W-8 (or applicable successor form) is attached hereto. It understands and acknowledges that failure to provide the Issuer or the Trustee with the applicable tax certifications or the failure to provide or update its Holder FATCA Information or to take any other action reasonably necessary (in the determination of the Issuer, the Collateral Manager, the Trustee or their respective agents) to enable the Issuer or an Intermediary to comply with FATCA may result in withholding or back-up withholding from payments to it in respect of the Notes.

7. It agrees to (i) provide the Issuer or authorized agent acting on its behalf (and any applicable Intermediary) and the Trustee with the Holder FATCA Information and to take any other action reasonably necessary (in the determination of the Issuer, the Collateral Manager, the Trustee or their respective agents) to enable the Issuer or an Intermediary to comply with FATCA and (ii) permit the Issuer, the Collateral Manager, any applicable Intermediary and the Trustee (on behalf of the Issuer), if required to avoid FATCA withholding, to (x) share such information with the IRS, (y) compel or effect the sale of Notes held by any such Holder that fails to comply with the foregoing requirements or if such Holder's ownership would prevent the Issuer from qualifying as, or complying with any obligations or requirements imposed on, a "Participating FFI" within the meaning of the Code or any Treasury Regulations promulgated thereunder or a "deemed-compliant FFI" within the meaning of the Code or any Treasury Regulations promulgated thereunder, or otherwise prevents the Issuer from complying with FATCA and (z) make other amendments to the Indenture to enable the Issuer to comply with FATCA.

8. It agrees not to seek to commence in respect of the Issuer, the Co-Issuer or any ETB Subsidiary, or cause the Issuer, the Co-Issuer or any ETB Subsidiary to commence, a bankruptcy, reorganization, arrangement, insolvency, winding up, moratorium or liquidation proceeding, or other proceedings under Cayman Islands, U.S. federal or state bankruptcy or similar laws, before a year and a day has elapsed since the payment in full to the holders of the Notes issued pursuant to the Indenture or, if longer, the applicable preference period (plus one day) then in effect.

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[1] Insert in the case of Class A-1 Notes, Class A-2 Notes, Class B Notes or Class C Notes

[2] Insert in the case of Class D Notes

9. To the extent required by the Issuer, as determined by the Issuer or the Collateral Manager on behalf of the Issuer, the Issuer may, upon notice to the Trustee, impose additional transfer restrictions on the Notes to comply with the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the "*USA Patriot Act*") and other similar laws or regulations, including, without limitation, requiring each transferee of a Note to make representations to the Issuer in connection with such compliance.

10. It agrees to be subject to the Bankruptcy Subordination Agreement.

11. It is not purchasing the Notes pursuant to an invitation made to the public in the Cayman Islands.

12. It understands and agrees that the Notes are from time to time and at any time limited recourse obligations of the Issuer (and the Co-Issuer, as applicable) payable solely from the proceeds of the Assets available at such time and following realization of the Assets, and all application of the proceeds thereof in accordance with the Indenture, all obligations of and any remaining claims against the Issuer (and the Co-Issuer, as applicable) thereunder or in connection therewith shall be extinguished and shall not thereafter revive.

13. It understands that the Issuer is subject to anti-money laundering legislation in the Cayman Islands. Accordingly, if the Notes are issued in the form of Certificated Notes, the Issuer may, except in relation to certain categories of institutional investors, require a detailed verification of a Transferee's identity and the source of the payment used by such Transferee for purchasing the Notes. The laws of other major financial centres may impose similar obligations upon the Issuer.

14. It understands that the Co-Issuers, the Trustee, the Collateral Manager and JPMorgan will rely upon the accuracy and truth of the foregoing representations, and it hereby consents to such reliance.

[The remainder of this page has been intentionally left blank.]

Name of Purchaser:
Dated:

_____
By:
Name:
Title:

Outstanding principal amount of Class [_____] Notes: U.S.$_____

Taxpayer identification number:

Address for notices:	Wire transfer information for payments:
	Bank:
	Address:
	Bank ABA#:
	Account #:
Telephone:	FAO:
Facsimile:	Attention:

Attention:

Denominations of certificates (if more than one):
Registered name:

cc: Marathon CLO VII Ltd.
c/o Intertrust SPV (Cayman) Limited
190 Elgin Avenue
George Town
Grand Cayman, KY1-9005
Cayman Islands

Marathon CLO VII LLC
c/o Puglisi & Associates
850 Library Avenue, Suite 204
Newark, Delaware 19711

Annex B

MOODY'S RATING DEFINITIONS

"*Moody's Default Probability Rating*" means, with respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(a) With respect to a Collateral Obligation, if the Obligor of such Collateral Obligation has a CFR, then such CFR;

(b) With respect to a Collateral Obligation if not determined pursuant to clause (a) above, if the Obligor of such Collateral Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Assigned Moody's Rating on any such obligation as selected by the Collateral Manager in its sole discretion;

(c) With respect to a Collateral Obligation if not determined pursuant to clause (a) or (b) above, if the Obligor of such Collateral Obligation has one or more senior secured obligations with an Assigned Moody's Rating, then the Moody's rating that is one subcategory lower than the Assigned Moody's Rating on any such senior secured obligation as selected by the Collateral Manager in its sole discretion;

(d) With respect to a Collateral Obligation if not determined pursuant to clause (a), (b) or (c) above, if a rating estimate has been assigned to such Collateral Obligation by Moody's upon the request of the Issuer, the Collateral Manager or an Affiliate of the Collateral Manager, then the Moody's Default Probability Rating is such rating estimate as long as such rating estimate or a renewal for such rating estimate has been issued or provided by Moody's in each case within the 15 month period preceding the date on which the Moody's Default Probability Rating is being determined; provided that if such rating estimate has been issued or provided by Moody's for a period (x) longer than 13 months but not beyond 15 months, the Moody's Default Probability Rating will be one subcategory lower than such rating estimate and (y) beyond 15 months, the Moody's Default Probability Rating will be deemed to be "Caa3;"

(e) If such Collateral Obligation is a DIP Collateral Obligation, the Moody's Derived Rating set forth in clause (a) in the definition thereof;

(f) With respect to a Collateral Obligation if not determined pursuant to any of clauses (a) through (e) above and at the election of the Collateral Manager, the Moody's Derived Rating; and

(g) With respect to a Collateral Obligation if not determined pursuant to any of clauses (a) through (f) above, the Collateral Obligation will be deemed to have a Moody's Default Probability Rating of "Caa3."

For purposes of calculating a Moody's Default Probability Rating, each applicable rating on credit watch by Moody's with positive or negative implication at the time of calculation will be treated as having been upgraded or downgraded by one rating subcategory, as the case may be.

"*Moody's Derived Rating*" means, with respect to a Collateral Obligation whose Moody's Rating or Moody's Default Probability Rating is determined as the Moody's Derived Rating, the rating as determined as set forth below:

(a) With respect to any DIP Collateral Obligation, the Moody's Default Probability Rating of such Collateral Obligation shall be the rating which is one subcategory below the facility rating (whether public or private) of such DIP Collateral Obligation rated by Moody's.

(b) If not determined pursuant to clause (a) above, then by using any one of the methods provided below:

(A) 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

(B) in the event that the Collateral Obligation does not have an S&P rating,

Obligation Category of Rated Obligation	Number of Subcategories Relative to Rated Obligation Rating
Senior secured obligation	-1
Unsecured obligation	0
Subordinated obligation	+1

(C) if such Collateral Obligation is a DIP Collateral Obligation, no Moody's Derived Rating may be determined based on a rating by S&P or any other rating agency;

provided, that the Aggregate Principal Balance of the Collateral Obligations that may have a Moody's Rating derived from an S&P Rating as set forth in sub-clauses (A) or (B) of this clause (b) may not exceed 10% of the Collateral Principal Amount.

(c) If not determined pursuant to clauses (a) or (b) above and such Collateral Obligation is not rated by Moody's or S&P and no other security or obligation of the issuer of such Collateral Obligation is rated by Moody's or S&P, and if Moody's has been requested by the Issuer, the Collateral Manager or the issuer of such Collateral Obligation to assign a rating or rating estimate with respect to such Collateral Obligation but such rating or rating estimate has not been received, pending receipt of such estimate, the Moody's Derived Rating of such Collateral Obligation for purposes of the definitions of Moody's Rating or Moody's Default Probability Rating shall be (i) "B3" if the Collateral Manager certifies to the Trustee and the Collateral Administrator that the Collateral Manager believes that such estimate will be at least "B3" and if the Aggregate Principal Balance of Collateral Obligations determined pursuant to this clause (c)(i) and clause (a) above does not exceed 5% of the Collateral Principal Amount or (ii) otherwise, "Caa1."

For purposes of calculating a Moody's Derived Rating, each applicable rating on credit watch by Moody's with positive or negative implication at the time of calculation will be treated as having been upgraded or downgraded by one rating subcategory, as the case may be.

"*Moody's Rating*" means, 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:

(A) if such Collateral Obligation has an Assigned Moody's Rating, then such Assigned Moody's Rating;

(B) if such Collateral Obligation does not have an Assigned Moody's Rating but the Obligor of such Collateral Obligation has a CFR, then the Moody's rating is one subcategory higher than such CFR;

(C) if neither clause (A) nor (B) above apply, if such Collateral Obligation does not have an Assigned Moody's Rating but the Obligor of such Collateral Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Moody's rating that is two subcategories higher than the Assigned Moody's Rating on any such obligation as selected by the Collateral Manager in its sole discretion;

(D) if none of clauses (A) through (C) above apply, at the election of the Collateral Manager, the Moody's Derived Rating; and

(E) if none of clauses (A) through (D) above apply, the Collateral Obligation will be deemed to have a Moody's Rating of "Caa3"; and.

(b) With respect to a Collateral Obligation other than a Senior Secured Loan:

(A) if such Collateral Obligation has an Assigned Moody's Rating, such Assigned Moody's Rating;

(B) if such Collateral Obligation does not have an Assigned Moody's Rating but the Obligor of such Collateral Obligation has one or more senior unsecured obligations with an Assigned Moody's Rating, then the Assigned Moody's Rating on any such obligation as selected by the Collateral Manager in its sole discretion;

(C) if neither clause (A) nor (B) above apply, if such Collateral Obligation does not have an Assigned Moody's Rating but the Obligor of such Collateral Obligation has a CFR, then the Moody's rating that is one subcategory lower than such CFR;

(D) if none of clauses (A), (B) or (C) above apply, if such Collateral Obligation does not have an Assigned Moody's Rating but the Obligor of such Collateral Obligation has one or more subordinated debt obligations with an Assigned Moody's Rating, then the Moody's rating that is one subcategory higher than the Assigned Moody's Rating on any such obligation as selected by the Collateral Manager in its sole discretion;

(E) if none of clauses (A) through (D) above apply, at the election of the Collateral Manager, the Moody's Derived Rating; and

(F) if none of clauses (A) through (E) above apply, the Collateral Obligation will be deemed to have a Moody's Rating of "Caa3".

For purposes of calculating a Moody's Rating, each applicable rating on credit watch by Moody's with positive or negative implication at the time of calculation will be treated as having been upgraded or downgraded by one rating subcategory, as the case may be.

Annex C

S&P RATING DEFINITION AND RECOVERY RATE TABLES

"*Information*" means S&P's "Credit Estimate Information Requirements" dated April 2011 and any other available information S&P reasonably requests in order to produce a credit estimate for a particular asset.

"*S&P Rating*" means, with respect to any Collateral Obligation, as of any date of determination, the rating determined in accordance with the following methodology:

(i) (a) if there is an issuer credit rating of the issuer of such Collateral Obligation by S&P as published by S&P, or the guarantor which unconditionally and irrevocably guarantees such Collateral Obligation pursuant to a form of guaranty approved by S&P for use in connection with this transaction, then the S&P Rating shall be such rating (regardless of whether there is a published rating by S&P on the Collateral Obligations of such issuer held by the Issuer, *provided* that private ratings (that is, ratings provided at the request of the Obligor) may be used for purposes of this definition) or (b) if there is no issuer credit rating of the issuer by S&P but (1) there is a senior secured rating on any obligation or security of the issuer, then the S&P Rating of such Collateral Obligation shall be one sub-category below such rating; (2) if clause (1) above does not apply, but there is a senior unsecured rating on any obligation or security of the issuer, the S&P Rating of such Collateral Obligation shall equal such rating; and (3) if neither clause (1) nor clause (2) above applies, but there is a subordinated rating on any obligation or security of the issuer, then the S&P Rating of such Collateral Obligation shall be one sub-category above such rating if such rating is higher than "BB+", and shall be two sub-categories above such rating if such rating is "BB+" or lower;

(ii) with respect to any Collateral Obligation that is a DIP Collateral Obligation, the S&P Rating thereof shall be the credit rating assigned to such issue by S&P;

(iii) if there is not a rating by S&P on the issuer or on an obligation of the issuer, then the S&P Rating may be determined pursuant to clauses (a) through (c) below:

(a) if an obligation of the issuer is not a DIP Collateral Obligation and is publicly rated by Moody's, then the S&P Rating will be determined in accordance with the methodologies for establishing the Moody's Rating set forth above except that the S&P Rating of such obligation will be (1) one sub-category below the S&P equivalent of the Moody's Rating if such Moody's Rating is "Baa3" or higher and (2) two sub-categories below the S&P equivalent of the Moody's Rating if such Moody's Rating is "Ba1" or lower;

(b) the S&P Rating may be based on a credit estimate provided by S&P, and in connection therewith, the Issuer, the Collateral Manager on behalf of the Issuer or the issuer of such Collateral Obligation shall, prior to or within 30 days after the acquisition of such Collateral Obligation, apply (and concurrently submit all available Information in respect of such application) to S&P for a credit estimate which shall be its S&P Rating; *provided* that, if such Information is submitted within such 30-day period, then, pending receipt from S&P of such estimate, such Collateral Obligation shall have an S&P Rating as determined by the Collateral Manager in its sole discretion if the Collateral Manager certifies to the Trustee and the Collateral Administrator that it believes that such S&P Rating determined by the Collateral Manager is commercially reasonable and will be at least equal to such rating; *provided, further*, that if such Information is not submitted within such 30-day period, then, pending receipt from S&P of such estimate, the Collateral Obligation shall have (1) the S&P Rating as determined by the Collateral Manager for a period of up to 90 days after the acquisition of such Collateral Obligation and (2) an S&P Rating of "CCC-" following such 90-day period; unless, during such 90-

day period, the Collateral Manager has requested the extension of such period and S&P, in its sole discretion, has granted such request; *provided, further*, that if such 90-day period (or other extended period) elapses pending S&P's decision with respect to such application, the S&P Rating of such the Collateral Obligation shall be "CCC-"; *provided, further*, that if the Collateral Obligation has had a public rating by S&P that S&P has withdrawn or suspended within six months prior to the date of such application for a credit estimate in respect of such Collateral Obligation, the S&P Rating in respect thereof shall be "CCC-" pending receipt from S&P of such estimate, and S&P may elect not to provide such estimate until a period of six months have elapsed after the withdrawal or suspension of the public rating; *provided, further,* that such credit estimate shall expire 12 months after the acquisition of such Collateral Obligation, following which such Collateral Obligation shall have an S&P Rating of "CCC-" unless, during such 12-month period, the Issuer applies for renewal thereof in accordance with the Indenture, in which case such credit estimate shall continue to be the S&P Rating of such Collateral Obligation until S&P has confirmed or revised such credit estimate, upon which such confirmed or revised credit estimate shall be the S&P Rating of such Collateral Obligation; *provided, further,* that such confirmed or revised credit estimate shall expire on the next succeeding 12-month anniversary of the date of the acquisition of such Collateral Obligation and (when renewed annually in accordance with the Indenture) on each 12-month anniversary thereafter; or

(c) with respect to a Collateral Obligation that is not a Defaulted Obligation, the S&P Rating of such Collateral Obligation will at the election of the Issuer (at the direction of the Collateral Manager) be "CCC-"; *provided* that (i) neither the issuer of such Collateral Obligation nor any of its Affiliates are subject to any bankruptcy or reorganization proceedings and (ii) the issuer has not defaulted on any payment obligation in respect of any debt security or other obligation of the issuer at any time within the two year period ending on such date of determination, all such debt securities and other obligations of the issuer that are *pari passu* with or senior to the Collateral Obligation are current and the Collateral Manager reasonably expects them to remain current; or

(iv) with respect to a DIP Collateral Obligation that has no issue rating by S&P or a Current Pay Obligation that is rated "D" or "SD" by S&P, the S&P Rating of such DIP Collateral Obligation or Current Pay Obligation, as applicable, will be, at the election of the Issuer (at the direction of the Collateral Manager), "CCC-" or the S&P Rating determined pursuant to clause (iii)(b) above;

provided that for purposes of the determination of the S&P Rating, (x) if the applicable rating assigned by S&P to an Obligor or its obligations is on "credit watch positive" by S&P, such rating will be treated as being one sub-category above such assigned rating and (y) if the applicable rating assigned by S&P to an Obligor or its obligations is on "credit watch negative" by S&P, such rating will be treated as being one sub-category below such assigned rating.

Section 1.

(a) (i) If a Collateral Obligation has an S&P Recovery Rating, the S&P Recovery Rate for such Collateral Obligation shall be determined as follows:

S&P Assigned Recovery Rating of a Collateral Obligation	S&P Published Range of Recovery Rating of a Collateral Obligation	Initial Liability Rating					
		"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and below
1+	100	75%	85%	88%	90%	92%	95%
1	90-100	65%	75%	80%	85%	90%	95%
2	80-90	60%	70%	75%	81%	86%	90%
2	70-80 or not published	50%	60%	66%	73%	79%	80%
3	60-70	40%	50%	56%	63%	67%	70%
3	50-60 or not published	30%	40%	46%	53%	59%	60%
4	40-50	27%	35%	42%	46%	48%	50%
4	30-40 or not published	20%	26%	33%	39%	40%	40%
5	20-30	15%	20%	24%	26%	28%	30%
5	10-20 or not published	5%	10%	15%	20%	20%	20%
6	0-10	2%	4%	6%	8%	10%	10%
		Recovery rate					

(ii) If (x) a Collateral Obligation does not have an S&P Recovery Rating and such Collateral Obligation is a senior unsecured loan or second lien loan and (y) the issuer of such Collateral Obligation has issued another debt instrument that is outstanding and senior to such Collateral Obligation that is a Senior Secured Loan (a "*Senior Secured Debt Instrument*") that has an S&P Recovery Rating, the S&P Recovery Rate for such Collateral Obligation shall be determined as follows:

For Collateral Obligations Domiciled in Group A

S&P Recovery Rating of the Senior Secured Debt Instrument	Initial Liability Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and below
1+	18%	20%	23%	26%	29%	31%
1	18%	20%	23%	26%	29%	31%
2	18%	20%	23%	26%	29%	31%
3	12%	15%	18%	21%	22%	23%
4	5%	8%	11%	13%	14%	15%
5	2%	4%	6%	8%	9%	10%
6	-%	-%	-%	-%	-%	-%
	Recovery rate					

For Collateral Obligations Domiciled in Group B

S&P Recovery Rating of the Senior Secured Debt Instrument	Initial Liability Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and below
1+	16%	18%	21%	24%	27%	29%
1	16%	18%	21%	24%	27%	29%
2	16%	18%	21%	24%	27%	29%
3	10%	13%	15%	18%	19%	20%
4	5%	5%	5%	5%	5%	5%
5	2%	2%	2%	2%	2%	2%
6	-%	-%	-%	-%	-%	-%
	Recovery rate					

For Collateral Obligations Domiciled in Group C

S&P Recovery Rating of the Senior Secured Debt Instrument	Initial Liability Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and below
1+	13%	16%	18%	21%	23%	25%
1	13%	16%	18%	21%	23%	25%
2	13%	16%	18%	21%	23%	25%
3	8%	11%	13%	15%	16%	17%
4	5%	5%	5%	5%	5%	5%
5	2%	2%	2%	2%	2%	2%
6	-%	-%	-%	-%	-%	-%
	Recovery rate					

(iii) If (x) a Collateral Obligation does not have an S&P Recovery Rating and such Collateral Obligation is a subordinated loan and (y) the issuer of such Collateral Obligation has issued another debt instrument that is outstanding and senior to such Collateral Obligation that is a Senior Secured Debt Instrument that has an S&P Recovery Rating, the S&P Recovery Rate for such Collateral Obligation shall be determined as follows:

For Collateral Obligations Domiciled in Groups A, B and C

S&P Recovery Rating of the Senior Secured Debt Instrument	Initial Liability Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and below
1+	8%	8%	8%	8%	8%	8%
1	8%	8%	8%	8%	8%	8%
2	8%	8%	8%	8%	8%	8%
3	5%	5%	5%	5%	5%	5%
4	2%	2%	2%	2%	2%	2%
5	-%	-%	-%	-%	-%	-%
6	-%	-%	-%	-%	-%	-%
	Recovery rate					

(b) If a recovery rate cannot be determined using clause (a), the recovery rate shall be determined as follows.

Recovery rates for Obligors Domiciled in Group A, B, C or D:

Priority Category	Initial Liability Rating					
	"AAA"	"AA"	"A"	"BBB"	"BB"	"B" and "CCC"
Senior Secured Loans						
Group A	50%	55%	59%	63%	75%	79%
Group B	45%	49%	53%	58%	70%	74%
Group C	39%	42%	46%	49%	60%	63%
Group D	17%	19%	27%	29%	31%	34%
Senior Secured Loans (Cov-Lite Loans)						
Group A	41%	46%	49%	53%	63%	67%
Group B	37%	41%	44%	49%	59%	62%
Group C	32%	35%	39%	41%	50%	53%
Group D	17%	19%	27%	29%	31%	34%
Senior unsecured loans, First-Lien Last-Out Loans and Second Lien Loans						
Group A	18%	20%	23%	26%	29%	31%
Group B	16%	18%	21%	24%	27%	29%
Group C	13%	16%	18%	21%	23%	25%
Group D	10%	12%	14%	16%	18%	20%
Subordinated loans						
Group A	8%	8%	8%	8%	8%	8%
Group B	10%	10%	10%	10%	10%	10%
Group C	9%	9%	9%	9%	9%	9%
Group D	5%	5%	5%	5%	5%	5%
			Recovery rate			

Group A: Australia, Denmark, Finland, Hong Kong, The Netherlands, New Zealand, Norway, Singapore, Sweden, U.K.

Group B: Austria, Belgium, Canada, Germany, Israel, Japan, Luxembourg, South Africa, Switzerland, U.S.

Group C: Brazil, France, Mexico, South Korea, Taiwan, Turkey, United Arab Emirates.

Group D: Kazakhstan, Russia, Ukraine, others

Notwithstanding the foregoing, for purposes of determining the S&P Recovery Rate of a Collateral Obligation that is (i) a Senior Secured Loan under the proviso to clause (d) of the definition of the term "Senior Secured Loan", such Collateral Obligation shall be deemed to be a senior unsecured loan and (ii) a Senior Secured Loan that is also a First-Lien Last-Out Loan shall be deemed to be a First-Lien Last-Out Loan. Second Lien Loans and First-Lien Last-Out Loans collectively with an aggregate principal balance in excess of 15% of the Collateral Principal Amount shall use the "Subordinated loans" Priority Category for the purpose of determining their S&P Recovery Rate.

Section 2. S&P CDO Monitor

Liability Rating	"AAA"	"AA"	"A"	"BBB"	"BB"
Weighted Average S&P Recovery Rate	35.75%	44.05%	49.65%	56.05%	62.30%
	36.00%	45.05%	50.65%	57.05%	63.30%
	36.25%	46.05%	51.65%	58.05%	64.30%
	36.50%	47.05%	52.65%	59.05%	65.30%
	36.75%	48.05%	53.65%	60.05%	66.30%
	37.00%	49.05%	54.65%	61.05%	67.30%
	37.25%	44.30%	49.90%	56.30%	62.55%
	37.50%	45.30%	50.90%	57.30%	63.55%
	37.75%	46.30%	51.90%	58.30%	64.55%
	38.00%	47.30%	52.90%	59.30%	65.55%
	38.25%	48.30%	53.90%	60.30%	66.55%
	38.50%	49.30%	54.90%	61.30%	67.55%
	38.75%	44.55%	50.15%	56.55%	62.80%
	39.00%	45.55%	51.15%	57.55%	63.80%
	39.25%	46.55%	52.15%	58.55%	64.80%
	39.50%	47.55%	53.15%	59.55%	65.80%
	39.75%	48.55%	54.15%	60.55%	66.80%
	40.00%	49.55%	55.15%	61.55%	67.80%
	40.25%	44.80%	50.40%	56.80%	63.05%
	40.50%	45.80%	51.40%	57.80%	64.05%
	40.75%	46.80%	52.40%	58.80%	65.05%
	41.00%	47.80%	53.40%	59.80%	66.05%
	41.25%	48.80%	54.40%	60.80%	67.05%
	41.50%	49.80%	55.40%	61.80%	68.05%
	41.75%	50.05%	55.65%	62.05%	68.30%
	42.00%	50.30%	55.90%	62.30%	68.55%
	42.25%	50.55%	56.15%	62.55%	68.80%
	42.50%	50.80%	56.40%	62.80%	69.05%
	42.75%	51.05%	56.65%	63.05%	69.30%
	43.00%	51.30%	56.90%	63.30%	69.55%
	43.25%	51.55%	57.15%	63.55%	69.80%
	43.50%	51.80%	57.40%	63.80%	70.05%
	43.75%	52.05%	57.65%	64.05%	70.30%
	44.00%	52.30%	57.90%	64.30%	70.55%
	44.25%	52.55%	58.15%	64.55%	70.80%
	44.50%	52.80%	58.40%	64.80%	71.05%
	44.75%	53.05%	58.65%	65.05%	71.30%
	45.00%	53.30%	58.90%	65.30%	71.55%
	45.25%	53.55%	59.15%	65.55%	71.80%
Weighted Average	45.50%	53.80%	59.40%	65.80%	72.05%
	45.75%	54.05%	59.65%	66.05%	72.30%

Liability Rating	"AAA"	"AA"	"A"	"BBB"	"BB"
S&P Recovery Rate	46.00%	54.30%	59.90%	66.30%	72.55%
	46.25%	54.55%	60.15%	66.55%	72.80%
	46.50%	54.80%	60.40%	66.80%	73.05%
	46.75%	55.05%	60.65%	67.05%	73.30%
	47.00%	55.30%	60.90%	67.30%	73.55%
	47.25%	55.55%	61.15%	67.55%	73.80%
	47.50%	55.80%	61.40%	67.80%	74.05%
	47.75%	56.05%	61.65%	68.05%	74.30%
	48.00%	56.30%	61.90%	68.30%	74.55%
	48.25%	56.55%	62.15%	68.55%	74.80%
	48.50%	56.80%	62.40%	68.80%	75.05%
	48.75%	57.05%	62.65%	69.05%	75.30%
	49.00%	57.30%	62.90%	69.30%	75.55%
	49.25%	57.55%	63.15%	69.55%	75.80%

Notwithstanding the foregoing, for purposes of determining the Minimum Weighted Average S&P Recovery Rate Test of any Collateral Obligation using the foregoing table, the Collateral Manager may select recovery rates for tranches with different initial liability ratings independently from one another.

Weighted Average Floating Spread
2.50%
2.60%
2.70%
2.80%
2.90%
3.00%
3.10%
3.20%
3.30%
3.40%
3.50%
3.60%
3.70%
3.80%
3.90%
4.00%
4.10%
4.20%
4.30%
4.40%
4.50%
4.60%
4.70%
4.80%
4.90%
5.00%
5.10%
5.20%
5.30%
5.40%

Weighted Average Floating Spread
5.50%

S&P Maximum Weighted Average Life Matrix

Case	S&P Maximum Weighted Average Life
1	2.0
2	2.5
3	3.0
4	3.5
5	4.0

Unless the Collateral Manager otherwise notifies S&P in writing on or prior to the Effective Date, as of the Effective Date the Collateral Manager will elect the following Weighted Average S&P Recovery Rates:

Liability Rating	"AAA"	"AA"	"A"	"BBB"	"BB"
Weighted Average S&P Recovery Rate	41.65%	51.00%	56.60%	62.85%	68.40%

Unless the Collateral Manager otherwise notifies S&P in writing on or prior to the Effective Date, as of the Effective Date the Collateral Manager will elect the following Weighted Average Floating Spread:

Weighted Average S&P Floating Spread	3.95%

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